Congressional Record

United States of America

PROCEEDINGS AND DEBATES OF THE 86th CONGRESS, FIRST SESSION

SENATE

MONDAY, AUGUST 3, 1959

Rev. Richard E. Nowers, assistant minister, Foundry Methodist Church, Washington, D.C., offered the following prayer:

Lord of all being, we realize that to err is human and to forgive is divine. Refresh our lives during these crucial days, so that we may be a little less human and a little more divine. We realize that those in this Chamber face a maze of difficult tasks and decisions. Guide them, we pray, to see purpose and meaning in their lives, as they strive to build upon God-given foundations of our Nation. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, July 30, 1959, was dispensed with.

MESSAGES FROM THE HOUSE RECEIVED DURING ADJOURNMENT

Under authority of the order of the Senate of July 30, 1959, the following messages from the House of Representatives were received during the adjournment:

On July 31, 1959:

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

H.R. 8159. An act to amend the national banking laws to clarify or eliminate ambiguities, to repeal certain laws which have become obsolete, and for other purposes;

H.R. 8160. An act to amend the lending and borrowing limitations applicable to national banks, to authorize the appointment of an additional Deputy Comptroller of the Currency, and for other purposes; and

H.R. 8305. An act to amend the Federal Credit Union Act.

ENROLLED BILLS SIGNED

On August 1, 1959:

That the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H.R. 5674. An act to authorize certain construction at military installations, and for other purposes; and

H.R. 6769. An act making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1960, and for other purposes.

HOUSE BILLS REFERRED

The following bills were read twice by their titles and referred to the Committee on Banking and Currency on August 3, 1959:

H.R. 8159. An act to amend the national banking laws to clarify or eliminate ambiguities, to repeal certain laws which have become obsolete, and for other purposes;

H.R. 8160. An act to amend the lending and borrowing limitations applicable to national banks, to authorize the appointment of an additional Deputy Comptroller of the Currency, and for other purposes; and

H.R. 8305. An act to amend the Federal Credit Union Act.

REPORTS OF COMMITTEES SUBMITTED DURING ADJOURNMENT

Under authority of the order of the Senate of July 30, 1959, the following reports of committees were submitted during adjournment:

On July 31, 1959:

By Mr. HAYDEN, from the Committee on Appropriations, with amendments:

H.R. 7978. An act making supplemental appropriations for the fiscal year ending June 30, 1960, and for other purposes (Rept. No. 597); and

H.R. 8283. An act making appropriations for the Atomic Energy Commission for the fiscal year ending June 30, 1960, and for other purposes (Rept. No. 598).

By Mr. KENNEDY, from the Committee on Foreign Relations, without amendment:

S. 1697. A bill to amend the Mutual Defense Assistance Control Act of 1951 (Rept. No. 599).

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts and joint resolution:

On July 30, 1959:

S. 1877. An act to amend the act of May 26, 1949, as amended, to strengthen and improve the organization of the Department of State, and for other purposes.

On July 31, 1959:

S. 56. An act to amend the act of August 5, 1954 (68 Stat. 674), and for other purposes;

S. 114. An act to provide for equal treatment of all State-owned hydroelectric power projects with respect to the taking over of such projects by the United States;

S. 175. An act to provide transportation on Canadian vessels between ports in southeastern Alaska, and between Hyder, Alaska, and other points in southeastern Alaska, and between Hyder, Alaska, and other points in the United States outside Alaska, either directly or via a foreign port, or for any part of the transportation;

S. 210. An act for the relief of Pantaleon Ibarra, also known as Elmo Gomes Arcibal;

S. 1234. An act to extend the provisions of title XII of the Merchant Marine Act, of 1936, relating to war risk insurance, for an additional 5 years, ending September 7, 1965;

S. 1434. An act to amend title XI of the Merchant Marine Act, 1936, as amended, with respect to insurance of ship mortgages, and for other purposes;

S. 1976. An act to make payments to Indians for destruction of fishing rights of Celilo Falls exempt from income tax;

S. 2148. An act to amend title XI of the Merchant Marine Act, 1936, as amended, to provide for the deposit of funds in escrow with the Secretary of Commerce, to provide for the payment of insurance, in part, on the basis of such deposits, and for other purposes; and

S.J. Res. 124. Joint resolution to extend the voluntary home mortgage credit program.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting several nominations and withdrawing the nomination of John G. Tucker, to be U.S. district judge for Eastern District of Texas, which nominating message was referred to the Committee on the Judiciary.

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

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Foreign Relations Committee was authorized to meet during the session of the Senate today.

LIMITATION OF DEBATE DURING MORNING HOUR

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

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

CALL OF THE CALENDAR DISPENSED WITH

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

call of the calendar, under the rule, be dispensed with.

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

ANNOUNCEMENT OF VISIT TO THE UNITED STATES BY NIKITA KHRUSHCHEV

Mr. JOHNSON of Texas. Mr. President, the President of the United States, as the chief spokesman for our Nation, will receive Nikita Khrushchev in September. I believe that this is a type of exchange which could do much for the whole world.

I have always believed in the open curtain through which people can pass freely and exchange ideas. I believe it should be encouraged at every level so that we can know the truth about each other.

We have had a number of exchanges at the very highest levels. We have not had so many by ordinary citizens.

The Soviet Premier will have an opportunity to see for himself what kind of people we are and what our true intentions are. After that, the course he may follow will be up to him, but at least he will be able to follow it with his eyes completely open.

I hope that this visit will be the forerunner of many more to come by people in all walks of life. I have long advocated the open curtain. I hope that this will be the wedge which will pry it open even further.

Mr. BUSH. Mr. President, President Eisenhower's announcement that Nikita Khrushchev will visit the United States next month and that the President will go to the Soviet Union later this year is of historic significance.

I hope that this exchange of visits by the two heads of state will bring a significant relaxation of tensions between the East and West, and thus hasten the day when the world may enjoy the blessings of a just, honorable, and enduring peace.

Khrushchev, in my judgment, has dangerously miscalculated the military strength of the United States and her allies in the free world, and has badly underestimated the determination of the American people to back the President in resistance to further Communist aggression. Vice President NIXON's blunt and frank talks with him while in Moscow may have caused him to revise some of his preconceptions. Mr. Khrushchev's planned visit here next month should further open his eyes.

Mr. MANSFIELD. Mr. President, I desire to associate myself with the remarks made by the distinguished majority leader, the senior Senator from Texas [Mr. JOHNSON], and those made by the acting minority leader, the senior Senator from Connecticut [Mr. BUSH], in regard to the President's announcement, this morning, that Mr. Khrushchev is to be invited to visit the United States in September, and the President's additional announcement that he, himself, contemplates a visit to the Soviet Union later in the fall.

Exchanges of this kind are not merely acts of social amiability, however much they may seem so. They are, in fact, acts intimately related to the conduct of foreign policy.

I have no doubt that there are good and sufficient reasons which have prompted the President to make this decision on an exchange of visits of heads of states. It was not, I am sure, an easy decision to make. Apart from the implications for policy which are inherent in the exchange, there are also problems of adequate security for the person of the Soviet Premier.

Some Members of this body may differ with the President's judgment. They have every right to differ and to express their differences, if they are so inclined. Neverthless, the power to decide to act in these matters—as has been pointed out on many occasions—resides with the President.

Now that the decision has been made by the President, it seems to me essential in this matter, as in others of high significance to the peace and well-being of the Nation, that there be no petty, partisan quibbling. I know that the majority leader can speak for most, if not all, Democratic Members of the Senate on that point. For myself, I shall certainly accept the leadership of the President and shall give his decision my full support.

Mr. President, in connection with the invitation, I recently ran across a copy of the speech delivered by the distinguished majority leader to the United Jewish Appeal, in New York City, on June 8, 1957. There is a good deal of similarity between certain parts of that speech and the speech recently made by Vice President NIXON to the peoples of the Soviet Union.

I quote in part the majority leader's speech of June 8, 1957:

> Only 4 years ago the brutal Stalin died. Only a year ago the world learned that the new Russian leader, Khrushchev, had found it necessary to expose the depths of Stalin's evil. And only 6 days ago Khrushchev took advantage of America's facilities to come into our homes and state the Communist case.
>
> I am glad that he did so. I have complete trust and faith in our people.
>
> They will not be contaminated by open Communist propaganda.
>
> We should welcome this example of direct argument.

I quote further from the same speech:

> I favor granting Khrushchev or Bulganin or Molotov or any Soviet leader television time in America every week of the year. I demand in return only that they grant us equal opportunities for reaching the Russian people.
>
> Let the Russians say what they wish. Let our people hear it to the bitter end. I have faith in them. I do not believe that there will be any Communist converts.

Mr. President, I ask the Senate to compare that great speech by the majority leader, in 1957, with the magnificent address delivered by Vice President NIXON to the peoples of the Soviet Union on last Saturday. Together, they represent the feelings and the hopes of the American people, regardless of political party.

I ask unanimous consent that the address entitled "The Open Curtain," delivered by the senior Senator from Texas in New York City on June 9, 1957, be printed at this point in the RECORD, in connection with my remarks.

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

THE OPEN CURTAIN

(Address by Senate Majority Leader LYNDON B. JOHNSON before the annual conference of the United Jewish Appeal, New York, N.Y., June 8, 1957)

Mr. Chairman, distinguished guests, I am here tonight with a basic premise in my mind.

It is that you—the members of the United Jewish Appeal—are men and women who have dedicated your lives to helping your fellow man.

I do not assume this lightly—merely from the desire of a speaker to flatter his audience. It rests upon your enviable record.

I raise the point only as a predicate to the remarks which I plan to make tonight. This is the place and you are the people to whom I wish to define a new proposal.

THE WORLD WE LIVE IN

Never before in history have people been so badly in need of help. And the only kind of help that will serve today is the kind that the people supply for themselves.

There is no need to recite once more the realities of the modern world. We are all only too familiar with them—the cold war, the armaments race, atomic fallout, international misunderstanding.

Most of these factors have appeared before in history. There have been cold wars. International misunderstanding has been a normal state of affairs for centuries. There is nothing new about an armaments race.

But for the first time, we now face the prospect of destroying ourselves—not as the result of an armaments race but merely by indulging in the race.

THE ATOMIC RAIN

For several weeks our newspapers have carried daily headlines about the effects of atomic fallout. The scientists disagree as to the amount of damage that is being done to humanity by our nuclear test explosions.

But even the most conservative state flatly that there is some risk.

I am no nuclear physicist. I do not pretend to have the scientific knowledge that would entitle me to pass judgment on genetics or the effects of strontium 90.

But I do know that the experts are talking about my children and your children. And it gives me no comfort to be told that some scientists think the risk to them is slight.

NO MONOPOLY

It is even less comforting to assess the probable future of the armaments race even assuming that our children escape the fallout danger—whether slight or tremendous. If it continues, the future is bleak.

The intercontinental ballistics missile with a hydrogen warhead is just over the horizon. It is no longer just the disorderly dream of some science fiction writer.

We must assume that our country will have no monopoly on this weapon. The Soviets have not matched our achievements in democracy and prosperity; but they have kept pace with us in building the tools of destruction.

With such weapons in a divided world, there will be little choice. We will return to the caves of our remote ancestors and burrow underground like the prairie dogs of West Texas.

REASONABLE ALTERNATIVES

There are reasonable alternatives to this unreasonable prospect. They are alternatives which are available to mankind—providing that mankind will adopt them.

Our present situation could have been avoided. Twelve years ago—when we had a monopoly on the atomic bomb—the United States offered to share the secrets of the atom with the entire world.

We asked in return only reasonable guarantees that the atom would never again be used in warfare. This offer had no parallel in history—and it would have converted the atom from an implement of death to an implement of life.

Two years later this plan was approved by the General Assembly of the United Nations. It was blocked only by the Soviet Union and its satellites.

There is no point in reliving the past. I am not going to waste your time and my time in proving that the Soviets were wrong. Free people who have had access to the truth are already aware of the facts.

We live in the present. We no longer have a monopoly on atomic power. But there is a sound reason for recalling the events of 1946 and 1948. One aspect of those events may point the way to the future.

The Russian people have never had an opportunity to weigh the free world's proposal for the control of atomic energy. They were never informed about it openly and frankly. They never knew that Stalin provoked an arms race that, if continued, must end in the total elimination of mankind.

Today humanity is a great deal closer to self-destruction than it was 10 years ago.

THE THREATS AND THE HOPE

And yet, because we are close to the threat, we may also be closer to hope. I do not foresee any quick utopian solutions. A happy ending to the atomic-hydrogen menace will not be easily found.

But I am convinced, to borrow Churchill's phrase, that if we cannot see the beginning of the end, we can at least see the end of the beginning.

There are pathways of peace and progress open to all humanity. The statesmen of the world have one overriding duty—to help light those paths.

Where lie the signs of hope? They lie in the realm of reason.

THE CHALLENGE

The challenge is truly immediate. It involves actions that can and must be taken this year, now—during the remaining 206 days of 1957.

Our basic need goes by the technical name "disarmament." That long, rather dull-sounding word represents a host of complicated problems. The answer—even a beginning to the answer—represents the hope of all mankind.

We must initiate action on five objectives, each contributing to our crusade for disarmament.

1. Controlled reduction of military forces by all countries.

2. A start on a mutual open skies foolproof inspection system.

3. A frank and open search for a method of suspending tests of the bigger nuclear weapons, under air-tight conditions which give full protection against violations.

4. A reduction of everyone's stockpile of nuclear weapons and means for delivery under copper-riveted methods of mutual inspection.

5. And this is the key to ultimate hope: A worldwide agreement—backed by absolute safeguards—that no nation will make any new fissionable materials for weapon purposes—neither the three present nuclear powers nor those who may soon have the capacity.

LET THE PEOPLE JUDGE

How do we launch this program? We do so in the only way possible—in the only way that accords with American traditions.

We must create a new world policy. Not just of open skies—but of open eyes, ears, and minds, for all peoples of the world.

I call for the open curtain. Let truth flow through it freely. Let ideas cleanse evil just as fresh air cleanses the poisoned, stagnant mass of a long-closed tavern.

Mankind's only hope lies with men themselves. Let us insist that the case be submitted to the people of the world.

A few years ago this would have been utterly impractical. But great events have recently stirred the world. We must seize the hopes they suggest. We must not be blinded to those hopes by rigid reflections of the past.

Only 4 years ago the brutal Stalin died. Only a year ago the world learned that the new Russian leader, Khrushchev, had found it necessary to expose the depths of Stalin's evil. And only 6 days ago Khrushchev took advantage of America's facilities to come into our homes and state the communist case.

I am glad that he did so. I have complete trust and faith in our people.

They will not be contaminated by open Communist propaganda.

We should welcome this example of direct argument.

But we must—I think—go much farther than this. Let us take Khrushchev's technique and turn it back upon him. Let us use the program as the means to open the iron curtain.

As he has used our TV screens for his appeals, let us demand to use his screens for our appeal—the appeal of truth undefensive and undismayed.

We should ask Khrushchev to provide us with Soviet-wide uncensored radio and TV facilities. We should call on him to allow spokesmen of our own choosing to come into Russian homes and state our case—the American case—to the Russian people.

RETURN TO FUNDAMENTALS

Let us get back to fundamentals. Let us return to the principles which made America strong and great and free.

The most important of these principles is that truth can be found in the free marketplace of ideas.

It is no secret to any of you that I am a Democrat. My political faith can be traced to many sources. One of them, and the most important of them, was Thomas Jefferson, who said:

"I know of no safe depository of the ultimate power of society but the people themselves; and if we think them not enlightened enough to exercise their control with a wholesome discretion, the remedy is not to take it from them, but to inform their discretion by education."

This is an elegant and graceful way of putting a basic truth that I learned in Johnson City, Tex. Stated more simply, it means: Never underestimate the intelligence of the people.

Sometimes they are misinformed. Sometimes the truth is withheld from them. But when they have the facts, their judgment will be good and fair and honorable.

FAITH IN THE PEOPLE

I have a deep and abiding faith in the judgment of the people who ride the range in the Texas hill country. They may not have the ease of expression and the grace of manner of those who were reared in more settled parts of our land.

But no demagog is going to lead the lean, spare Texan who runs the cattle on my ranch into the paths of bigotry. And Nikita Khrushchev is not going to convert him into a Communist.

He's just plain got too much sense. And I don't think that he is unsual. I believe that most Americans are like that.

They may speak with a different accent. They may plow corn land in Iowa or sew clothes in New York City. They may work on the docks in Seattle or run a department store in Kansas City.

They may be northern Yankees or southern rebels. They may be Catholics, Protestants, or Jews. It makes no difference because they are all Americans.

I am not afraid to have them listen to Nikita Khrushchev or Karl Marx or Nicolai Lenin himself. They have the intelligence and the independence to make up their own minds.

I know there are some who are fearful of the effects of Communist propaganda upon our people. I am a Jeffersonian. I do not share those fears.

WELCOME COMPETITION

I favor granting Khrushchev or Bulganin or Molotov or any Soviet leader television time in America every week of the year. I demand in return only that they grant us equal opportunities for reaching the Russian people.

Let the Russians say what they wish. Let our people hear it to the bitter end. I have faith in them. I do not believe that there will be any Communist converts.

Khrushchev, in his broadcast, called for competition between Socialist and Capitalist states. There is one form of competition—the clash of ideas—that Americans would welcome with delight.

I am not talking of a propaganda offensive or waging peace. Those are the terms of advertising and this country is not interested in making a mercantile item of peace.

I am not talking of merely one reply to Khrushchev by the President or some other official.

I am calling for an open curtain for full discussion of the immediate, urgent problems facing our people. We should insist on the right to state our case on disarmament in detail to the Soviet people. We should have weekly appearances during this year on Soviet radio and television, and we should offer similar facilities here.

THE TRUTH SHALL MAKE YOU FREE

Can Khrushchev find any reasonable objection to this procedure? Can he advance one logical reason why his people should not hear our proposals advanced from our lips as our people heard his proposals advanced from his lips?

Khrushchev said last Sunday: "We have to live on one planet." Let him show that he is willing to make this possible.

I am a man who trusts people when they have the facts. I believe in the Biblical injunction: "You shall know the truth and the truth shall make you free." The Russian people are capable of recognizing the truth when it is offered to them.

We should not let a single day pass without raising this issue. We should call it up in the United Nations; we should make it a basic proposal in all disarmament talks; we should insist upon it every time a Russian representative is within earshot.

Why not allow Soviet labor leaders to talk to our people in return for our labor leaders talking to theirs? Why not allow Soviet industrial managers to talk to our people in return for our industrialists talking to theirs?

Is there any good reason why American and Soviet farmers should not exchange views—in the plain sight of the whole world? Is there any reason why our scholars and our professional men should be barred

from mutual exchanges with their Soviet counterparts?

Let the people know.

Let truth shine through the open curtain.

And when the people know, they will insist that the arms race, the nuclear explosions, the intercontinental missiles all be banished. They will insist upon systems that safeguard us against world suicide.

THE PATH OF PEACE

Once again we will place our feet on the path of constructive activity. We will look forward with joy rather than with dread to our children's future.

We live in a world where over two-thirds of the people are ill-housed, ill-clad, ill-nourished. When the madness of the nuclear arms race is halted, mankind's creative efforts can be turned to their relief. We shall survive this century only if we find how to substitute human dignity for human degradation.

The people in this room tonight are dedicated to the cause of helping—rather than destroying—humanity. You have worked through the years to bring a measure of security and a measure of decency to your fellow humans.

SANCTUARY

You have been associated with many humanitarian causes—and one of them is creating a sanctuary for the oppressed. That sanctuary, Israel, stands today—permanent and enduring—in the midst of what was once desert.

Creating that sanctuary meant that rivers had to be dammed; fields had to be tilled; houses had to be built; the resources of nature had to be tapped.

These are the tasks to which all of humanity should be dedicated.

We have had enough of oppression and wars; of trouble and turmoil; of the frustration of every normal human impulse. We have seen noble impulses thwarted and turned to ignoble ends. We have watched the fruits of genius warped and turned into the paths of destruction.

This is not the work of the people of the world. It is the work of the small groups of selfish and twisted men who withhold from their fellow human beings the indispensable tool of freedom—the truth.

As you go about your humanitarian work, I want to leave you with one thought tonight.

You are people who seek to build; not to tear down. And when doors are opened so the people of the world can find the truth for themselves, we can all turn to building—building a better life for ourselves and our children.

The people can be trusted. It is time the case be turned over to them.

Mr. BUSH. Mr. President, will the Senator from Montana yield to me?

Mr. MANSFIELD. I am delighted to yield.

Mr. BUSH. Mr. President, I wish to compliment both the majority leader and the Senator from Montana [Mr. MANSFIELD] upon their splendid statements, today, in connection with the prospective exchange of visits between the President of the United States and Mr. Khrushchev.

I thought both statements were statesmanlike and in keeping with the highest traditions of the Senate and the highest traditions of leadership in the Senate.

Mr. MANSFIELD. I thank the Senator from Connecticut.

Mr. JOHNSON of Texas. Mr. President, I should like to express my gratitude to both the Senator from Connecticut and the Senator from Montana.

EXECUTIVE COMMUNICATIONS, ETC.

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

REPORT ON COOPERATION WITH MEXICO IN CONTROL AND ERADICATION OF FOOT-AND-MOUTH DISEASE

A letter from the Assistant Secretary of Agriculture, reporting, pursuant to law, that there have been no significant developments during the past 6 months relating to the cooperative program of the United States and Mexico for the control and eradication of foot-and-mouth disease; to the Committee on Agriculture and Forestry.

REPORT ON OVEROBLIGATION OF AN APPROPRIATION

A letter from the Director, U.S. Information Agency, Washington, D.C., reporting, pursuant to law, on the overobligation "Salaries and Expenses, U.S. Information Agency" (with an accompanying paper); to the Committee on Appropriations.

UNIFORMITY IN CERTAIN CONDITIONS OF ENTITLEMENT TO REENLISTMENT BONUSES

A letter from the Deputy Secretary of Defense, transmitting a draft of proposed legislation to provide uniformity in certain conditions of entitlement to reenlistment bonuses under the Career Compensation Act of 1949, and for other purposes (with an accompanying paper); to the Committee on Armed Services.

UNIFORM COMPUTATION OF RETIRED PAY FOR CERTAIN MEMBERS OF ARMED FORCES

A letter from the Deputy Secretary of Defense, transmitting a draft of proposed legislation to provide uniform computation of retired pay for enlisted members retired prior to June 1, 1958, under section 4 of the Armed Forces Voluntary Recruitment Act of 1945, as amended by section 6(a) of the act of August 10, 1946 (60 Stat. 995) (with an accompanying paper); to the Committee on Armed Services.

REPORT OF NATIONAL ADVISORY COUNCIL ON INTERNATIONAL MONETARY AND FINANCIAL PROBLEMS

A letter from the Chairman, National Advisory Council on International Monetary and Financial Problems, transmitting, pursuant to law, a report of that Council covering the period July 1 to December 31, 1958 (with an accompanying report); to the Committee on Foreign Relations.

AUDIT REPORT ON ALASKA INTERNATIONAL RAIL AND HIGHWAY COMMISSION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Alaska International Rail and Highway Commission for the period July 30, 1957, to June 30, 1959 (with an accompanying report); to the Committee on Government Operations.

REPORT ON REVIEW OF BOSTON HOUSING AUTHORITY, BOSTON, MASS.

A letter from the Comptroller General of the United States transmitting, pursuant to law, a report on review of the Boston Housing Authority, Boston, Mass., Public Housing Administration, Housing and Home Finance Agency, dated July 1959 (with an accompanying report); to the Committee on Government Operations.

REPORT ON REVIEW OF NORFOLK REDEVELOPMENT AND HOUSING AUTHORITY, NORFOLK, VA.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on review of the Norfolk Redevelopment and Housing Authority, Norfolk, Va., Public Housing Administration, Housing and Home Finance Agency (with an accompanying report); to the Committee on Government Operations.

REPORT ON FOLLOW-UP REVIEW OF ECONOMIC AND TECHNICAL ASSISTANCE PROGRAM FOR LAOS

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the follow-up review of the economic and technical assistance program for Laos, International Cooperation Administration, Department of State, December 1958 (with an accompanying report); to the Committee on Government Operations.

REPORT ON RECEIPT OF APPLICATION FOR LOAN UNDER SMALL RECLAMATION PROJECTS ACT OF 1956

A letter from the Acting Secretary of the Interior, reporting, pursuant to law, that the Haights Creek Irrigation Co., of Kaysville, Utah, had applied for a loan of $214,000 under the Small Reclamation Projects Act of 1956 (with accompanying papers); to the Committee on Interior and Insular Affairs.

PROPOSED CONCESSION CONTRACT, YOSEMITE NATIONAL PARK, CALIF.

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a proposed concession contract in Yosemite National Park, Calif. (with accompanying papers); to the Committee on Interior and Insular Affairs.

PETITIONS AND MEMORIALS

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

By the PRESIDENT pro tempore:

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

"HOUSE JOINT RESOLUTION 62

"Whereas as a part of the Federal legislation in behalf of veterans of the U.S. Armed Forces there exists provision for insurance, familiarly known as GI insurance; and

"Whereas the veterans eligible for such GI insurance are authorized under Federal law to convert such insurance from less expensive term insurance to more expensive types such as whole life; and

"Whereas many veterans availed themselves of this right to convert their GI insurance to more expensive types and as a result are now hard pressed to meet the more expensive premiums; and

"Whereas it is in the interests of all veterans and the public at large that such GI insurance protection benefits for the families of veterans be continued in force and that unless many veterans are allowed to reconvert their GI insurance to less expensive term type many policies will be canceled because of the increased economic hardship involved in meeting such larger premiums: Therefore be it

"Resolved by the House of Representatives of the 71st General Assembly of the State of Illinois (the Senate concurring herein), That the Congress of the United States be respectfully urged to enact immediately the necessary amendments to the law relating to GI insurance so that veterans with GI insurance may either convert their term type insurance to other more expensive types such as whole life, or, after such conversion has been made, may reconvert such whole life and other more expensive types back into term insurance; and be it further

"Resolved, That suitable copies of this resolution be sent by the Secretary of State to the President of the Senate of the United States, the Speaker of the House of Representatives of the United States and each Member of

the U.S. Senate and House of Representatives elected from Illinois.

"Adopted by the house, June 24, 1959.

"PAUL POWELL,
"Speaker, House of Representatives.
"CLARENCE BOYLE,
"Clerk, House of Representatives.

"Concurred in by the senate, June 24, 1959.

"JOHN WM. CHAPMAN,
"President of the Senate.
"EDWARD E. FERNANDES,
"Secretary of the Senate."

Three resolutions of the Legislature of the Territory of Guam; to the Committee on Interior and Insular Affairs:

"RESOLUTION 130

"Resolution relative to expressing the heartfelt appreciation of the people of this Territory to the Honorable HENRY M. JACKSON, Senator from Washington and member of the Senate Interior and Insular Affairs Committee, for his well-demonstrated sympathy for the problems of Guam

"Be it resolved by the Legislature of the Territory of Guam—

"Whereas the Honorable HENRY M. JACKSON, Senator from Washington and member of the Senate Interior and Insular Affairs Committee, is truly a leader of those Americans who desire to alleviate the problems of Americans residing in territories and possessions of the United States, as demonstrated by his leading role in the granting of statehood to Alaska and Hawaii; and

"Whereas Senator JACKSON has illustrated his stand in this area by his cosponsorship of Senate bill 1930, which if enacted will serve to recompense those people whose lands were taken by the Navy to build roads; and

"Whereas again in illustration of his ready understanding for the problems and aspirations of the people of Guam, he has always extended to the Speaker of the Guam Legislature, on the latter's visits to Washington, many courtesies and valuable assistance: Now, therefore, be it

"Resolved, That the Fifth Guam Legislature does hereby, on behalf of the people of Guam, express its deepest appreciation to the Honorable HENRY M. JACKSON, Senator from Washington, for the helpful role he has played in furthering the aspirations of the people of Guam, and in helping to solve their problems; and be it further

"Resolved, That the Speaker certify to and the Legislative Secretary attest the adoption hereof and that copies of the same be thereafter transmitted to the Honorable HENRY M. JACKSON, Senator from Washington and member of the Senate Interior and Insular Affairs Committee, to the Presiding Officer of the U.S. Senate, and to the Governor of Guam.

"A. B. WON PAT,
"Speaker.
"V. B. BAMBA,
"Legislative Secretary."

"RESOLUTION 131

"Resolution relative to expressing the sincere gratitude of the people of the Territory of Guam to the Honorable THOMAS H. KUCHEL, Senator from California and member of the Senate Committee on Interior and Insular Affairs, for his ready understanding of and true sympathy for the problems of Guam

"Be it resolved by the Legislature of the Territory of Guam—

"Whereas the Honorable THOMAS H. KUCHEL, Senator from California, as a member of the Senate Committee on Interior and Insular Affairs, has always taken deep interest in the problems of this territory and has frequently demonstrated his deep and sympathetic grasp thereof, as illustrated by his sponsorship of Senate bill 1930, authorizing the Navy to acquire fee title to the roads it built on Guam; and

"Whereas as further illustration of Senator KUCHEL's sympathy for the people of Guam, he has always rendered extremely valuable and kindly aid and assistance to the speaker of this legislature upon his visits to our Nation's Capital; and

"Whereas the history of the honorable Senator's appreciation of the difficulties of our territory deserves commemoration by the people of Guam: Now, therefore, be it

"Resolved, That the Fifth Guam Legislature does hereby, on behalf of the people of Guam, express sincere gratitude and deep appreciation to the senior Senator from California, the Honorable THOMAS H. KUCHEL, for the many occasions when he has been of great help in solving the problems of the territory; and be it further

"Resolved, That the speaker certify to and the legislative secretary attest the adoption hereof and that copies of the same be thereafter transmitted to the Honorable THOMAS H. KUCHEL, senior Senator from California and member of the Senate Committee on Interior and Insular Affairs, to the Presiding Officer of the U.S. Senate and to the Governor of Guam.

"A. B. WON PAT,
"Speaker.
"V. B. BAMBA,
"Legislative Secretary."

"RESOLUTION 158

"Resolution relative to expressing the appreciation and gratitude of the people of Guam to the Armed Forces and Congress of the United States for the liberation of Guam and for the enactment of the Organic Act of Guam, and to those persons who are helping to celebrate the anniversary of such liberation

"Be it resolved by the Legislature of the Territory of Guam—

"Whereas on July 21 of this year, the 15th anniversary of the liberation of Guam by the Armed Forces of the United States will be celebrated; and

"Whereas the 21st day of July 1959, will also mark the ninth anniversary of the passage by the U.S. Congress of the Organic Act of Guam, which act reads in part:

" 'SEC. 34. Upon the 21st day of July 1950, the anniversary of the liberation of Guam by the Armed Forces of the United States in World War II, the authority and powers conferred by this act shall come into force,' thereby granting the people of Guam their long-sought aspiration for American citizenship, civil government, and other matters advantageous and beneficial to them; and

"Whereas the Fifth Guam Legislature desires to express its deep appreciation and commendation to all those who have participated and helped in the past liberation day celebration and to express also in advance its similar appreciation and commendation to individuals and units, both civilian and military, for their forthcoming help in the July 21, 1959, celebration: Now, therefore, be it

"Resolved, That the Fifth Guam Legislature does hereby, on behalf of the people of Guam, express its deep gratitude and appreciation to the United States and to its Armed Forces for the liberation of Guam from the oppressor that has made it possible for this resolution to be entertained; and be it further

"Resolved, That the Fifth Guam Legislature does hereby, on behalf of the people of Guam, again express its gratitude to the U.S. Congress for the passage of the Organic Act of Guam, and to the President of the United States for signing into laws various legislation advantageous and beneficial to Guam, and does hereby further assure the Armed Forces the full cooperation of the people of Guam in matters of concern of the defense of our country, so that this Nation, under God, shall not perish from the earth; and be it further

"Resolved, That the Fifth Guam Legislature does hereby, on behalf of the people of Guam, express its appreciation and commendation to all participating units and individuals, civilian and military, for their contribution in the celebration of this important and significant, occasion—the liberation of Guam; and be it further

"Resolved, That the speaker certify to and the legislative secretary attest the adoption hereof and that copies of the same be thereafter transmitted to the President of the United States, to the Presiding Officer of the U.S. Senate, to the Speaker of the House of Representatives, to the Secretary of Defense, to commander, Naval Forces Marianas, to commander, Third Air Division (SAC), Andersen Air Force Base, Guam, to the commanding officer, 809th Engineer Battalion, U.S. Army, Guam, to commanding officer, U.S. Coast Guard, Guam, to commanding officer, Marine Barracks, Guam, to the chairman of the Liberation Day Committee, and to the Governor of Guam."

RESOLUTION OF CITY COUNCIL OF ELMIRA, N.Y.

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the RECORD, a resolution adopted by the city council of the city of Elmira, N.Y., favoring the enactment of legislation to provide funds for the continuance of the urban renewal program.

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

Whereas the redevelopment of the blighted and deteriorating sections of American cities is vital to the welfare and prosperity of the entire Nation; and

Whereas two-thirds of the people of the Nation live in metropolitan areas; and

Whereas approximately 400 cities throughout the country have undertaken or are planning redevelopment programs to meet the challenging need for housing, community facilities, commerce and industry; and

Whereas the domestic expenditure of the Federal Government for assistance to and development of cities of our country has failed to recognize that ours is now an urban civilization; and

Whereas the city of Elmira is in dire need of a redevelopment program for certain of its blighted and deteriorating areas: Now, therefore, be it

Resolved by the Council of the City of Elmira, That the Congress of the United States be encouraged to pass fair and adequate legislation to provide funds with which to fill the imperative need for urban renewal projects throughout the country; and be it further

Resolved, That copies of this resolution be sent to U.S. Senator JACOB K. JAVITS, U.S. Senator KENNETH B. KEATING, and Congressman HOWARD W. ROBISON.

MARINE M. SGT. CARL H. BUCK—PETITION

Mr. DOUGLAS. Mr. President, I am today releasing a joint letter to the President of the United States, signed by the Senator from South Dakota [Mr. MUNDT], the Senator from Montana [Mr. MANSFIELD], the Senator from Florida [Mr. SMATHERS], and myself,

with respect to the case of former marine M. Sgt. Carl H. Buck.

Our letter is in support of Sergeant Buck's petition to the President for a Presidential pardon, solely on the grounds of innocence, and for restoration to duty. We also ask that the Justice Department and the Federal Bureau of Investigation conduct a full-scale investigation of all the aspects of this case in order that Sergeant Buck's good name may be cleared.

My own interest in this case stems from the fact that Sergeant Buck was born in Illinois and is a former marine. The Senator from South Dakota [Mr. MUNDT] has had a long and continuing interest in the case, in part because Sergeant Buck's wife is from South Dakota, and he has written an extremely able letter to the Secretary of the Navy in which he points out the numerous contradictions in the testimony at Buck's trial in connection with his mistaken identification. The Senator from Montana [Mr. MANSFIELD], and the Senator from Florida [Mr. SMATHERS] are both former marines and for that reason have interested themselves in this case.

I want also to state that the very able and well known civil liberties lawyers, Joseph L. Rauh, Jr., and John Silard, have prepared an excellent legal brief and impressive documentary evidence of the innocence of Sergeant Buck which has been filed with the President. The services of Messrs. Rauh and Silard have been contributed without fee because of their conviction that a cruel miscarriage of justice has occurred in this case.

Sergeant Buck was convicted at Camp Pendleton, Calif., in 1952 of the charge of larceny in connection with the theft of three cases of Marine Corps chevrons. Buck had served 18½ years and had been ordered promoted to the rank of warrant officer at the time of his release from the service.

At one stage in the lengthy proceedings, he was cleared by a Navy Board of Review and at another stage the Board for the Correction of Naval Records recommended that his bad conduct discharge be changed to a general—honorable—discharge. Master Sergeant Buck, however, is seeking full vindication and the establishment of his innocence.

In our letter to the President, we state:

From our study of the case, we are fully convinced that Sergeant Buck is one of those rare and compelling cases where a man has been unjustly convicted for a crime committed by another. We are particularly impressed by the extensive evidence obtained since Sergeant Buck's trial which includes numerous affidavits of police officials and the recorded radio logs of the California State Police. We also, find it of considerable significance that, unlike Sergeant Buck, who has successfully passed a lie detector examination, the chief witness against him * * * has refused to be subjected to such a test.

The main features of the case include:

First. Persuasive evidence of mistaken identity and conflicting testimony as to the identity of the person who actually committed the crime.

Second. From the police radio logs, it appears that for Buck to have been the person involved, he would have had to drive 22 miles at high noon through a driving rain, through five towns, most of them with stoplights, and meanwhile have gotten rid of the stolen goods, and then to have deliberately parked his car in front of a California State police car, all in some 21 minutes or less. This appears to have been impossible.

Third. Misconduct of the Government prosecutor at the trial in introducing utterly irrelevant testimony to prejudice the defendant's case, including the testimony of the defense counsel who, in a most unusual action, took the stand as a prosecution witness.

Fourth. The testimony of the chief witness against Buck which on the basis of the affidavits from California police officers and the police radio logs can now be shown to be untrue.

Fifth. A series of Rube Goldberg mistakes by military personnel which denied to Buck his constitutional rights to representation in the appellate process by eminent civilian counsel, resulted in the failure of the military personnel to file timely briefs, and in an illegal discharge before the appellate process had been completed.

For these reasons we are requesting that Buck receive a Presidential pardon solely on the grounds of innocence, and that a full and complete investigation of the case be conducted by the Justice Department and the Federal Bureau of Investigation.

Mr. President, I ask unanimous consent that a copy of our letter to the President be printed at this point in the RECORD.

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

THE PRESIDENT,
The White House,
Washington, D.C.

MY DEAR MR. PRESIDENT: We are writing in support of and to solicit your special attention to the petition for pardon and restoration to service for M. Sgt. Carl H. Buck.

In August of 1957, Senator PAUL DOUGLAS addressed an extensive communication to you concerning Master Sergeant Buck. In that communication it was emphasized that Sergeant Buck, who after almost 19 years of exemplary service in the Marine Corps, was convicted in 1952 by a court-martial of stealing three cases of military chevrons, appears to be innocent of that crime and has gathered impressive documentary evidence since his conviction that he could not possibly have committed the offense.

In November of 1957, Mr. Gerald D. Morgan replied to Senator DOUGLAS on your behalf to suggest that a petition be submitted for pardon for Sergeant Buck and that: "a petition to the President for Executive clemency would not, as we understand it, be opposed by the Department of the Navy and would therefore receive full consideration by the Department of Justice."

Since that time there has been prepared an excellent brief and documentation in support of a petition for pardon and restoration to service for Sergeant Buck. That brief and documentation has been prepared, at Senator DOUGLAS' request, by two able attorneys, Joseph L. Rauh, Jr., and John Silard of Washington, D.C. Sergeant Buck's petition for pardon and restoration to service is now being submitted to the Secretary of the Navy.

The undersigned have spent considerable time and effort on Sergeant Buck's case. We have carefully examined all the contentions and materials advanced in support of Sergeant Buck's plea. From our study we are fully convinced that Sergeant Buck's is one of those rare and compelling cases where a man has been unjustly convicted for a crime committed by another. We are particularly impressed by the extensive evidence obtained since Sergeant Buck's trial which includes numerous affidavits of police officials and the recorded radio logs of the California State Police. We also find it of considerable significance that, unlike Sergeant Buck who has successfully passed a lie detector examination, the chief witness against him, a Sergeant Franz, has refused to be subjected to such a test.

It seems to us that a man such as Sergeant Buck, who has been convicted and discharged from his military career and has subsequently obtained unimpeachable documentary evidence from police officials and police radio logs to prove that he is innocent, is entitled to a full and unconditional reprieve.

From time to time we have been dissuaded by a member of the White House staff from pursuing a particular course of action on the grounds that the Justice Department and the FBI could go into all of the circumstances surrounding the case. We now urge that you commit your most earnest attention and the full facilities of the Department of Justice to the facts submitted to prove Sergeant Buck's innocence, and that a full-scale investigation be made. To us, the facts provide overwhelming refutation of the possibility that Sergeant Buck is guilty of the crime for which he was convicted. We therefore urge that you grant Sergeant Buck an unconditional pardon and restore him to his career in the U.S. Marine Corps.

With best wishes.

Faithfully,

PAUL H. DOUGLAS.
KARL E. MUNDT.
MIKE MANSFIELD.
GEORGE A. SMATHERS.

Mr. DOUGLAS. Mr. President, I also ask unanimous consent that the petition for an unconditional pardon and restoration to service which was sent to the President on behalf of Sergeant Buck be printed in the RECORD.

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

PETITION FOR UNCONDITIONAL PARDON AND RESTORATION TO THE SERVICE

THE PRESIDENT OF THE UNITED STATES:

Your petitioner, Carl Hirdler Buck, a citizen of the United States, residing at 2125 South 120th Street, Seattle, Wash., respectfully prays that he be granted an unconditional pardon and restoration to his rank in the U.S. Marine Corps.

Petitioner states that he was convicted of the crime of larceny on August 19, 1952, on a plea of not guilty, by a general court-martial convened by the commanding general, Marine Barracks, at Camp Pendleton, Calif., and was on that date sentenced to a bad conduct discharge, forfeiture of all pay and allowances, confinement at hard labor for 18 months and reduction to the grade of private. After the conclusion of the trial the members of the court submitted a recommendation for clemency and the convening authority reduced the period of confinement to a period of 11 months and the amount of the forfeiture to $58.80 per month for a like period.

Petitioner states that his case was taken on appeal to a Department of the Navy

Board of Review, where the judgment was reversed on January 23, 1953. On certification by the Judge Advocate General of the Navy to the U.S. Court of Military Appeals that the board of review decision was reversed on September 11, 1953. On February 24, 1954, on remand from the Court of Military Appeals, the board of review affirmed the judgment and the Court of Military Appeals, on October 4, 1954, denied review.

Petitioner states that he began the service of his sentence on August 19, 1952, in the U.S. Military Prison at Camp Pendleton, Calif., and at Mare Island, Calif., and was finally released upon the completion of his sentence on May 25, 1953. On January 14, 1955, petitioner was discharged from the Armed Forces of the United States with a bad conduct discharge. Following an appeal to the Navy Department Board for Correction of Naval Records, the discharge was retroactively changed to a general discharge.

Petitioner alleges that he was 39 years of age at the time the crime was allegedly committed and has no prior or subsequent criminal record; that he is married, has two children, age 7 and 9 years, and lives with and supports his family to the best of his ability.

Petitioner states that he is now employed by Boldt's Cafeteria, of Seattle, Wash., in the capacity of baker and has been so employed since February 1959, and that his prior employments since release have been as follows: Gottfried Baking Co., New York City, April 1955–July 1956, as bakery foreman; Heidi Baking Co., Silver Spring, Md., 1956–1958; Albertson's Super Market, Seattle, Wash., October 1958–January 1959, as baker.

Your petitioner respectfully prays that he be granted a full and unconditioned pardon and restoration to the Marine Corps on the grounds set forth in the attached brief and exhibits in support of petition for pardon and restoration to the service.

CARL HIRDLER BUCK.

JULY 17, 1959.

Mr. DOUGLAS. Mr. President, I also ask unanimous consent that the excellent brief in support of the petition, along with exhibits 50 to 59, all of which bear upon the innocence of Sergeant Buck, be printed in the RECORD.

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

BRIEF IN SUPPORT OF PETITION FOR PARDON AND RESTORATION TO SERVICE FOR M. SGT. CARL H. BUCK

(Joseph L. Rauh, Jr., John Silard, attorneys for petitioner)

In August of 1952, Carl H. Buck, a marine master sergeant with an 18-year exemplary record of military service, was convicted by a court-martial of stealing three cases of chevrons from the U.S. Government. Since that time Sergeant Buck has unceasingly sought relief from that conviction; he has steadfastly and persuasively maintained that it was based upon mistaken identity. Every avenue of relief within the Navy judicial and administrative system has been pursued by and on behalf of Sergeant Buck; weighty representations on his behalf have been made to the Navy Judge Advocate General, the Secretary of the Navy, and to the President of the United States by the Board for Correction of Naval Records, by a committee of the U.S. Senate, and by individual Senators THOMAS HENNINGS, of Missouri; KARL E. MUNDT, of South Dakota; and PAUL H. DOUGLAS, of Illinois.

On August 21, 1957, Senator PAUL H. DOUGLAS wrote an extensive communication concerning Sergeant Buck's case to President Dwight D. Eisenhower, pointing out various errors in the handling of Sergeant Buck's court-martial case and new and persuasive evidence of Buck's innocence. The present petition for pardon was prompted by the November 6, 1957, reply to that communication from the Special Counsel to the President, Mr. Gerald D. Morgan, which states:

"Sergeant Buck's situation has been considered with sympathy and understanding * * * several possibilities have been explored with the following results.

"A petition to the President for Executive clemency would not, as we understand it, be opposed by the Department of the Navy and would therefore receive full consideration by the Department of Justice."

Based upon this communication and upon subsequent representations to members of Senator DOUGLAS' staff by Mr. Henry R. McPhee, Assistant Special Counsel to the President of the United States, that a petition for Executive clemency would receive a thorough investigation by the Department of Justice with the full assistance of the Federal Bureau of Investigation, Sergeant Buck hereby submits this documented brief in support of this joint request for the exercise of the clemency powers of the President and his restoration authority as Commander in Chief.

I. THE CIRCUMSTANCES OF SERGEANT BUCK'S TRIAL AND CONVICTION

The sequence of events which gave rise to Sergeant Buck's conviction for larceny of chevrons, as it appears from the record of his court-martial trial, constitutes one of the strangest criminal cases in military history. On March 5, 1952, Sgt. Shurland E. Hatley, assigned to the Survey Warehouse, Marine Corps Supply Depot, at Camp Pendleton, Calif., was approached by an unknown marine with a request that he exchange three half-cases of chevrons, having an estimated value of over $400, for $50 and a bottle of whisky. Sergeant Hatley, after instructing the unknown marine to contact him again on March 7, immediately reported the incident to his superior officers. The unknown marine appeared again at noon on March 7, dressed in khakis, wearing horn-rimmed glasses, needing a shave and sporting a mustache. Within view of M. Sgt. Jonathan C. Layton and of a M. Sgt. Walter J. Franz who had been called in from the Criminal Investigating Division, Sergeant Hatley, at the instruction of his superior officers, gave the unknown marine three cases of chevrons in exchange for $50. The marine placed the cases of chevrons in his yellow Studebaker and drove off.

Immediately thereafter, Sergeant Franz, the investigator assigned to catch the criminal, turned his jeep around in order to apprehend him, but the latter sped away and Franz was unable to keep up with him in his slower military vehicles. Franz thereupon contacted California State police authorities with the request that they apprehend a marine who was just leaving the base in a yellow Studebaker. A few minutes later, in the town of Solana Beach some 21 miles from the scene of the crime, a State highway patrolman, William A. Doran, received the radio message to apprehend a marine driving a yellow Studebaker. At that very moment, Officer Doran was parked within sight of a yellow Studebaker whose driver, M. Sgt. Carl H. Buck, was standing outside in the rain. Just a minute earlier Master Sergeant Buck had stopped his Studebaker within sight of Officer Doran's police car and had started to repair his rear license plate.

Sergeant Buck was immediately arrested by Officer Doran, but no chevrons were found in his car. Moreover, unlike the marine to whom the chevrons had been handed at Camp Pendleton a few minutes earlier, Sergeant Buck at the time of his arrest was not wearing a khaki uniform but greens, was not wearing horn-rimmed glasses, had no mustache and needed no shave but, on the contrary, was clean shaven. In order to have reached Solana Beach where he was arrested no later than 12:10 p.m., according to the subsequent testimony of Officer Doran, it would have been necessary for Buck to have disposed of the chevrons, passed through five populated communities with stop lights on the highway, and changed his appearance in material respects—all while driving at more than 60 miles an hour in a pouring rainstorm—only to stop at the side of the road just 15 miles from Camp Pendleton within sight of a parked State police car, leisurely proceeding to make repairs on his rear license plate. Needless to say, it is improbable that a fleeing felon could negotiate the 21-mile distance from the warehouse at Camp Pendleton to Solana Beach under the prevailing traffic and weather conditions within the few minutes that elapsed in this case; but it is utterly unbelievable that any such felon, having undertaken such a mad race through populated communities on a well-patroled highway, should suddenly park his car within sight of a State police officer and start to repair his license plate. In the years of controversy since Sergeant Buck's conviction over the question of his guilt or innocence, no one has yet suggested how anyone could and why anyone would have undertaken such an unprecedented stunt-driving flight from the scene of a crime only to park in front of a State police officer and proceed to repair his rear license plate.

Notwithstanding these startling contradictions, in August of 1952 Sergeant Buck was tried by military court-martial for theft of the chevrons surrendered to a marine by Sergeant Hatley on March 7, 1952. The major issue in the case was whether Sergeant Buck was the same marine who had been handed three cases of chevrons in exchange for $50, or whether there had been a mistake in identity. Sergeant Buck was convicted, and although the members of the court-martial which convicted him all recommended clemency, he served a sentence of 11 months' imprisonment and was discharged from the service.

Sergeant Buck is innocent of the crime for which he was convicted. In demonstration of his innocence and the circumstances which explain why, despite his innocence, he was convicted of larceny of chevrons, Sergeant Buck urges the following documented points in this brief:

1. Sergeant Buck's innocence was indicated at his court-martial trial by persuasive evidence of mistaken identity and by the weakness and conflict in the prosecution's testimony;

2. A major reason for Sergeant Buck's court-martial conviction, notwithstanding his innocence, is found in the misconduct of the Government prosecutor at the trial in introducing utterly irrelevant testimony to prejudice the defendant's case;

3. Sergeant Buck was deprived of a fair opportunity for vindication before the Court of Military Appeals because he was denied his constitutional and statutory right before that tribunal to have the effective representation of his chosen counsel;

4. Since his trial, Sergeant Buck has obtained vital proof that his conviction was the result of perjured testimony by a key prosecution witness, and that he is innocent of the crime of which he was convicted.

II. SERGEANT BUCK'S INNOCENCE WAS DEMONSTRATED AT HIS COURT-MARTAIL TRIAL BY PERSUASIVE EVIDENCE OF MISTAKEN IDENTITY AND BY THE WEAKNESS AND INCONSISTENCY OF THE PROSECUTION'S TESTIMONY

Sergeant Buck was convicted on the basis of weak and inconsistent testimony against

him, despite persuasive evidence that he could not possibly have been the marine who had taken the chevrons in question. Of the three prosecution witnesses who, for a considerable number of minutes on March 7, 1952, had observed the marine to whom the chevrons were given, only two even sought to identify Buck as that man, and all three were in complete contradiction concerning the clothing and appearance of the man who had taken the chevrons. Moreover, there was utter and irreconcilable conflict between the description of the offending marine by the three prosecution witnesses with respect to his clothing, his unshaven condition and his wearing of a mustache, and the testimony of defense witnesses who had observed Sergeant Buck just before and after noon on the same day (one of which witnesses was the California State traffic officer who had apprehended the accused) concerning Sergeant Buck's dress and the fact that he was completely clean shaven and had no mustache. Finally, the evidence of the three prosecution witnesses themselves as to the time of the incident of the taking of chevrons and the time of accused's arrest as fixed by the California State traffic officer who apprehended him made it a physical impossibility for Sergeant B··ck to have committed the larceny of which he was convicted.

An excellent summary of the evidence identifying the accused as the marine who had been handed the chevrons, as well as the evidence showing the impossibility of Sergeant Buck having been that marine, is contained in a letter of May 2, 1955, from Senator KARL E. MUNDT to the Secretary of the Navy:

"(*1*) *The evidence bearing upon the identification of the accused*

"The evidence adduced at the trial established that at the time of the delivery of the chevrons, there were three individuals present, namely, Sgt. Shurlan Eugene Hatley, S. Sgt. Jonathan Layton, U.S. Marine Corps, and M. Sgt. Walter J. Franz, U.S. Marine Corps. Their testimony concerning the identification of the accused is quite interesting and will be discussed in detail.

"Hatley, in describing the person to whom the chevrons were delivered, said that the suspect was a large man wearing green ribbons, and had four hash marks, and he had a shawl or a sweater thrown over his shoulders—that is all that he remembers. He did not remember whether he wore a hat; he did not remember whether he had a mustache, although he admitted at the pretrial investigation that the man that took the chevrons was wearing a mustache; that he believed to the best of his recollection that he was wearing glasses; that the shawl which he was wearing was a bright color; and that it was either red or green, or blue.

"Layton could not identify the accused as the man who received the chevrons: he described the man as a big man, larger than Hatley, who he believed wore dark glasses and had a shawl or sweater thrown over his head. He could not recall even the color of the sweater or shawl, in fact, could not say whether it was a light or dark color: he believed that he had a small mustache, and he believed that he was in uniform, although he was not sure of that, and he was not wearing a hat but did not know the color of his hair. He admitted at the pretrail investigation that he stated then that the man had a mustache.

"M. Sgt. Walter J. Franz identified the man receiving the chevrons as being dressed in the uniform of the day with some kind of a little jacket which he was trying to hold around his shoulders and wearing thick, horn-rimmed glasses: he subsequently stated that the uniform was khaki, he did not know whether or not he had a blouse, that the glasses were not sunglasses; that they were not dark glasses; that the small jacket he was wearing was a real light tan and that he did not think that he had a mustache, but he needed a shave.

"T. Sgt. Hillard Frie testified for the defense that he had seen the accused at the Marine Corps Recruit Depot Bakery on March 7 at about 11 and at that time he was clean shaven and was wearing the green uniform of the day. The only glasses he had ever seen the accused wear was a pair of tinted sunglasses.

"William A. Duran, another witness for the defense, was the State traffic officer who apprehended the accused on March 7 and he testified that he was clean shaven and he believed he was wearing a green uniform, although he was not positive about it.

"John P. Freed, another witness for the defense, testified that he saw the accused at about 11:30 on March 7 at which time he was in full green uniform wearing a green, wool field jacket; that he was clean shaven and that he was wearing tinted, rimless glasses.

"It is difficult to understand how any group of witnesses for the prosecution could be any more uncertain about the description of the persons to be identified as the man to whom the chevrons were delivered than were these witnesses, and they were setting a trap for a man. By the numerous discrepancies in the testimony of these Government witnesses, the identification of the accused has failed completely. In contrast thereto, the witnesses for the defendant were all in substantial accord as to the appearance and dress of the accused on the day in question. While it is recognized that witnesses often disagree in some details about an individual, it is difficult to understand how there could be as much confusion as existed among these witnesses. Certainly, it would seem that the prosecution witnesses should agree on the type of uniform which the man was wearing and whether or not he was wearing a hat and if he was not wearing a hat, to know the color of his hair. Also, if he was wearing a sweater or a shawl it would seem that the prosecution witnesses would have some recollection of its color and not have the color range from red, green, blue, or light tan. Finally, and perhaps most important, it is difficult to understand how, if the accused was clean shaven at about 11 or 11:30 a.m. and at 12:30 p.m. on March 7, as positively testified to by accused's witnesses, he could possibly be the same man who took the cases and who needed a shave or who was wearing a mustache at 12. I submit that the identification of the accused as the person who received the cartons simply is not established by the evidence adduced at the trial. To me it should be axiomatic that the prosecution must prove the identity of the accused beyond a reasonable doubt, along with all the other elements of the offense charged."

"(*2*) *The evidence relating to the time of the commission of the alleged offenses and the apprehension of the accused*

"The evidence relating to the time of the alleged offenses and the whereabouts of the accused at the time of the commission of the alleged offense is just as confusing as is the testimony by which the prosecution seeks to establish the identity of the accused.

"The witnesses Hatley, Layton, and Franz established the fact that the chevrons were delivered to someone about 12 noon on March 7. Hatley is very positive about the time, stating that he checked the time by the clock and that the person taking the cartons left at 12:10. Layton fixes the time right around noon. Franz fixes the time as about 12:10 or 12:15 when the person receiving the carton left the building.

"William A. Duran, the officer who stopped the accused, testified that he stopped his car at Solona Beach, a distance about 15 miles from the main gate at Camp Pendleton at approximately 12:15. The distance from building 22-S-4 was established as being 6 miles from the main gate of Camp Pendleton. Thus, we have the situation where, according to the evidence adduced at the trial, this person identified as the accused left the building from which the chevrons were taken at about the same approximate time (certainly, not more than 15 minutes later). When it is considered that there was a driving rain at the time, that the accused, if he were the guilty party, would have had to drive through about four or five towns in order to reach Solona Beach, that he necessarily would have to stop somewhere assuming the prosecution theory is correct, to transfer the chevrons to another car, as well as at the main gate, it would have been manifestly impossible for him to have performed the travel in the time shown by the evidence. It is impossible for a reasonable man to believe that the accused could have been the person taking the boxes supposed to contain chevrons."

Clearly, the prosecution's evidence identifying the accused as the marine who had been given the chevrons was hopelessly conflicting and confused and, unless the California State policeman who arrested the accused was untruthful in his testimony concerning the time of Buck's arrest, Sergeant Buck could not possibly have been the marine who was handed chevrons at Camp Pendleton between noon and 12:10 on March 7, 1952. The question, therefore, immediately arises why Sergeant Buck was convicted by the court-martial in the light of the most unreliable evidence against him and notwithstanding the proof of innocence, established by the testimony of three prosecution witnesses and a California State highway policeman, concerning the times of the taking of the chevrons and the accused's arrest 21 miles away. Much of the answer to the question why petitioner was ever convicted may doubtless be found in the willful misconduct of the prosecution in introducing irrelevant and highly prejudicial evidence at the trial.

III. A MAJOR REASON FOR SERGEANT BUCK'S COURT-MARTIAL CONVICTION NOTWITHSTANDING HIS INNOCENCE, IS FOUND IN THE MISCONDUCT OF THE PROSECUTOR AT THE TRIAL IN INTRODUCING UTTERLY IRRELEVANT AND PREJUDICIAL TESTIMONY

Shortly after his arrest on March 7, 1952, Sergeant Buck retained Mr. William H. Daubney as his counsel. Mr. Daubney had been a former legal officer at Camp Pendleton, a major in the U.S. Marine Corps who had a flourishing practice of military cases in the area. At the trial, prosecution witness Sergeant Franz testified that on the 19th of March 1952, accused's counsel Daubney called him to say that he had some chevrons to turn over to the Government and that these chevrons were turned over by Mr. Daubney to a Mr. Scanlon of the FBI and ultimately received by Sergeant Franz. Thereafter the prosecution called to the stand as a witness for the prosecution, Sergeant Buck's defense counsel at the trial, Mr. Daubney, who testified:

"I received a telephone call—I think I can safely say it was not from Sergeant Buck because I would recognize his voice. A person asked me what they should do if they had some Government property. So I said, 'Turn it into the Government.' As I recall, he then asked me if I would do it for them. I said, 'Certainly, bring 'em up.' I don't recall whether the person told me he had chevrons or not, or whether they just had Government property. I honestly don't remember. That evening, I think I received a telephone call in the afternoon, as I recall, * * * that evening the chevrons were found by me either in my outer office or in the hall.

I can't figure out whether I picked them up in the hallway or whether I found them in the outer office, and I can't remember. So I looked in the blanket, saw what they were, hauled them down to the library, dumped them in the library, and either called the military police or tried to get Mr. Scanlon. I couldn't get him. I talked to Sergeant-Major Franz" (R. 70).[1]

The evidence concerning the receipt of chevrons by Sergeant Franz from the accused's defense counsel was totally irrelevant and immaterial and introduced only to prejudice the accused. Nothing was adduced to show that the chevrons left at Mr. Daubney's door in an Army blanket on March 19 were in any way related to the chevrons that had been taken on March 7; indeed, unlike the chevrons taken on March 7, the chevrons turned over to Sergeant Franz by accused's defense counsel included private first class chevrons. Moreover, there was no evidence or even any attempt to relate these chevrons to the accused. Mr. Daubney testified that he could state with certainty from his knowledge of the accused's voice that the person calling him on the telephone inquiring about how to return Government property was not the accused. Indeed, although this was not made known to the members of the court-martial, Sergeant Buck was hospitalized for treatment of a serious disabling condition on March 19, 1952, the day when chevrons were left at Daubney's door.[2]

That the testimony introduced by the prosecution through Sergeant Franz and the accused's own defense counsel concerning the turning over of chevrons to Sergeant Franz by Mr. Daubney was utterly irrelevant, has been fully conceded by Rear Adm. Chester Ward, the Judge Advocate General of the Navy. In a letter of July 22, 1957, to the chief counsel of the Subcommittee on Constitutional Rights, Committee on the Judiciary, U.S. Senate, Admiral Ward states as follows:

"These particular chevrons were never identified at the trial as part of the stolen loot. In fact, according to the testimony of Franz, there were, among the chevrons which Daubney returned, some private first class chevrons. This particular type of chevron was not described in the evidence as being among the type of chevrons handed over at the time of the larceny. Nor was an inventory of missing chevrons put in evidence to establish as a fact the inference already aroused by Franz's testimony that the chevrons returned by Daubney were probably part of the loot. As matters stand, then, these chevrons could have come from most anywhere."

Not only was the evidence concerning the chevrons irrelevant, but it was highly prejudicial and introduced for the particular purposes of prejudicing the accused. Members of the court-martial would not only obviously have drawn the inference from that evidence that Sergeant Buck may have used a devious method of returning chevrons through his own defense counsel, but the prosecutor, in his closing argument, made the following highly prejudicial comment, inviting the court-martial to draw that improper inference: "It's circumstantial and circumstantial beyond a reasonable doubt that a huge quantity of chevrons were turned over by Mr. Daubney to Marine Corps officials at, or shortly after, the time he was retained by Buck" (R. 101).

Although the prosecutor knew full well that the Franz and Daubney testimony concerning the chevrons given Franz by Daubney was wholly incompetent and prejudicial, in violation of his obligation as an officer of the court and of the Marine Corps, the prosecutor not only offered this incompetent evidence to the court but deliberately used it in his closing argument in the most prejudicial way possible. It is by resort to irrelevant and highly prejudicial testimony that the prosecutor achieved his purpose of reinforcing the unpersuasive and totally conflicting evidence concerning the identity of the accused as the man who had taken three cases of chevrons on the 7th of March 1952.

IV. SERGEANT BUCK WAS DEPRIVED OF A FAIR OPPORTUNITY FOR VINDICATION BEFORE THE COURT OF MILITARY APPEALS BECAUSE HE WAS DENIED HIS CONSTITUTIONAL AND STATUTORY RIGHT BEFORE THAT TRIBUNAL TO HAVE THE EFFECTIVE REPRESENTATION OF HIS CHOSEN COUNSEL

Sergeant Buck was not only convicted on the most conflicting and improbable evidence of identity and on the basis of a trial in which the prosecutor knowingly introduced highly irrelevant and prejudicial testimony, but Sergeant Buck was also subsequently denied his constitutional and statutory right to representation in the appellate process by eminent civilian attorneys he had retained for that purpose, and was thus denied fair opportunity for vindication in the military judicial appeal system.

The sixth amendment to the Constitution of the United States assures an accused the right to be represented at any stage of criminal proceedings against him, including the appeallate process, by the counsel of his choice. *Adams* v. *United States*, 317 U.S. 269, 279. The same right is assured every member of the military services by the act of May 5, 1950, 64 Stat. 130; 10 U.S.C. section 870, which is article 70(d) of the Uniform Code of Military Justice:

"The accused has the right to be represented before the Court of Military Appeals or the board of review by civilian counsel if provided by him."

Due to a series of unprecedented mistakes by military personnel in the handling of his case before the Court of Military Appeals, Sergeant Buck was denied the valuable right to effective representation before that court by the civilian attorneys of his choice. Indeed, in violation of article 71 of the Uniform Code of Military Justice (act of May 5, 1950, 64 Stat. 131; 10 U.S.C. section 871),[3] Sergeant Buck was even discharged from the service before his full appellate rights had ever been afforded him.

On February 24, 1954, the Naval Board of Review in the Office of the Judge Advocate General of the Navy affirmed Sergeant Buck's court-martial conviction. Sergeant Buck immediately gave the required notice that he desired a review of his conviction before the Court of Military Appeals. On May 14, 1954, Lt. Comdr. John J. Nelson, USNR, informed Sergeant Buck by letter that he had been appointed Buck's appellate defense counsel.[4] By letter of May 21, 1954,[5] Sergeant Buck advised Commander Nelson that a brief on his behalf was being prepared by a civilian friend of his (Judge Martin Pence, who had for the past 25 years practiced law in Hawaii and served as the U.S. Circuit Judge, Third Circuit, Territory of Hawaii). Mr. Pence also promptly wrote Commander Nelson on May 29, 1954,[6] to inform him of his presence in the case.

a. Failure to file brief by Judge Pence

Thereafter, without consulting with Sergeant Buck's counsel Pence, on July 30, 1954, Commander Nelson filed a cursory five-page brief[7] in support of the petition for review of Sergeant Buck's court-martial conviction. On August 5, 1954, Mr. Pence, who had not been informed of the existence of that brief,[8] wrote Commander Nelson to say that he was "practically abandoning all other work in order to concentrate" on Buck's case,[9] and by letter of August 12, 1954,[10] Mr. Pence forwarded to Commander Nelson a rough draft of an extensive and excellent brief he had prepared in support of the petition for the Court of Military Appeals to review Buck's case. Thereafter Commander Nelson acknowledged the receipt of that draft and informed Mr. Pence and Sergeant Buck.[11] that he would file an amended petition incorporating such new matters as were appropriate from Mr. Pence's brief. Both Buck and Pence wrote Commander Nelson[12] urging that the material in the Pence brief be brought to the attention of the court by an amended petition. On September 7, 1954, Commander Nelson filed a petition[13] before the Court of Military Appeals for enlargement of time to file additional briefs, reciting the receipt of the Pence brief and Buck's request that the appointed military counsel put the Pence brief "in proper form for submission to the court." Thereupon, additional time for filing of new material was granted until September 27, 1954.[14] Nevertheless, for some inexplicable reason, although both Buck and Counsel Pence had frequently and emphatically urged the filing of the extensive material prepared by Pence, and had been advised that such material would be filed, the Court of Military Appeals was informed by Commander Nelson that no further brief would be filed in the case.[15] Since the Pence brief was not presented to the court due to Commander Nelson's oversight, mistake or indifference, the Court of Military Appeals proceeded to review the matter, and on October 4, 1954, on the basis of nothing but the cursory five-page document filed by appointed military counsel, denied Buck's petition for review.[16]

Immediately thereafter, on October 7, 1954, Maj. Charles J. McCaffrey, a new military appellate defense counsel who, in the interim, has been appointed to represent Buck, filed a motion for reconsideration, stating that the five-page Nelson brief previously filed "omitted certain assignments of error urged for this honorable court's consideration and that this omission has resulted in substantial prejudice to the accused."[17] Major McCaffrey specifically informed the court of Commander Nelson's error in the following terms:

"The matters thus omitted were developed by civilian counsel employed by the accused and but for the inadvertent omission thereof by appointed defense counsel would have come to the attention of this honorable court and may well have influenced its judgment in the disposition of the aforementioned case. Appointed appellate defense counsel who submitted the brief is in the process of being separated from the service."

b. Failure to inform accused of Court of Military Appeals decisions against him

At this point, however, again for some inexplicable reason, Major McCaffrey not only omitted to inform Sergeant Buck that the

[1] All "R." references herein are to pages of the official transcript of Sergeant Buck's court-martial trial.

[2] See appendix, exhibit 1, attesting Buck's hospitalization for acute spinal myositis from Mar. 11 to Apr. 10, 1952.

[3] See *United States* v. *Doherty*, decided by the U.S. Court of Military Appeals on June 12, 1959.

[4] See exhibit 2.

[5] See exhibit 3.

[6] See exhibits 4 and 5.

[7] See exhibit 6.

[8] See exhibit 11.

[9] See exhibit 7.

[10] See exhibit 8.

[11] See exhibits 9 and 12.

[12] See exhibits 10, 11, and 19.

[13] See exhibit 13.

[14] See exhibit 14.

[15] See exhibit 15.

[16] See exhibit 16.

[17] See exhibit 17.

Court of Military Appeals had denied him review on October 4, but over a 2-month period, in a series of communications to Buck and Counsel Pence, McCaffrey discussed the case in great detail without even intimating that the court had already refused to review it. (See exhibits 13, 21, 24, 25, 26, and 30.)

Examination of the correspondence indicates that apparently Major McCaffrey himself had overlooked or had forgotten the fact that the court had refused to review the case; indeed, in McCaffrey's first letter to Pence on October 7,[18] in discussing the case, McCaffrey failed to mention either the court's denial of review 3 days earlier or the motion for reconsideration he himself filed on that very day. Buck himself received no word from Major McCaffrey or anyone else in the appellate division from August 20 until October 28; and, although in a November 7, 1954, letter to Major McCaffrey [19] Buck stated that "in your letter there seems to be some doubt that the Court of Military Appeals will grant the petition for review," Major McCaffrey never informed him that the court had actually refused just that petition on October 4. It was not until December 20 that petitioner learned of this fact,[20] although he had personally written on October 19 to the Judge Advocate General requesting information concerning the status of his appeal.[20] On November 15, 1954, Major McCaffrey finally filed the 32-page brief prepared by Mr. Martin Pence,[21] which should have been submitted to the court in August or September, before the court's initial decision. On December 10, 1954, the Court of Military Appeals denied the petition for reconsideration.[22]

c. Because Sergeant Buck was not informed of the Court of Military Appeals decisions, General Snedeker's brief was submitted 2½ months too late

Meanwhile, Sergeant Buck, who spoke as late as December 10 by telephone with Major McCaffrey still without learning that the court had taken any action on his original petition,[23] had obtained Brig. Gen. James Snedeker, a former Judge Advocate General and leading expert on military law, to write a brief on his behalf to be submitted to the Court of Military Appeals on a petition for reconsideration if one were to become necessary.[24] Major McCaffrey was so advised by the accused by letter of December 16, 1954, and was also advised that the brief would be submitted "no later than Monday, December 20, 1954." [25] On December 20, 1954, the Snedeker brief was mailed to Major McCaffrey by Buck, airmail special delivery, and received at the Pentagon on December 21.[26] It was not, however, until December 28, 1954, that a second motion for reconsideration and the Snedeker brief were filed with the court by Major McCaffrey.[27] On December 30, 1954, that motion was opposed by the Government, in a written reply filed with the Court of Military Appeals,[28] solely on the grounds that it had not been timely filed.

d. Sergeant Buck was illegally discharged before the completion of appellate review

The Snedeker brief was received in the Office of the Judge Advocate General of the Navy at the Pentagon on December 21, 1954.[29]

[18] See exhibit 26.
[19] See exhibits 33 and 38.
[20] See exhibit 21.
[21] See exhibits 20, 22, 23, 27, and 28.
[22] See exhibit 29.
[23] See exhibit 30.
[24] See exhibit 31.
[25] See exhibit 30.
[26] See exhibits 38 and 39.
[27] See exhibits 35 and 37.
[28] See exhibit 36.
[29] See exhibits 38 and 39.

The Judge Advocate General had been informed, apparently by Major McCaffrey,[30] that the brief was arriving. But again, due to some inexplicable mixup in the Office of the Judge Advocate General of the Navy,[31] on December 28 a teletype was sent [32] from that office out to the field after the Snedeker brief had arrived in the Judge Advocate General's Office, stating:

"New petition not received by defense counsel in GCM case Carl H. Buck 236477 MDXT USMC. Sentence may be executed at this time without prejudice to further appellate review. Whether new petition will be considered is within province of USCMA."

On January 7, 1955, General Snedeker wrote to the clerk of the Court of Military Appeals,[33] pointing out that the October 4, 1954, Court of Military Appeals order denying review had not been promulgated by the Judge Advocate General of the Navy until December 20, 1954,[34] which was the first date that the accused had ever learned of that action. General Snedeker pointed out that, contrary to the December 28 teletype, postal authorities checked and confirmed the December 21, 1954, receipt of his brief by the Judge Advocate General of the Navy. Nevertheless, on January 14, 1955, Sergeant Buck was discharged from the service pursuant to a supplementary court-martial order dated December 29, 1954,[35] over his strenuous objections, verbal and in writing,[36] while the Court of Military Appeals was still considering his motion for reconsideration, and before it had ever taken action upon that motion and the Snedeker brief. On January 17, 1955, after Sergeant Buck's discharge from the Marine Corps, the Court of Military Appeals denied his motion for reconsideration.[37]

All of the foregoing facts are fully documented in the correspondence of the parties involved, the legal papers filed with the Court of Military Appeals and the formal actions of that court. Photostatic or certified copies of these appear in the appendix; because of the voluminous nature of that documentation and for ease of reference, there is set out below a chronological table thereof:

Date		Exhibit No.
May 14, 1954	Letter from Commander Nelson to Buck	2
May 21, 1954	Letter from Buck to Commander Nelson	3
June 8, 1954	Letter from Commander Nelson to Judge Pence	4
June 29, 1954	Letter from Lieutenant Hoag to Buck	5
July 28, 1954	Brief in support of petition for grant of review, for Buck by Commander Nelson	6
Aug. 5, 1954	Letter from Judge Pence to Commander Nelson	7
Aug. 12, 1954	do	8
Aug. 20, 1954	Letter from Commander Nelson to Judge Pence	9
Aug. 21, 1954	Extract of letter from Buck to Commander Nelson	10
Aug. 24, 1954	Letter from Judge Pence to Commander Nelson	11
Aug. 29, 1954	Letter from Commander Nelson to Buck	12
Sept. 7, 1954	Petition for enlargement of time, for Buck by Commander Nelson	13
Sept. 27, 1954	Order by Court of Military Appeals granting Buck's motion for enlargement of time to file additional pleadings	14
Oct. 4, 1954	Memorandum in Court of Military Appeals file	15
Do	Order by Court of Military Appeals denying Buck's petition for grant of review of decision of board of review	16
Oct. 7, 1954	Motion for reconsideration and request for extension to file brief in support thereof, for Buck by Major McCaffrey	17
Do	Letter from Major McCaffrey to Judge Pence	18
Do	Excerpt from letter from Judge Pence to Mr. Ziegler	19
Oct. 8, 1954	Order by Court of Military Appeals granting Buck's motion for extension of time to file brief	20
Oct 19, 1954	Letter from Buck to Judge Advocate General of the Navy	21
Oct. 20, 1954	Request for extension of time within which to file brief in support of petition, for Buck by Major McCaffrey	22
Oct. 22, 1954	Order granting Buck's motion for further extension of time to file brief, by Court of Military Appeals	23
Do	Letter from Major McCaffrey to Judge Pence	24
Oct. 28, 1954	Letter from Major McCaffrey to Buck	25
Nov. 7, 1954	Letter from Buck to Major McCaffrey	26
Nov. 12, 1954	Excerpt from brief on the behalf of appellant, for Buck by Judge Pence	27
Nov. 30, 1954	Government reply to motion for reconsideration and supporting brief	28
Dec. 10, 1954	Order by Court of Military Appeals denying petition for reconsideration	29
Dec. 16, 1954	Letter from Buck to Major McCaffrey	30
Dec. 17, 1954	Letter from General Snedeker to Buck	31
Dec. 20, 1954	Memorandum from Judge Advocate General of Navy to Commandant, 12th Naval District	32
Dec. 23, 1954	Letter from General Snedeker to Buck	33
Dec. 28, 1954	Teletype from Judge Advocate General to Commandant, 12th Naval District	34
Do	Motion for reconsideration and brief on behalf of accused, by General Snedeker	35
Dec. 29, 1954	Government reply to motion for reconsideration	36
Jan. 3, 1955	Letter from General Snedeker to Buck	37
Jan. 7, 1955	Letter from General Snedeker to Clerk of Court of Military Appeals	38
Do	Letter from Post Office Inspector Spencer to Buck	39
Jan. 10, 1955	Letter from Clerk of Court of Military Appeals to General Snedeker	40
Jan. 13, 1955	Letter from General Snedeker to Buck	41
Do	Letter from Major McCaffrey to Buck	42
Jan. 14, 1955	Statement of Buck refusing to accept discharge	43
Jan. 17, 1955	Order by Court of Military Appeals denying petition for reconsideration	44
Jan. 25, 1955	Letter from Major McCaffrey to General Snedeker	45
Jan. 26, 1955	Letter from Clerk of Court of Military Appeals to Mr. Roy C. Hall	46
----------	Extract from clerk's docket, Court of Military Appeals	47

[30] See exhibit 33.
[31] See exhibit 42.
[32] See exhibit 34.
[33] See exhibits 38 and 40.
[34] See exhibit 32.
[35] See exhibit 49.
[36] See exhibit 43.
[37] See exhibit 44.

In approving Sergeant Buck's court-martial conviction and sentence, the convening authority had ordered that "the execution of that portion thereof adjudging bad conduct discharge is suspended until the accused's release from confinement or upon completion of appellate review, whichever is the later date." [38] It cannot be doubted that Sergeant Buck's premature discharge was in violation of his statutory right to a prior full appellate review. Both his appointed defense counsel, Major McCaffrey,

[38] See exhibit 48.

and General Snedeker, concurred in that view at the time.[39] Moreover, Buck's constitutional and statutory right to effective representation by the expert civilian attorneys he had chosen, was denied him by the incredible mistakes of two successive appointed military defense counsel. The first of these, Commander Nelson, neglected to file the brief prepared for Sergeant Buck by Judge Pence; the second, Major McCaffrey, communicated with Buck and his attorney for over 2 months after the court had denied Buck's petition, without advising them of that significant fact. As a consequence, the excellent brief prepared by Buck's counsel, General Snedeker, was not timely filed; it is not clear whether the court ever considered that brief, although it is clear that Buck was unlawfully discharged from the service prior to the court's action upon it.

In sum, Sergeant Buck was denied a fair military judicial review; by virtue of the inexcusable mistakes of appointed military counsel, the excellent briefs on his behalf prepared by his chosen attorneys were submitted to the Court of Military Appeals piecemeal and out of time and only "after the fact." Sergeant Buck was thus denied a fair and equal opportunity for review before that highest military court.[40]

Sergeant Buck, however, has not ceased in his effort to obtain redress. In the period since his conviction he has obtained a persuasive body of evidentiary documentation to buttress his consistent assertions of innocence; this evidence demonstrates that key testimony against Sergeant Buck at his court-martial was perjurious in various respects and that he is in fact innocent of the only transgression with which he has ever been charged in a lifetime of good conduct and faithful military service.

V. SINCE HIS TRIAL, SERGEANT BUCK HAS OBTAINED VITAL PROOF THAT HIS CONVICTION WAS THE RESULT OF PERJURED TESTIMONY BY A KEY PROSECUTION WITNESS, AND THAT HE IS INNOCENT OF THE CRIME FOR WHICH HE WAS CONVICTED

When Sergeant Buck was convicted by his court-martial, notwithstanding the contradictions in the evidence against him and the proof that he could not have been the offending Marine, he immediately began to gather all available evidence to show that he had been unjustly convicted of a crime he did not commit. The documentary material obtained since the trial gives the strongest possible indication of Sergeant Buck's innocence, and of the perjurious nature of the evidence against him by the chief prosecution witness, Sergeant Walter J. Franz:

A. New evidence of Franz perjury

The most vital issue at the trial was, of course, whether Sergeant Buck was the man who had requested and been given three cases of chevrons. Sergeant Buck has obtained extensive documentary evidence that Sergeant Franz's testimony on this key identity aspect of the case was perjurious.

Doubtless the most damaging testimony identifying Sergeant Buck was that by Franz, who testified that even before the boxes of chevrons were handed to an anonymous marine, he had already obtained Sergeant Buck's name as that of the guilty party. Sergeant Franz testified that after he was called into the case (R. 47):

"I proceeded down there and talked to Major Gallagher and Major Moore and they sent for a man named Staff Sergeant Hatley and they explained to me that there was a master sergeant by the name of Carl H. Buck, from Marine Corps Recruit Depot, who had tried to purchase some Government property. They had a contract that morning that this Master Sergeant Buck was to be at 22-S-4 at noon."[41]

And Sergeant Franz further testified that he himself had used the name "Master Sergeant Buck" before Buck's actual arrest:

"I called the main gate, and as I called the main gate I could hear them hollering as the car was going out the gate. I heard them hollering and whistling, but they told me afterward that Buck had the green light * * * or the car had the green light, that I wanted stopped, and it went right straight through. I then called the town patrol and asked them to go up on 101 and see if they could stop this car with Master Sergeant Buck driving it which I had or which I was told was his name by Major Gallagher.

"Question. What else did you do after you notified the town patrol, if anything?

"Answer. I then got back in my vehicle and proceeded to the Oceanside Police Department. There I contacted the highway patrol—the highway patrol, it seemed within a matter of 5 or 10 minutes I heard this call going back and forth that they had Buck in Solano Beach" (R. 49).

Evidence obtained since the trial shows that Sergeant Franz' key testimony identifying Buck by name before his arrest on the highway was utterly perjurious in that Franz did not know Sergeant Buck's name before his arrest and that in calling the gate and police authorities to apprehend a marine, Sergeant Franz never identified and could not identify the suspect by the name "Buck." In an affidavit[42] WO Young S. Knight, from whose home Sergeant Franz had made the telephone calls to the main gate and the town patrol for the apprehension of a marine, states that in making the telephone calls from his house:

"I do not recall Sergeant Franz mentioning the name of Sgt. Carl Buck and as Sergeant Buck is a friend of mine, I feel quite sure that had his name been mentioned by Sergeant Franz, I would recall it."

Further, California State Highway Patrolman Walter Woods has stated in an affidavit[43] that:

"While I was on duty as a California State highway patrolman in Oceanside, Calif., on the 7th day of March 1952, shortly after the noon hour, I was approached by M. Sgt. Walter Franz from the provost marshal's office, Camp J. H. Pendleton, and requested to put out a call on the police radio to stop and hold a marine driving a yellow Studebaker. I was not given any name of the marine wanted stopped nor the license number of the car. In fact, Sergeant Franz stated that he did not know the name of the person he was looking for."

Finally, the evidence provided by Officer Doran, who arrested Sergeant Buck, and the radio logs of the Oceanside, Calif., Police Department show that Sergeant Franz did not have Sergeant Buck's name. Officer Doran has made an affidavit[44] stating as follows:

"When I approached this car to question the driver, in order to determine if he was a marine, I noticed he had stepped out of his car and was attempting to fix his rear license plate which was swinging loosely. In answer to my question, the driver stated he was a marine from Marine Corps Recruit Depot, San Diego.

"He then handed me his identification card showing that he was M. Sgt. Carl H. Buck. I placed him under apprehension and held him in my patrol car for approximately 30 minutes during which time I sent his full name and rank by radio to the Oceanside Police Department. At about 10 minutes to 1 the MP's arrived from Oceanside and asked Sergeant Buck his name and thoroughly searched his car. There was two of them, one of them got into the patrol car with Sergeant Buck and I and he asked me to again radio in to Sergeant Franz at the Oceanside Police Department for the name of the marine wanted. We were informed by radio that Sergeant Franz did not have the name of the marine he was looking for. But we did receive a request for a marine named 'Blackman.'

"At approximately 15 minutes later a call came from the Oceanside Police Department that the marine they wanted was named Carl Buck; this was the first time that Sergeant Buck's name was sent over the air except when I sent Sergeant Buck's name in to identify him as the marine I was holding."

The radio logs of the Oceanside, Calif., Police Department also conclusively demonstrate the falsity of Sergeant Franz's testimony that he knew Sergeant Buck's name before Sergeant Buck's arrest. The recorded 1:03 p.m. radio message[45] states:

"(Contact Sergeant Franz at Camp Pendleton ascertain the correct name of the party being held by CHP officers) 10-4 Sergeant Franz is at this office has apparently lost all papers with names will check farther and call you (10-4) kma 857."

The prearrest identification of Sergeant Buck's name by Sergeant Franz may have been the most important single piece of evidence relied upon by members of the court in finding that Sergeant Buck was the person who had solicited and been given three boxes of chevrons on March 1, 1952. That prearrest identification of Buck's name has now been proved perjurious by the affidavits of the warrant officer from whose house Sergeant Franz made the telephone calls to apprehend, by the California State highway patrolman whom Sergeant Franz requested to put out a call of apprehension, by the State police officer who apprehended Buck, and by the radio log message recorded by the Oceanside police at the time of Sergeant Buck's arrest. There can be no question that had this evidence of the perjurious nature of this testimony been presented to the court, Sergeant Buck would not have been convicted, and that he stands wrongfully convicted on the basis of Sergeant Franz's perjurious prearrest identification of his name. Coming as it does from unimpeachable police sources, this new evidence provides most important corroboration that Sergeant Franz shamelessly gave false testimony identifying the accused by his name

[39] See exhibits 41, 42 and 45.

[40] While the Court of Military Appeals subsequently had before it a motion to reopen the case, upon which it rendered a lengthy memorandum opinion on June 6, 1958, that proceeding was obviously not an adequate substitute for the fair and orderly submission of Sergeant Buck's regular appeal to the Court of Military Appeals' 1958 "opinion" purported to deal with the merits of some of Sergeant Buck's contentions, the court's decision also expressly recognized that at that late date the court no longer had jurisdiction to entertain Sergeant Buck's appeal. Certainly under these circumstances Sergeant Buck never had the benefit of the regular appeal of his conviction to the Court of Military Appeals with the benefit of full participation by his chosen civilian counsel, which was his statutory and constitutional right.

[41] As even the Board of Review decision of February 24, 1954, conceded: "The circumstances were that Major Gallagher did not, and could not, have known that Sergeant Buck was involved."

[42] See exhibit 50.

[43] See exhibits 51 and 52.

[44] See exhibits 53 and 54.

[45] See exhibit 55.

in order to cover his own inexcusable negligence in permitting the actual offender to escape from the scene of the crime.

B. The lie detector test

While lie detector tests are not accepted as evidence in criminal courts, they have become generally accepted as a nonjudicial basis of evaluating guilt or innocence. In 1956 at the request of his attorney, Sergeant Buck was subjected to an extensive 3-day lie detector examination conducted at Fordham University by Dr. Joseph F. Kubis, professor of psychology.[46] Critical questions were asked on every phase of the events relating to the taking of chevrons and Sergeant Buck's trial. It was the conclusion of Professor Kubis, an eminent expert in pathometer examination that:

"It can be asserted that the records of Mr. Buck indicate that he believes his denials of stealing, taking or receiving the missing chevrons; and, he believes his denials of making a deal to get them."

Indeed, Professor Kubis went further than merely characterizing Sergeant Buck's subjective consciousness of guilt or innocence, to state that "the general picture is that of a person who did not take the objects."

In contrast to Sergeant Buck, who took and passed a lie detector examination, Sergeant Franz, the chief witness against him, and whose testimony Sergeant Buck has repeatedly characterized as false, has refused to undergo a lie detector test. On June 9, 1959, counsel for Sergeant Buck addressed the following communication [47] to Sergeant Franz:

"I am writing to you as attorney for former M. Sgt. Carl H. Buck. You will recall that in August of 1952 you were the chief witness at Sergeant Buck's court-martial for larceny of Government chevrons and that the basic question presented in the case was whether Sergeant Buck was the person who had taken the chevrons or whether the case involved mistaken identity.

"Ever since his trial Sergeant Buck has attempted by various means to obtain redress, asserting his complete innocence and that your testimony against him was false in various important respects. Among other steps that Sergeant Buck has taken to prove his innocence he submitted himself to an extensive lie detector examination at Fordham University in May of 1956 which covered in detail every aspect of the case against him and which Sergeant Buck passed 100 percent.

"I am sure you will understand how important this matter is to Sergeant Buck and to his family. For that reason and because I know that as a member of the Navy criminal investigation branch you would not want to shirk your full responsibilities in such a matter, I make the request of you that you consent as did Sergeant Buck to a lie detector examination to be given by some independent and acknowledged expert.

"If you consent to undergo a polygraph examination, we will, of course, make all necessary arrangements and pay all the expenses that you might incur.

"Since we are submitting for Sergeant Buck before the end of June a petition to the President for a pardon on the grounds of Sergeant Buck's innocence, I would appreciate your very prompt answer to this communication."

By a letter of June 12, 1959, Sergeant Franz refused that request in the following vitriolic terms: [48]

"Your letter which slyly attacks my character for truth and veracity is hardly the type I expected from a firm of such sound reputation. However, in this day and age nothing is unusual. It appears to me that the real reason for your letter was to offend me into not answering and thus give you an opportunity to capitalize on my silence. If this was your plan Mr. Silard, let this letter be notice that it failed.

"Your request that I submit to a lie detector test and your statement that I would not want to 'shirk my full responsibilities in this matter' is completely unbelievable. First, Mr. Silard, my testimony was truthfully given under oath and recorded for the world to review. It has never been questioned by the U.S. Marine Corps, nor the courts. Secondly, my responsibilities in connection with the 'Buck case' were completely fulfilled when I gave my testimony in court in 1952.

"It is no great surprise that the convicted Mr. Buck would assert my testimony to be false. He has made assertions for quite some time without success. As far as I am concerned and apparently as far as the courts are concerned, the case is closed. If it were otherwise, you would not need to petition the President for a pardon.

"Very truly yours,

"WALTER J. FRANZ,
"Master Sergeant, USMC."

The Navy has been just as solicitous to shield Sergeant Franz from the kind of examination or interrogation which might lead to his confession of perjury as has Sergeant Franz himself. On April 3, 1959, Senator PAUL H. DOUGLAS wrote the Judge Advocate General of the Navy requesting that Sergeant Franz be temporarily brought to Washington. In that letter Senator DOUGLAS pointed out that "the best and most direct way for Sergeant Buck to obtain evidence that a miscarriage of justice has resulted is of course through the chief witness against him, Sergeant Franz" and went on to request that Sergeant Franz be brought to Washington for interrogation, pointing out that:

"In order to present a record upon which he might base his plea for clemency, it therefore seems to me absolutely necessary for Sergeant Buck and his attorneys to be given an opportunity to confront and interrogate Sergeant Franz in the hope that he will retract his testimony or otherwise clarify what appears to be a grievous miscarriage of justice. It seems to me that an informal interrogation of Sergeant Franz at which a representative of himself and of my staff and possibly of Senator HENNINGS' staff, as well as Sergeant Buck and his attorneys, would likely be productive. At the very least it would give Sergeant Buck the fair chance to which he is clearly entitled as indicated by the White House letter to me, to demonstrate his innocence and obtain a full reprieve."

In communications of April 21, 1959, from the Judge Advocate General of the Navy, and May 4, 1959, from the Commandant of the Marine Corps, Senator DOUGLAS' request was flatly refused, assertedly because of the expense of bringing Sergeant Franz from California to Washington. Notwithstanding that the future life and reputation of an American citizen is at stake and that there is overwhelming cause to believe that Sergeant Franz gave perjurious testimony at his trial, the Judge Advocate General of the Navy wrote Senator DOUGLAS that:

"The proposed examination of Sergeant Franz can have no other purpose except to attempt to weaken and discredit his previous testimony. Full opportunity to do this was accorded in the judicial proceedings now terminated."

C. Police radio logs unquestionably establish Buck's innocence

Finally and most importantly, Sergeant Buck has obtained irrefutable documentary evidence that he could not have been the man to whom the chevrons were turned over by Sergeant Hatley shortly after noon on March 7, 1952.

At the trial itself, the time of the turning over of the chevrons to an unknown marine was established by the prosecution's three witnesses, and the time of Buck's arrest, 21 miles away, was established by Officer Doran of the California Highway Police. The following is the pertinent testimony of these witnesses, showing that the anonymous marine was handed the chevrons at 12:07 or 12:10 on March 7, 1952, and that Sergeant Buck was arrested 21 miles away just a few minutes later:

"Testimony of Sergeant Hatley, a Government Witness

"Question. After you had this telephone conversation on the morning of the 7th, did you see him?

"Answer. Yes, sir. I saw him at 12 o'clock that day" (R. 12).

"Question. Now you say a chap came in on the 7th of March. Can you fix the time definitely?

"Answer. Who came in?

"Question. Some person to pick up the chevrons.

"Answer. Yes; 12 o'clock.

"Question. How do you fix the time positively at 12 o'clock?

"Answer. There was a clock in the office and I was expecting someone to pick up the chevrons, and during the telephone conversation that morning the person calling said he would be there approximately at 12 o'clock.

"Question. Then you are quite certain that it was 12?

"Answer. It would have been 2 or 3 minutes either way.

"Question. How long was the person there?

"Answer. Approximately 7 or 8 minutes—maybe 10.

"Question. What time did you say the person left?

"Answer. Approximately 10 after——

"Question. Now, Mr. Hatley, is it then a fair statement that your testimony indicates that the individual who picked up the chevrons came in at 12 noon and left to the best of your estimation at 10 minutes after 12?

"Answer. Yes, sir; that is correct" (R. 22).

Testimony of M. Sgt. Johnathan C. Layton, a Government Witness

"Question. Do you recall the approximate time on the date in question that this money changed hands?

"Answer. Right around 12 o'clock noon" (R. 34).

Testimony of M. Sgt. Walter J. Franz, a Government Witness

"Question. What happened after they placed the boxes out there?

"Answer. Just about 12 o'clock right on the head, maybe a few minutes before 12, a yellow car drove up in front of 22-S-4 and Hatley said, 'it's him'" (R. 48).

"Question. Do you remember distinctly that it was 12 sharp when he arrived?

"Answer. As I said before, it could have been 1 minute to, or 1 minute after. The hands were almost at 12 or they were at 12. I wasn't specifying no different except a minute.

"Question. We can say safely, then, 5 minutes either way?

"Answer. Say 5 minutes either way.

"Question. How long did he stay there?

"Answer. I would say between 7 and 10 minutes.

"Question. Shall we safely assume, then, that according to the correct time he left there at 10 minutes after noon—5 minutes either way?

"Answer. Yes" (R. 59).

The record of trial contains the following testimony concerning the time of apprehension of Buck in Solana Beach, 21 miles from the scene of the crime:

[46] See exhibit 56.
[47] See exhibit 57.
[48] See exhibit 58.

Testimony of William A. Doran, State Traffic Officer, a Defense Witness

"Question. Were you on duty on the 7th of March?

"Answer. Yes, sir.

"Question. At approximately the noon hour, did anything unusual occur?

"Answer. Shortly after the noon hour, I received a call from the Oceanside Police Department to attempt to stop a yellow Studebaker, southbound on Highway 101 with a marine sergeant driving it.

"Question. Did you stop such an automobile?

"Answer. Yes, sir.

"Question. Where?

"Answer. At Solana Beach.

"Question. That's in the County of San Diego?

"Answer. Yes, sir.

"Question. At what time did you make the stop?

"Answer. Approximately 12:15" (R. 86).

"Question. Mr. Doran, how do you fix the time, 12:15?

"Answer. Well, I just approximate it. I don't recall looking at my watch. However, I know it was my lunch hour—starts at 12 and I was just thinking about going to get something to eat, and this—I know it was at least 10 after 12 or so when I started thinking about going for my lunch.

"Question. In other words, it could have been 12:30?

"Answer. No, sir.

"Question. You're absolutely sure of that?

"Answer. I'm positive it was approximately 12:15—12:20, in that area.

"Question. It could have been 12:20 or little—

"Answer. It could have been 12:20, but it could not have been 12:30.

"Question. What time did you first get the call?

"Answer. Just about 1 minute before Sergeant Buck pulled up to the signal" (R. 87–88).[49]

This persuasive evidence of mistaken identity was, however, rejected on the following grounds by the Navy Board of Review in its decision of February 24, 1954, affirming Sergeant Buck's conviction:

"If this was the only testimony in the record of trial reconciling the determination as to whether the person who left building 22–S–4 was the same person who was apprehended at Solana Beach, this Board would admit that a grave possibility of erroneous identification of the accused existed. It speaks for itself that it would be highly improbable, if not physically impossible, to drive 21 miles, part of such distance through populated areas involving traffic impediments, in approximately 16 minutes. But the record of trial contains considerable additional evidence which was properly within the court's discretion for consideration. While the testimony of Officer Duran was emphatic and positive it is apparent his deductions as to the time were not predicated upon a factual basis. His testimony discloses he approximated the time—that he did not look at his watch—he knew it was his lunch hour—and he was thinking about going to get something to eat. This testimony is refuted by that portion of Franz's uncontradicted accounting that he had arrived at the Oceanside Police Department—highway patrol—at '* * * approximately 12:30. It was between 12:30 and 1' and that 'it seemed within a matter of 5 or 10 minutes I heard this call going back and forth that they had Buck in Solana Beach' (R. 49). It is considered that the court was well within its prerogatives in rejecting that portion of the testimony purporting to be a definite establishment of the time of apprehension bottomed upon such uncertainty."

In short, the primary basis for the Board's rejection of the persuasive evidence of mistaken identity (based upon the time factor) was that Officer Doran's recollection of the time of arrest was "not predicated upon a factual basis." Since his trial, however, Sergeant Buck has obtained the irrefutable documentary factual basis for the time of his arrest—recorded radio messages at the San Diego, Calif., Police Department show the latest possible time that Sergeant Buck could possibly have been arrested.

Officer Doran has sworn repeatedly that it was just after Sergeant Buck pulled up to fix his rear license plate that he received a radio call to arrest a marine in a cream-colored Studebaker. The radio log entry[50] shows the following radio call logged in at 12:33 p.m. by San Diego police: "Have 2473 pick up marine sergeant for CID Camp Pen cream-colored Stude 1950 or 1951 south from Encinitas."[51] As further shown on the radio log, by 12:40 Officer Doran (2473), after stopping Sergeant Buck, examining his identification, and placing him under arrest, had radioed these facts back to his headquarters.

Under these circumstances the time of Sergeant Buck's arrest is no longer based upon the uncertainty of Sergeant Doran's calculation of the time of the arrest. It is now established through radio logs and the prosecution's own witnesses that whereas the guilty party had left with chevrons at 12:07 or 12:10, Master Sergeant Buck could not have been picked up, 21 miles away, any later than 12:32 and that Officer Doran's unequivocal testimony concerning the time of Sergeant Buck's arrest was thus substantially correct.

It would, of course, have been totally impossible for Sergeant Buck in 21 minutes to traverse 21 miles in a driving rainstorm, through five populated communities with stop lights, also stopping at the main gate of Camp Pendleton and stopping to dispose of chevrons along the way. As emphasized in the communication of August 21, 1957, from Senator PAUL DOUGLAS to the President of the United States:

"According to the definite testimony at the court-martial, the unknown 'Chuck' left the Camp Pendleton warehouse at 12:10 p.m. or within minutes of that time. Buck was apprehended at Solana Beach some 22 miles away. The California State Police officer who apprehended him testified that he did so at 12:15 and certainly no later than 12:20 p.m. The police radio logs show that the calls for the apprehension of the person involved went out at 12:30 or 12:32, or no more than 21 or 22 minutes from the time the unknown 'Chuck' left the Camp Pendleton warehouse. The police officer testified that he saw Buck just shortly before the first call came through. These calls were entered on the logs later than they actually occurred, but even then Buck could have been apprehended no later than 22 minutes from the time the so-called larceny occurred and actually only 5 to 10 minutes later.

"From the police radio logs at San Diego and at Oceanside, Calif., it appears that for Buck to have been the person involved, he would have had to drive some 22 miles, at high noon, through a driving rain, through five towns, most of them with stoplights, and meanwhile have gotten rid of the stolen goods, all in some 21 minutes. This appears to have been impossible."

Adding the documentary evidence discovered since the trial to the other contradictions in identification—that unlike the offending marine, Sergeant Buck had no mustache, was clean shaven, wearing different clothing, no horn-rimmed glasses and had no chevrons in his car—it becomes perfectly clear that through an unfortunate coincidence in vehicles, Master Sergeant Buck, with a lifetime record of excellent military service, has been unjustly convicted and dismissed from his military career for an offense committed by someone else.

It is rare indeed that a person convicted of a crime can establish his innocence by the testimony of the prosecution's own witnesses and that of a State highway policeman. It is even more rare that documentary evidence by means of recorded police radio logs is found to substantiate the impossibility of the accused's commission of the offense. In this case, however, such evidence has been produced. Certainly, a convicted American citizen who can prove his innocence through the radio logs of a State police department, is entitled to a full reprieve from a mistaken criminal conviction.

VI. CONCLUSION: SERGEANT BUCK, UNJUSTLY CONVICTED OF A CRIME HE DID NOT COMMIT, DESERVES FULL PARDON AND RESTORATION TO THE SERVICE

Sergeant Buck seeks a pardon because of his innocence and for no other reason. In that connection, Sergeant Buck urges that the fullest investigation be made by the Federal Bureau of Investigation of every detail of his trial and the testimony there introduced on his behalf and against him, as well as all the circumstances relied upon in this brief. Sergeant Buck will willingly undergo a second lie-detector test or any other examination aimed at establishing the truth. He is confident that a full investigation will remove him and his family from the cloud of the degrading accusation that he has committed a crime against the Government he sought to serve; by finally proving his innocence, it will make possible the rebuilding of a ruined life.

There are only a few instances in which a President of the United States has granted a pardon because of innocence. But Sergeant Buck's case is certainly one of those rare cases which cries out for clemency for an innocent citizen wrongfully branded a criminal, imprisoned, and dismissed, after 18 years, from his career in the U.S. Marines.

Buck was convicted on the slimmest and most contradictory evidence against him in the face of persuasive proof that he could not have been the guilty party. Totally irrelevant and highly prejudicial testimony introduced by the prosecution at his trial through his own defense counsel denied him a fair trial. A series of incredible mistakes before the U.S. Court of Military Appeals by appointed military counsel denied Sergeant Buck his constitutional and statutory right to a fair defense in the appellate process by the expert attorneys of his choice. Fnially, and most importantly, Sergeant Buck has obtained vital new evidence since his trial to demonstrate what has been clear to three Senators of the United States and every other impartial reviewer, that his conviction was the result of mistaken identity.

As an innocent man mistakenly convicted, Sergeant Buck fully deserves a pardon; such a pardon should be accompanied by his restoration to the service, which is within the power of the Chief Executive as Commander in Chief. Certainly, now that Sergeant Buck can demonstrate his innocence, nothing could justify the withholding of full redress by restoring him to his service career.

[49] Officer Doran made a slip of the tongue here for he has repeatedly stated and verified in affidavits that Sergeant Buck pulled up to the signal a minute before the radio message, not vice versa. See exhibit 53.

[50] See exhibit 59.

[51] The radio logs actually show that at the very latest, Buck had already pulled up in Solana Beach by 12:30. The time could have been no later and was possibly much earlier for the San Diego log 12:33 excerpt was recorded only after the call had originally been broadcast from Oceanside, rebroadcast from San Diego, and finally logged into the log book at San Diego.

But all apart from Sergeant Buck's innocence of the crime for which he was convicted, there is a separate and additional ground for his restoration to the Marine Corps. On November 8, 1956, after an official hearing and investigation by the Board for Correction of Naval Records, that statutory agency made a determination that Sergeant Buck should never have been discharged from the Marine Corps.[52] The Board found, on the basis of Buck's "many years of faithful and meritorious service,"[53] that the Clemency Board which had rejected his appeal to remain in the Marine Corps should have retained him in the service. The specific finding of the Board for Correction of Naval Records, concurred in by the Secretary of the Navy on November 29, 1956,[54] was as follows:

"after a most conscientious and careful consideration of petitioner's naval record, the evidence presented by him, or in his behalf, and particularly in view of his many years of faithful and meritorious service, the Board finds that the ends of justice would have been better served had petitioner been restored to duty and afforded an opportunity to complete his enlistment under honorable conditions by serving a probationary period. In this connection the Board is mindful of the general policy of the Department not to restore to duty a person convicted of theft, but believes that exceptions should be made in certain cases and that in view of all the circumstances attending the instant case, an exception to the general policy should have been made."

Thus, although a statutory agency of the United States, as well as the Secretary of the Navy, have ruled that Sergeant Buck was unjustly discharged from the Marine Corps, he has yet to receive the only appropriate relief against that injustice—restoration to the corps.

Sergeant Buck, innocent of the crime of which he was convicted, has been unfairly and unjustly labeled a criminal and deprived of his military career. He hereby respectfully requests an unconditional pardon and restoration to the service, in exercise of the clemency and restoration powers vested in the President as Chief Executive and Commander in Chief.

Respectfully submitted.

JOSEPH L. RAUH, Jr.,
JOHN SILARD,
Attorneys for Petitioner.

JULY 1959.

EXHIBIT 50

Young S. Knight, being first duly sworn, deposes and says as follows:

"On March 7, 1952, I was stationed at the Marine Base, Camp Pendleton, Calif.; on that date I went to my home for lunch arriving there shortly after 12 noon; at the time it was raining very hard.

"I had been in my home for only a few minutes when M. Sgt. Walter J. Franz knocked on the door and asked whether he could use the phone. Master Sergeant Franz was there about 5 or 10 minutes during which time he called first the main gate, then the town patrol, and finally, the State highway patrol.

"I was in and out of the room in which Sergeant Franz made the telephone calls and I heard Sergeant Franz give a description of the car which he wished to have stopped but I do not remember him giving any description of the man in the car either by name or otherwise. I do not recall Sergeant Franz mentioning the name of Sgt. Carl Buck and as Sergeant Buck is a friend of mine, I feel quite sure that had his name been mentioned by Sergeant Franz, I would recall it.

"My house from which Sergeant Franz made the aforementioned telephone calls was located about 5 miles from the supply area of Camp Pendleton and about 1 mile and a half to the main gate of Camp Pendleton.

"I have known Sergeant Buck over a period of several years, during which time Sergeant Buck has never had a mustache and has always been clean shaven.

"YOUNG S. KNIGHT."

Subscribed and sworn to before me, a notary public, this 18th day of November 1953.

ELIZABETH A. EDWARDS,
QUANTICO, VA. *Notary Public.*
My commission expires May 8, 1955.

EXHIBIT 51

STATEMENT

OCEANSIDE, CALIF., *April 21, 1954.*

I hereby certify that while I was on duty as a California State highway patrolman in Oceanside, Calif., on the 7th day of March 1952, shortly after the noon hour, I was approached by M. Sgt. Walter Franz from the provost marshal's office, Camp J. H. Pendleton, and requested to put out a call on the police radio to stop and hold a marine driving a yellow Studebaker. I was not given any name of the marine wanted stopped nor the license number of the car. In fact, Sergeant Franz stated that he did not know the name of the person he was looking for. I then contacted the MP's of Oceanside and they informed me they were looking for a man by the name of Blackman. I radioed or had radioed on ahead to State Highway Officer William Duran to stop a marine driving a yellow Studebaker. Then later I radioed or had radioed a request to hold a marine named Blackman.

I am willing to testify to the above statement any time, any place: I further state I have never been approached or requested to make a statement concerning the above facts by any attorney at law representing M. Sgt. Carl H. Buck, U.S. Marine Corps.

WALTER WOODS,
California State Highway Patrolman, 1-168.

E. JEANETTE BUCK,
CARL H. BUCK,
Witnesses.

EXHIBIT 52

Walter Woods, being first duly sworn, deposes and says as follows:

"While I was on duty as a California State highway patrolman in Oceanside, Calif., on the 7th day of March 1952, shortly after the noon hour, I was approached by M. Sgt. Walter Franz from the provost marshal's office, Camp J. H. Pendleton, and requested to put out a call on the police radio to stop and hold a marine driving a yellow Studebaker. I was not given any name of the marine wanted stopped nor the license number of the car. In fact, Sergeant Franz stated that he did not know the name of the person he was looking for. I then contacted the MP's of Oceanside and they informed me they were looking for a man by the name of Blackman. I radioed or had radioed on ahead to State Highway Officer William Doran to stop a marine driving a yellow Studebaker. Then later I radioed or had radioed a request to hold a marine named Blackman.

"I am willing to testify to the above statement any time any place. I further state I have never been approached or requested to make a statement concerning the above facts by any attorney at law representing M. Sgt. Carl H. Buck, U.S. Marine Corps.

"WALTER WOODS,
"California State Highway Patrolman No. 1468."

Subscribed and sworn to before me this 14th day of September 1956.

CLARA M. CARPENTER,
Notary Public.
My commission expires November 9, 1956.

EXHIBIT 53

William A. Doran, being first duly sworn, deposes and says as follows:

"That while I was on duty as a California State highway patrolman in Solana Beach, Calif., during the noon hour of March 7, 1952, I received a radio call to apprehend a marine driving a yellow Studebaker. There was no name of marine wanted or license number of the car mentioned in this request. Just before I received this call, a yellow Studebaker pulled off the highway and stopped in approximately the center of Solana Beach. When I approached this car to question the driver, in order to determine if he was a marine, I noticed he had stepped out of his car and was attempting to fix his rear license plate which was swinging loosely. In answer to my question, the driver stated he was a marine from Marine Corps Recruit Depot, San Diego.

"He then handed me his identification card showing that he was M. Sgt. Carl H. Buck. I placed him under apprehension and held him in my patrol car for approximately 30 minutes during which time I sent his full name and rank by radio to the Oceanside Police Department. At about 10 minutes to 1 the MP's arrived from Oceanside and asked Sergeant Buck his name and thoroughly searched his car. There was two of them, one of them got into the patrol car with Sergeant Buck and I and he asked me to again radio into Sergeant Franz at the Oceanside Police Department for the name of the marine wanted. We were informed by radio that Sergeant Franz did not have the name of the marine he was looking for. But we did receive a request for a marine named 'Blackman.'

"At approximately 15 minutes later a call came from the Oceanside Police Department that the marine they wanted was named Carl Buck; this was the first time that Sergeant Buck's name was sent over the air except when I sent Sergeant Buck's name in to identify him as the marine I was holding. The time this last call came over the air requesting Sergeant Buck was approximately 1:15 p.m. The MP's then placed Sergeant Buck under arrest. One of them drove his car back to Oceanside, and the other drove the pickup truck in which Sergeant Buck was confined.

"I am willing to testify to the stated facts any time, any place. I further state I have never been questioned as to the above facts by any attorney at law who was at that time representing M. Sgt. Carl H. Buck. I further state Sergeant Buck was clean shaven.

"WILLIAM A. DORAN,
"California State Highway Patrolman No. 743."

Subscribed and sworn to before me this 14th day of September 1956.

My commission expires November 9, 1956.

CLARA M. CARPENTER,
Notary Public.

EXHIBIT 54

To Whom It May Concern:

When I stopped Sergeant Buck on March 7, 1952, I was following a call I received to

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[52] See exhibit 60. While the Board for Correction of Naval Records did not recommend restoration to service for Sergeant Buck, it should be noted that it is the consistent practice of that Board either as a matter of jurisdiction or policy not to recommend such restoration. See exhibits 62 and 63.

[53] Marine Corps fitness report ratings range from unsatisfactory to outstanding. The fitness reports contained in Sergeant Buck's personnel file, covering the period of his service, have been reviewed. Sergeant Buck's ratings include none in the unsatisfactory column, 2 ratings of fair, 52 ratings of good, 107 ratings of very good, 115 ratings of excellent, and 21 ratings of outstanding.

[54] See exhibit 61.

stop a marine in a yellow Studebaker. There was no name mentioned at that time. I called in and asked for the name of the marine. I was informed it was Blackman. I replied that the man I had was Carl Buck. I was then told to hold subject until the MP's arrived; approximately 30 minutes later when the MP's arrived, one of them asked me to call in and ask again the name of the wanted marine. That was the first time Sergeant Buck's name was mentioned on the air other than when I informed the station it was Sergeant Buck I had instead of a man named Blackman. The MP's did not ask me for Sergeant Buck, in fact, to the best of my knowledge they did not know who they were looking for when they arrived at the scene.

WILLIAM A. DORAN,
State Traffic Officer No. 743.

EXHIBIT 55

RADIO LOG

Police Department — KMA 857
Oceanside, California — Date 3/7/52
Operators on Watch: B. W. Winford — 100-A3

Time	A.M. P.M.	Sec.	Car*	Transmission
11:55	AM	5	T-O	(Advise 5526 he is clear; Sta. T) KMA 857
11:56	AM	5	O-5526	Sta T advises 10-34. (KA4993) KMA 857
11:56	AM	5	C-3	(10-8) KMA 857) KMA 857
12:05	PM	5	C-1	(10-7 6811) 10-4 KMA 857
12;18	"	15	C-2	(10-7 at Haver's) 10-9 Location Pls. (Repeated) KMA 857
12:40	"	20	C-1	(10-8) 10-8 KMA 857
12:40	"	10	C-4	(10-98 on the 11-82 and do you still want me to 10-19?) I don't know what the 10-19 was about I am the only one here (10-4) KMA 857
12:41	"	10	C-2	(10-8) 10-4 KMA 857
1:00	pm	5	O-CHP	calling go ahead. (choppy unreadable)
1:02	"	10	T	I cannot read the unit trying to call will you pls relay?
1;03	"	15	T	Contact *Sgt. Franz* at Camp Pendleton ascertain the correct *name* of the *party* being held by CHP Officers) 10-4 Sgt *Franz* is at this office has apparently *lost* all papers with names will check farther and call you (10-4) kma 857
10:04	"	15	C1	(I am coming up 2nd will you send car to assist?) 10-9 location (I an almost in never mind) 10-4 Winford is in route to assist KMA 857
1:12	pm	5	O-T	Advise ur unit the mans name is Carl Buck M/Sgt. . (10-4) Sta T) KMA 857
1/31	"	10	T-O	(ur stolen 37 plymouth 1 P 29199 recovered in San Ysidro, have registered owner contact this office for release) 10-4 KMA 857
1:36	PM	5	O-C3	11-25 Paul (10-4 KMA 857 10-8) KMA 857
1:45	PM	5	O-3	(be clear about 2 min. . .) 10-19 . . No response KMA 857

I certify that the contents of the radio log as shown on the obverse side of this paper is a true copy of radio call log of the Oceanside Police Department for March 7, 1952.

WILLIAM H. WINGARD,
Chief of Police,
Oceanside, Calif.

DOROTHY M. GOODIN,
Notary Public.

SEPTEMBER 21, 1956.

CV——939

EXHIBIT 56

FORDHAM UNIVERSITY,
GRADUATE SCHOOL OF ARTS AND SCIENCES,
New York, N.Y., May 11, 1956.

Mr. DAVID ROMANOFF,
Selkowe, Johnson, Zimbalist, & Romanoff,
New York, N.Y.

DEAR MR. ROMANOFF: Enclosed is a summary report on the results of the pathometer examination administered to Mr. Buck.

Please feel free to call me about any phase of the examination or any aspects of the report.

Very truly yours,

JOSEPH F. KUBIS,
Professor of Psychology.

PATHOMETER EXAMINATION—SUMMARY REPORT

SELKOWE, JOHNSON, ZIMBALIST,
& ROMANOFF, COUNSELORS AT LAW,
New York City.

Person examined: Mr. Carl H. Buck.
Examiner: Dr. Joseph F. Kubis.
Place: Fordham University.
Dates: April 28, April 30, and May 5, 1956.

Problem: To determine if Mr. Buck stole three cases of chevrons from Camp Pendleton; to determine if he made prior arrangements to get the chevrons. Other accessory matters are included in the listing of critical questions which follow in a later section.

Number of tests: A total of 15 tests was administered over the 3-day examination period.

Condition of subject: Mr. Buck was very cooperative throughout all phases of the examination. His electrical reactions were of sufficient magnitude to make interpretation feasible. Vigorous, aggressive, and outspoken in his interpretation of the handling of his case, his attitude might be interpreted by others as hypercritical or grandiose.

Specific issues under investigation: It may be most appropriate to present the specific issues under investigation in the form of the critical questions that were used in interrogating Mr. Buck. Critical questions are those directly relating to the point at issue. Each test record contains three critical questions, and each of these is repeated three times within that record. Such critical questions are interspersed among at least 18 noncritical questions. A complete test record, then, includes at least 27 questions. The average number is 29, allowing for buffer questions at the beginning and the end of each test period.

TEST I

1. Were you in Camp Pendleton on March 7, 1952?
2. Did you ever make a deal with anyone to get chevrons?
3. Did you have anything to do with the missing chevrons?

TEST II

1. Did you promise whisky or money to get chevrons?
2. Did you ever have the missing chevrons in your car?
3. Did you ever give chevrons to Blackman?

TEST III

1. Did you ever go to Camp Pendleton in disguise?
2. Did you tell anyone to return the chevrons?
3. Did you make a deal with Franz?

TEST IV

1. Did you make arrangements with Hatley about chevrons?
2. Did you send anyone to pick up the chevrons on March 7?
3. Were you involved with Carrell and Thompson in getting the chevrons?

TEST V

1. Before March 7, 1952, did you ever get chevrons illegally?
2. Did you ever talk to Hatley about getting chevrons?
3. Did you plan to have the chevrons returned while you were in the hospital?

TEST VI

1. Did you ever receive chevrons from Hatley?
2. Are you telling the whole truth in this case?
3. Does your wife know who took the chevrons?

TEST VII

1. On March 7, 1952, were you at Camp Pendleton before 1 p.m.?
2. Did you tell someone to return the chevrons?
3. Did you ever give $50 to Hatley?

TEST VIII

1. Did you ever go to Camp Pendleton in disguise?
2. Did you ever make a deal with Hatley to get chevrons?
3. Have you lied to any questions I've asked you?

TESTS IX AND XI

1. Were you at Taylor Motors before noon on March 7, 1952?
2. Do you know with certainty who took the chevrons?
3. Did you give $50 to Hatley or anyone else on March 7, 1952?

TESTS X AND XIII

1. Were you at Pendleton on March 7 anytime before being stopped by the State police?
2. Did you take the chevrons on March 7, 1952?

TESTS XII AND XIV

1. After Taylor Motors did you stop at the bus depot and have coffee?
2. Did you ask Sergeant Franz for $50 back?
3. Did you buy chevrons from anyone on March 7?

TEST XV

1. Did you ever make a deal with Rankin to get binoculars?
2. Did you give $50 to anyone on March 7?
3. Were the missing chevrons ever in your car?

ANALYSIS OF RESULTS

The reader of this report is cautioned that the pathometer examination can lead to conclusions only about whether a person really believes what he is saying. It cannot determine whether what that person believes is the factual state of affairs. Self-delusion or self-deception, however, are predominantly the characteristic of mental pathology and not of ordinary normal reactions.

The analysis will take up a number of the basic issues in this case insofar as they have been thoroughly covered by the critical questions.

(a) As to the stealing, taking, receiving or buying chevrons on March 7 from Hatley or anyone else—the records indicate that Mr. Buck believes what he is saying when he answers these questions negatively. One would conclude that he is answering truthfully when denying the taking of the chevrons.

(b) As to talking to Hatley or making a deal with him or anyone else to get the chevrons—again his denial to these questions is corroborated by the electrical responses which are similar to those we have found in truthful responses.

(c) Also, from the records, it appears that he is giving a truthful answer when he denies asking Franz for $50 back.

(d) The reactions to the questions of ever giving $50 to Hatley or anyone else on March 7 are not interpretable. This means that we cannot state that the response is a lie; neither can we state that it is truthful.

(e) The reactions to the other questions found in the records insofar as they are relevant to the chevrons stolen on March 7, 1952, are to be interpreted as congruent with the

assertions of the examinee. In other words, they have not the characteristics of lying; their predominent picture is one of truthful reaction.

CONCLUSION

It can be asserted that the records of Mr. Buck indicate that he believes his denials of stealing, taking or receiving the missing chevrons; and, he believes his denials of making a deal to get them.

There were other questions relative to issues of the case which did not deal directly with the innocence or guilt of Mr. Buck and it can be assumed from the records of the case that the answers could have been negative or affirmative.

The general picture is that of a person who did not take the objects.

EXHIBIT 57

RAUGH & LEVY,
Washington, D.C., June 9, 1959.

M. Sgt. WALTER J. FRANZ, 332572,
Headquarters and Headquarters Squadron, Marine Corps Air Station, El Toro, Santa Ana, Calif.

DEAR SERGEANT FRANZ: I am writing to you as attorney for former M. Sgt. Carl H. Buck. You will recall that in August of 1952 you were the chief witness at Sergeant Buck's court martial for larceny of Government chevrons and that the basic question presented in the case was whether Sergeant Buck was the person who had taken the chevrons or whether the case involved mistaken identity.

Ever since his trial Sergeant Buck has attempted by various means to obtain redress, asserting his complete innocence and that your testimony against him was false in various important respects. Among other steps that Sergeant Buck has taken to prove his innocence he submitted himself to an extensive lie detector examination at Fordham University in May of 1956 which covered in detail every aspect of the case against him and which Sergeant Buck passed 100 percent.

I am sure you will understand how important this matter is to Sergeant Buck and to his family. For that reason and because I know that as a member of the Navy criminal investigation branch you would not want to shirk your full responsibilities in such a matter, I make the request of you that you consent as did Sergeant Buck to a lie detector examination to be given by some independent and acknowledged expert.

If you consent to undergo a polygraph examination, we will of course, make all necessary arrangements and pay all the expenses that you might incur.

Since we are submitting for Sergeant Buck before the end of June a petition to the President for a pardon on the grounds of Sergeant Buck's innocence, I would appreciate your very prompt answer to this communication.

Sincerely yours,

JOHN SILARD.

EXHIBIT 58

HEADQUARTERS AND
HEADQUARTERS SQUADRON,
U.S. MARINE CORPS AIR STATION,
El Toro (Santa Ana), Calif., June 12, 1959.

RAUH & LEVY,
Washington, D.C.
(Attention: Mr. John Silard).

DEAR MR. SILARD: Your letter which slyly attacks my character for truth and veracity is hardly the type I expected from a firm of such sound reputation. However, in this day and age nothing is unusual. It appears to me that the real reason for your letter was to offend me into not answering and thus give you an opportunity to capitalize on my silence. If this was your plan, Mr. Silard, let this letter be notice that it failed.

Your request that I submit to a lie detector test and your statement that I would not want to "shirk my full responsibilities in this matter" is completely unbelievable. First, Mr. Silard, my testimony was truthfully given under oath and recorded for the world to review. It has never been questioned by the U.S. Marine Corps, nor the courts. Secondly, my responsibilities in connection with the Buck case were completely fulfilled when I gave my testimony in court in 1952.

It is no great surprise that the convicted Mr. Buck would assert my testimony to be false. He has made assertions for quite some time without success. As far as I am concerned and apparently as far as the courts are concerned, the case is closed. If it were otherwise, you would not need to petition the President for a pardon.

Very truly yours,

WALTER J. FRANZ,
Master Sergeant, USMC.

EXHIBIT 59

RADIO STATION LOG

Station KMA-363 T

Operator: Tracy, W. Date 3-7-52
Relief operator: Watch 0830 To 1700

Station worked	Mobile unit	Time	Nature and contents of transmission	Name of mobile operator
	3468	1233	Have 2743 pick up Marine sgt. for CID Camp Pendl. cream colored Stude 50 or 51 South from Encinitas . . .	
All Units.....		1234	Above Rept.	
	2743	1240	Have car stopped at Solana Beach . . . 10-4 will advise	
2743		1241	Hold for CID Camp Pendl. MP's enroute from Camp Pendl . . . 10-4	
	2743	1300	Ascertain from CID Sgt. Franz . . . anme of this man . . . 10-23	

This is to certify that this is a true copy of a portion of the CHP Radio Log for March 7, 1952. The numbers 3468 are call letters for Calif. Hwy Patrol Ofc. Woods, as 2743 is for Ofc. W. Doran.

W. BORNHAUSER,
Dispatcher.

Mr. DOUGLAS. Mr. President, the other exhibits referred to in the brief are available for inspection in my office, but I am not placing them in the RECORD because of their voluminous nature.

Finally, Mr. President, I ask unanimous consent that an article which appeared in Man's magazine in February 1959, written by Sergeant Buck with Al Toffler, may be printed in the RECORD.

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

THE UNITED STATES AGAINST SGT. CARL H. BUCK

(By Sgt. Carl H. Buck with Al Toffler)

(EDITOR'S NOTE.—In 1956, Carl Buck walked into the office of U.S. Senator PAUL DOUGLAS and told the same story that begins on this page. He spoke so convincingly that ever since, DOUGLAS—a former marine himself—has been battling against endless redtape to exonerate Buck. DOUGLAS convinced the Board of Correction of Naval Records to change Buck's Bad Conduct Discharge to a General Discharge under Honorable Conditions. Since then he has written President Eisenhower asking that Buck be vindicated. The White House suggested a pardon. But innocent men do not want a mere pardon and Buck insists he's innocent. DOUGLAS isn't alone. The Senate Constitutional Rights Subcommittee, headed by Missouri's Senator TOM HENNINGS, has taken a sympathetic interest in the case. So has Senator KARL MUNDT, of South Dakota, who wrote a compelling letter on Buck's behalf to the Secretary of the Navy. And, recently, famed civil liberties' lawyer Joseph Rauh agreed to take Buck's case without fee because he, too, was convinced that a cruel miscarriage of justice had occurred. Buck is now entering his seventh year of fighting to prove his innocence. He has submitted to and passed a lie detector test. Twice now, he has been cleared of charges, only to have to face subsequent new trials. Man's magazine, with these eminent men, believes that a fighting marine deserves an opportunity to present his side of the story to the American people. Here it is.)

Three men stood tense and ready in the office of 22-S-4, Supply Area, Camp Pendleton, Oceanside, Calif. At noon on March 7, 1952, as a torrential rain splattered on the concrete ramp outside the building, a light-colored car drove up and stopped nearby.

A tall, unshaven man with a shawl or sweater draped over him to ward off the rain climbed up the ramp and entered the building. He looked into the nearby office and motioned Sgt. Shurlan E. Hatley out of the room.

"Got the chevrons?" he asked.

Hatley nodded.

"I brought you half a hundred," he said. Then he handed several bills to Hatley.

Hatley mentally noted that the other man was nervous. The young sergeant went back to the Issue Section, picked up three cartons, and carried them to the door, stepped outside and set them down on the concrete. He then asked the man if he wanted a cup of coffee.

"No," the answer shot back. "I got to get the hell out of here."

Suddenly a stocky marine, M. Sgt. Ralph Walters (Ed.—an alias), Criminal Investigation Division, came running out of the office. He looked up to find himself face to face with the man wearing the shawl. But he kept going. He leaped out into the rain, jumped into a waiting jeep, and began to turn it around.

Meanwhile, the unshaven man carried the three cartons to his car, put them in the back seat, and covered them with a robe. He sprang into the auto, gunned the engine so fast its back wheels spun, and tore off into the rain heading west on Vandegrift Boulevard. It was 12:10.

The jeep bounced forward in pursuit. Walters floored the pedal, forced the speedometer up to 50. He followed the yellow car for a few miles, then lost sight of it. Jamming the jeep to a stop, he ran into the nearest house, and phoned the main gate on highway 101. Through the receiver he could hear the sentries shouting and whistling, but the guard's voice informed him that the light-colored car had already roared off into the wet grayness.

This story, told a different way by each of the three men who were in the supply warehouse when the unshaven man with the shawl showed up, is, in my opinion, the key to one of the most amazing frameups.

I know. Because I was its victim.

I had crawled out of the sack at about 4:30 that morning of March 7. The California sky was still tar black. A raw, damp wind rattled the windowpane. I had no way of knowing, in the sleepy silence of my home, that this was going to be the most important day of my life. It would make Okinawa seem like a 2-day pass.

I climbed into a rumpled set of marine greens. I didn't stop to shave. Instead, I left my sleeping wife, my 2-year-old daughter, and my 16-day-old son, and stepped outside. Chill air slapped sense into my brain as I opened the door and got into my yellow 1951 Studebaker V8. I nosed it toward the San Diego Marine Recruit Depot a few miles away.

I remember thinking as I drove through the night that, at last, with nearly 20 years in the Marines behind me, I was on the

verge of trading my master sergeant's stripes for the red and gold bar of a warrant officer. I'd been bucking for it a long time. I also remember driving slowly and listening to the loud knock produced by a bum camshaft in the car.

That morning we had cinnamon rolls on the menu at the depot. My men had to make them, 3,600 dozen to be precise. I was senior NCO in charge of all the baking for 20,000 personnel at the base. The bakers I had on watch that morning weren't too experienced so I had decided the night before that I would be on hand to see that the rolls were OK and delivered to the messhalls by 6:30 a.m.

It was all so very usual. Or so it seemed.

When I saw that everything was shipshape, I grabbed a cup of coffee at the NCO Club. (I was president of the club.) Then I drove back home. I was supposed to make a report that morning to Major Gorsuch, my superior. So after eating breakfast with my wife Jeanette, I shaved carefully and changed into fresh greens. When I left the house again I was clean shaven, in the full uniform of the day and wearing an Eisenhower jacket.

I saw Gorsuch about 10 a.m. Forty-five minutes later I told T. Sgt. Hillard H. Frie, who worked alongside me in the office, that I was going to take the Studebaker in for a checkup to see if I could get the camshaft replaced. I got in the car again, and at approximately 10:55 I swung past the main gate of the Depot, waved to the guards, and started north to Oceanside.

I arrived at Taylor Motors, in Oceanside, at 11:40. There I talked with John Freed, general manager of the garage, and asked him to give me a new camshaft as I had bought the car from him not long before. Freed said OK. But he said he couldn't do it right then.

"Can you come back tomorrow morning"? he asked.

"Sure," I replied.

That was an appointment I would never keep.

I left Taylor Motors and drove up to the Oceanside bus station to see if there were any marines around. Maybe I could pick up a rider back to 'Diego who would pay for a gallon of gas or so and keep me company. There was nobody there. I had a quick cup of coffee. I then started back south on Route 101 toward the San Diego depot.

The road from Oceanside to 'Diego runs like concrete tape along the Pacific beach. You have to drive through towns and built-up areas all along the way. I can see them plainly now in my mind's eye, even though I am 3,000 miles away, Carlsbad, Leucadia, Encinitas, Cardiff, Solana Beach, Del Mar.

On Freed's advice I drove slowly, afraid to do more damage to the camshaft. The highway, dotted with red lights and bracketed by buildings, glistened from the icy rain that had begun to fall. The sky was slate-gray.

As I braked at the red light in Solana Beach another car crawled up alongside mine. A civilian was shouting something to me. At first I couldn't hear him. Then I figured it out. "Your license plate is falling off," he yelled. That damn plate, I thought. It had been coming loose for a few days. The light changed, and I pulled over to the side. I cut the ignition, grabbed a screwdriver out of the glove compartment, and ran around to the back of the car.

Rain slashed down over my head and shoulders. It pelted off the trunk of the car and splashed into my face. It dripped down my forehead into my eyes as I worked the screwdriver into the head of the bolt and began to tighten. I worked quickly and intently. But the nut turned, too. I straightened up and hurried to the door again, meaning to reach in and grab a pliers.

Just then I heard the skim of tires on wet concrete. A black and white sedan cruised in and stopped about 10 feet behind me. I could see immediately, from the red flasher mounted on its roof, that it was a police car. In a moment, Officer William Duran, California Highway Patrol, was alongside me.

"You a marine from Pendleton?" he demanded.

"No, sir. I'm from the recruit depot at San Diego. Why?"

"I just got a call a minute ago to pick up a marine from Pendleton driving a yellow car. Got the call just as you pulled over."

As I got into the patrol car with him, I handed him my ID card. I looked at my watch. It was 21 or 22 minutes after 12.

A call crackled over the police radio. The voice said they were looking for a man named Blackman.

"Well," I told Duran, how about letting me go? My name's Buck, and I haven't even been up to Pendleton. I gotta get back to 'Diego by 1 o'clock."

"Take it easy, marine," Duran said.

The radio made noises again. It said to hold me until the MP's arrived. Half an hour later two marine police showed up with a paddy wagon. It was about a quarter to 1. They asked me if my name was Blackman. I told them it was Buck.

"Come with us," I was told.

The two MP's took me to my car. "Open the trunk," they snapped. I opened it. There was nothing but a spare and some tools in the trunk.

In a minute the two MP's were ramsacking the inside of my car. When they tore the floor mats up I began to get sore. I'm a big guy. I used to box. And I admit I have a temper. But you don't get tough with MP's—especially when you've just about made warrant officer after years of trying.

Meanwhile, the radio in Duran's car squawked back and forth. Minutes slipped by.

According to the police radio log at Oceanside, a call was made at 1:03. "Sergeant Walters is at this office (Oceanside). Has apparently lost all papers with names. Will check further and call you."

By now Duran had told Oceanside what my name was. And then, at 1:12—after they found out my name was Buck—the station again radioed the car. According to the log, the message read: "Advise ur (your) unit the man's name is Carl Buck, master sergeant.

What happened next was like an alcoholic's nightmare. The MP's took me back to Oceanside. There, for the first time in my life, I saw the stocky, sandy-haired CID sergeant who had let the unshaven man with the shawl on his head get away from the Marine warehouse. Walters was waiting at the Oceanside police station.

He looked at me. "Do you wear glasses?" he demanded. I said I only owned a pair of sunglasses and that they were in the car. Walters borrowed someone's thick horn-rimmed glasses and told me to put them on. When I did he stepped back about 12 feet, stared at my face, and said:

"That's the man I want."

Next Walters said I'd have to drive back to Pendleton with him. I asked for permission to phone my wife. He refused. I asked for permission to call my commanding officer. He refused.

When I was alone in the jeep with Walters, on our way to Pendleton, he told me I was the man he'd seen pay $50 and drive off from the supply warehouse with three boxes of chevrons. I had outraced him in the rain, he said.

"I never outraced anyone," I said, "because I never run away from anyone."

Until then I thought this fantastic mistake would clear itself up. In a way I thought the whole thing was funny. Was this some kind of weird practical joke? Then something that I had been told stuck in my mind and somewhere deep inside, it rang a warning bell.

I had mentioned to Walters that I was up for warrant officer. Subsequently I learned he was up for warrant officer, too. I wonder * * * did Walters need a scapegoat to get his promotion?

In the provost marshal's office a slight, blond CID lieutenant took me into a small room and interrogated me. Over and over again, for 40 minutes, he demanded that I tell him where the chevrons were. I told him the truth. I didn't know anything about the damn things.

I kept asking for permission to phone my wife and the depot. I also asked for a lawyer.

"What do you want a lawyer for?" the lieutenant asked. "There's no charge against you. Just answer the questions." He kept it up until, at last, disgusted and angry, he called in Walters. "Lock him up and throw away the key," he growled.

I got mad. "I've never been in jail in my life and I'm not gonna be," I yelled. "You put me at the staff NCO club or confine me to quarters." I told him I wanted to call the commanding general at San Diego. But they hustled me off to 14-George-1—the brig. My personal effects were confiscated. They threw a pair of fatigues at me and shoved me into the brig.

In the bullpen with me were guys up for robbery, desertion, gambling, and every other crime you can imagine. To get the the messhall, three-quarters of a mile away, we were forced to run—not walk. Always we were under armed guard. And every time we got back from mess they stood us up against a wall and searched us from stem to stern to make sure a man hadn't got hold of a cigarette or some silverware.

For 75 hours I was held incommunicado without there even being a charge against me. Then on Sunday, March 9, at about 3:40 p.m., my wife came in crying. Walters was with her. She'd waited for 3 or 4 hours to get to see me.

Walters complained to her, in front of the jailer, that I had been uncooperative. He said I had denied everything (later he swore I confessed.) He told her to talk to me. "Tell him to tell us where he's got those chevrons. If he tells us he can be home with you tonight."

I told Walters to shove off.

I had less than 10 minutes with Jeanette. I told her not to worry, but to get a lawyer for me as soon as she could.

Early the next evening a man named Stevens came to see me. I'd never seen him before. But I didn't have time to even wonder who he was. "Come with me, Sergeant," he said, "you're going back to duty. You haven't done anything." He was the lawyer. Before long, I was a free man again, for a while.

Spring came. The dismal, drenching rains of March were swept away, and with them went the shock and disgust that had come with my false arrest. Once or twice I had to fill out forms dealing with the incident. But each time my officers, including the post legal officer, assured me I could forget all about March 7, 1952. There were no charges against me. The experience became a memory, rather than a living hurt.

On June 24, my promotion came at last. I had passed my mental and physical tests, and my name and serial number appeared on the list of master sergeants approved for promotion to warrant officer.

Meanwhile, I had been ordered to Korea and was transferred to Camp Del Mar, Calif., for amphib training. There I was in charge of a platoon of 96 men taking their pre-Korea training. We fired the small bore and the machinegun for about 10 days. Then, one day, I was told there was a call for me from

Camp Pendleton. The voice at the other end identified itself as a major. Was I the same master sergeant who had been picked up on a State highway March 7?

I told him yes. Inside my gut I felt a stir of emotion.

The major informed me I was being transferred to Pendleton for "investigation." Then in mid-July—4 months after the crime—I was slapped with a charge of larceny. The court-martial was set for August 18, a Monday.

Now the March 7 nightmare began all over again. Only this time it didn't seem a bit funny. I hired William H. Daubney, Steven's senior partner, as my lawyer. The corps assigned Capt. Charles Stuhr to be my military defense counsel along with Daubney. I chased around getting affidavits.

As the trial approached, Daubney kept assuring me not to worry. He even bet a sawbuck against my dollar that I would be acquitted. Some of the things Daubney said worried me, but he was a former chief legal officer at Pendleton, and everyone told me he was a legal whiz.

Daubney also warned me to keep my mouth shut. "Don't talk to anyone about the case," he cautioned. "Leave it to me."

The morning of the trial came. It was cool, gray, and dreary. A little before 9, my wife and I arrived in the L-shaped frame building that served as the courthouse at Camp Pendleton. Daubney and Stuhr were already there.

Gradually the murmur of voices subsided and the chaos turned into order. Then I heard Capt. Ted Collins, the trial counsel—that is, the prosecutor—declare: "Prosecution is ready to proceed with the trial in the case of the *United States* against *Carl H. Buck*, master sergeant, U.S. Marine Corps, who is present in court."

Those words had a strange ring. "The *United States* against *Carl H. Buck*." I had been serving the United States faithfully as a Marine since 1932 except for 4 years in the thirties. I was a civilian in the Reserves when I read how Japanese planes bombed the U.S. gunboat *Panay* in China. I knew war was coming. So I reenlisted.

In World War II, I remember one night on Saipan when a Zero dropped low over us and stitched 50-caliber slugs through my tent. I remember, too, how, during our landing on Okinawa, a kamikaze pilot snarled down out of the sky and crashed into the LST in front of ours.

I'm not trying to make myself look like a hero. I'm not one. But I knew I'd been an honest man serving my Government for the best years of my life. I'd never goldbricked my way out of a job. In fact, I'd always volunteered. And I'd never stolen a penny from anyone.

And now it was "the United States against Carl H. Buck."

I felt a bitter taste in my mouth as the first witness appeared. He was Sgt. Shurlan E. Hatley, the man who'd given the chevrons to the unshaven man with the shawl over him. Hatley said he'd done it under orders, that the whole thing was a trap arranged to catch the man trying to improperly receive Government property.

Hatley looked straight at me and said I was the man. I had been "exceptionally nervous," he said, and I was wearing a shawl over me. When Daubney asked him what the man looked like, Hatley stated:

"He was a large man. He was wearing greens, ribbons, four hash marks, and he had a shawl or sweater thrown over his shoulders * * * that is all I can remember."

Daubney asked, "How about a hat?"

"I can't remember."

"How about a mustache?"

"I don't remember that, either."

"Didn't you previously state at the investigation that the man who came in was wearing a mustache?"

"Yes, sir * * *."

"Glasses?"

"I don't remember. I believe * * * he was wearing dark glasses. * * *."

Daubney went on: "What color was the shawl?"

"Shawl? I don't remember the exact color. * * * It was a bright shawl * * * a bright color."

"Pastel?" Daubney asked.

"I don't believe so," Hatley replied, then admitted he didn't even know what "pastel" meant. Finally he swore, "It was either red, green, or blue."

Hatley also testified that he went back to get the chevrons by himself.

The next man to take the stand was T. Sgt. Johnsthan Layton. The contradictions began.

Prosecutor to Layton: "Were you able to identify the man?"

Layton: "I could not identify him."

What did the man look like? "He either needed a shave or had a small mustache." Was he in uniform? "I couldn't be too sure of that." Color of the shawl? "I don't recall."

Layton also testified that he had helped Hatley lug the boxes from the stock to the Issue Section, although Hatley swore he had done it alone.

When they put Walters on the stand, the picture became even muddier. Walters had been hiding in Hatley's office to observe the transaction. Daubney asked: "Now this chap who picked up the boxes * * * what was he dressed in * * * green or khaki?"

"Khaki." (Hatley had said greens.)

Was the man wearing a shawl? No, "it was a small size jacket."

"What color?"

"Tan—a real light tan. * * *"

"Did he have a mustache or not?"

"I don't think he had a mustache. He needed a shave."

Walters told of hopping into his jeep, pursuing the man at 50 miles per hour, then giving up. More important, Walters swore that even before the act had occurred he already knew I was the culprit. He said that when he called the gate to stop the speeding yellow car he had given them my name.

The whole thing was an incredible web of errors—a web with me in the middle. Things began to look bad. Then, suddenly, one of the most amazing things ever recorded in an American courtroom took place.

Captain Collins, the prosecutor, said in a loud voice: "At this time, Mr. Law Officer, the Government would like to call Mr. Daubney, Defense Counsel, to the stand."

Daubney said: "I have no objection."

The idea of a man's defense counsel willingly testifying as a witness for the prosecution was so startling that the law officer—the judge—asked incredulously: "Do I understand you to say you have no objection to being called?"

Daubney: "No objection."

My head was spinning. I'm a normally intelligent man in other matters, but I admit law was something new to me. Nevertheless, even I knew there was something wrong with this.

(EDITOR'S NOTE.—On July 27, 1957, Senator DOUGLAS said on the floor of the Senate: "The act of Sergeant Buck's defense counsel testifying as a prosecution witness raises questions which go to the very heart of justice and fair play. Who was defending Buck when his defense counsel testified for the prosecution? How was the defense counsel to cross-examine himself? How could defense counsel, in good faith, either urge the court to accept or to reject his own testimony?")

Before I could say a word, Daubney was being sworn in as a witness for the prosecution.

I listened aghast as he testified that he, Daubney, had found a blanketful of chevrons outside his office door and had turned them over to the local FBI man.

Then, almost as quickly as it had happened, Daubney stepped down. My court-martial record reads at this point: "The witness resumed his status as individual defense counsel." Daubney even waived cross-examination. How could he cross-examine himself?

I was throbbing with anger, confusion and, yes, fear. If a man's own lawyer can testify as a prosecution witness, is a fair trial possible? True, he hadn't named me or accused me in any way. But it certainly looked peculiar for the lawyer of a man charged with stealing chevrons or getting them illegally to find chevrons outside his office. It was damaging testimony.

After that my witnesses were called. Sergeant Frie, the man who worked with me at Diego, testified truthfully that he had seen me at about 11 o'clock. He said I was clean shaven and dressed in greens. John Freed swore that I was in the Taylor Motors' garage at about 11:30 and that I was with him for at least 5 or 10 minutes. He also testified that I was clean shaven and dressed in greens.

Officer Duran then testified that he stopped me at approximately 12:15 or 12:20 (5 or 10 minutes after the culprit left the warehouse, according to Walters and Hatley.) Then Duran pointed out that it was a good 15 miles from the Pendleton gate to the spot where he had stopped me. It was another 5 or 6 miles from the gate to the supply warehouse, placing me from 20 to 22 miles from the scene of the crime 5 or 10 minutes after it happened.

Duran also swore I was clean shaven and in my greens. Furthermore, Duran testified, I didn't appear "nervous" or abnormal in any way.

Daubney summed it up by saying: "If any man in this courtroom can drive from 22-S-4 (the supply warehouse) to Solana Beach in 15 minutes—let alone 5 minutes—if they can do it in 10 minutes, I'll eat that guy without any salt on him * * * That's 22 miles. Five minutes? In 10 minutes? In a pouring rainstorm? If you will—in a Studebaker? Can't be done."

Daubney pointed out that more than reasonable doubt existed as to who picked up those three cases of chevrons.

Then the jury went out and was gone only about 7 minutes when we all reentered the courtroom.

Then, at 2:40 on August 19, Tuesday, I heard the following words: "Master Sergeant Buck, it is my duty as president of this court to inform you that the court in closed session and upon secret written ballot, two-thirds of the members present at the time the vote was taken concurring in each finding of guilty, finds you: Of the specification, guilty; Of the charge, guilty."

The wave of shock, nausea and disgust that rocked me at that moment is impossible to describe. I stood before the jury mute and stupid. My head reeled.

Shortly afterward, the judge asked whether I had anything to say. I jumped up. By now my mind was fighting clear. I hadn't been permitted to say five words during the trial. "I had plenty to say," I shouted. Suddenly, I felt two strong hands on my arms. Stuhr and Daubney yanked me off my feet and into my chair. "We have no statement to make," Daubney told the judge.

As I was led out of the courtroom, I said in a bull voice: "Did you see that jury in there hang me like a piece of raw meat in the sun? I never had a chance to defend

myself. I never got a chance to say a damn word."

That afternoon I began my second stretch in the brig for a crime I never committed. I had been sentenced to 11 months. In the brig I was treated like an animal. They even opened my privileged mail—read what passed between myself and my lawyer—words that legally are supposed to remain strictly confidential.

Meanwhile, my wife hired a new lawyer to appeal the case. After Daubney's behavior I wanted no more of him. Then, on January 23, 1953, I got my first break since the whole nightmarish mess began. A board of review, after carefully studying the case, threw the whole thing out the window. The board said the evidence was too confusing for it to even use my name in its decision, and that the identity of the person involved was in doubt. It also ruled that, technically, no larceny had even been committed since Hatley, himself, had carried the boxes outside the warehouse and had accepted $50 in cash for them.

On February 16, nearly 6 months to the day I'd heard the verdict read, I walked out of the brig for a second time. I was a free man again—after having spent half a year in prison for a crime the Board of Review now said never occurred. And even if it had, I wasn't the man.

I hadn't been out a few weeks when I received new orders for Korea. In late March I went to Cold Weather Training Camp, Pickle Meadows, Calif. There for 3 weeks we marched, slept, and trained in bitter cold at 6,000 feet above sea level. In April I got 10-days' leave to wind up my stateside affairs. I didn't know it then, but my frame-up ordeal was not over.

With my wife and kids in the car I drove out to see my family in St. Louis. Then I headed north for Aberdeen, S. Dak., where Jeanette's family lives. On the second day of the trip I drove over 400 miles and arrived at Aberdeen at about 9 p.m. We were exhausted, the kids tired and cranky. I had never looked forward to a vacation as eagerly. My father-in-law is a good Joe, and we were going to hunt and fish in the hills around Aberdeen.

As I pulled into the driveway of the farm, my headlights gouging two holes in the dark, I could see my wife's folks come out to greet us. We got as far as exchanging hellos when suddenly my mother-in-law said:

"By the way, Carl, a telegram came for you."

We went inside and got it. I tore it open. The message was brief: "Leave canceled. Report back Camp Pendleton immediately."

I rushed to the kitchen and placed a long-distance call to the camp chief of staff. I thought my Korean orders had been moved up. When I got him he said: "Well, Sergeant, somebody jumped the gun on you. You're not going to Korea. You've been taken off the list. You don't rate leave. You better hustle back here quick."

Sunday night, April 19, 1953, I arrived back at Pendleton. I still didn't know what it was all about. It was 11 o'clock. The guards waved me through. I drove to the headquarters company. There the major who was OD hit me right between the eyes:

"Sergeant, I'm sorry to inform you, but I have orders to reconfine you."

"Confine me?" I snapped. "You can't confine me. What for? I got a Board of Review decision on the case that exonerated me. Those charges have been dropped."

"Sorry, Sergeant," he said, "but they've been hanging all the time. The Government's appealed up to the Court of Military Appeals (COMA). You're gonna have to finish out your whole sentence."

We argued heatedly back and forth. Finally I said, "How about letting me take my wife and kids home, and I'll come back in the morning?"

He refused. Then, with two riflemen present I stepped outside to tell my wife. The blow was too much for her. She let out a scream that cut like a jagged knife. In a moment she was laughing hysterically, crying and shouting. "In the name of God," she gasped, "They can't, they can't, they can't * * *." She kept saying it and shaking her head in disbelief. "It can't be true," she cried. "What for? He's innocent. He's a free man."

I could see the major was affected, but he insisted he had his orders. Finally, he agreed to let me drive my family as far as Camp Del Mar—a few miles. He said he'd lock me up at Camp Del Mar instead of Pendleton.

I quieted Jeanette. My two kids were in the back seat asleep, thank God. I opened the door and slipped in behind the wheel. As I did, one of the riflemen opened the door on the other side. Before I could object, he had slid in alongside my wife. A loaded, ugly carbine was pointed across her lap toward me.

Thus at midnight, with the armed marine in my own car, we drove through Pendleton and over a stretch of California highway into Camp Del Mar. There I was separated from my pale and frightened wife and slammed in the brig again—for the third time.

I asked the OD there to let me call a lawyer. He wouldn't. I asked to see his authority for locking me up. He laughed at me. The next morning I was flown under guard to Mare Island. From then until May 25 I was a lousy brig rat again.

For another 4½ months I was restriced to the base and denied rations unless I wanted to eat with the prisoners. I ate on my own money outside.

That September, COMA ruled on the case. It didn't deal with whether or not I was guilty. It merely stated that, according to its interpretation, a crime had been committed. This overturned the Board of Review decision.

I'll skip the legal details. But from here on in it has been a painful step-by-step battle for a new review and a fair trial. I was constantly being warned to shut up and forget all about it. Marine Captain Francis Foley, assigned to handle my case at the Pentagon, wrote me when I told him that I wanted to file perjury charges against Walters. Foley wrote: "Forget the entire matter. Even if you were successful and Walters were sentenced to confinement, you would have personal revenge but would be a marked man in the Marine Corps. * * * Consider the entire affair an unfortunate experience."

Well, Foley may have been right about my being a marked man. But I'm not built that way. I don't think many men could write off the treatment I got as "an unfortunate experience."

I wasn't out for revenge. I wanted vindication. So I kept up my fight. Then, in January 1955, hundreds of letters, documents and phone calls later, I was kicked out of the Marine Corps to which I had devoted my life. It was a bad conduct discharge. I refused to accept it.

I was by then stationed at Treasure Island, near San Francisco, and I remember the sympathetic colonel who told me to get off the base. He said that if I didn't, he would have to order me out by force. So I went. On January 14, 1955, I walked out the gate of the Marine Barracks at Treasure Island. I wore my full dress uniform with my hash marks and ribbons.

That discharge was, I believe, wholly illegal.

Since that day I have continued my battle for justice. Senator PAUL DOUGLAS of Illinois, a former leatherneck himself, has become interested in my case. He has even taken it to the White House. Recently, the White House suggested that I request a "pardon." It said the Navy would not object. Well, just as I am not seeking revenge, I don't want a pardon. I didn't commit a crime.

People ask me why I continue to fight, spending every cent I earn, going from lawyer to lawyer, taking a lie detector test at Fordham University, appealing to Congress for help. The answer is this:

I fight because my case has made a mockery of the rights of Americans. What has been done to me could be done to other GI's.

For me to have been the man who took that $496 worth of chevrons, I would in the words of Senator DOUGLAS, have had to "drive some 22 miles, at high noon, through a driving rain through five towns, most of them with stop lights, and meanwhile have gotten rid of the stolen goods, all in some 21 minutes." That is impossible.

When first picked up I was held incommunicado 3 days. That is improper. Walters said I confessed to one thing. COMA later said I confessed to something else. Yet no confession was ever produced and no witness ever backed up Walters' claim. Would I have been released the first time if I had confessed? The answer is obvious. I never did.

I served my full sentence and was discharged, all before COMA finally reviewed my case. This means I served before my appeals were finished. That's a little like going to the electric chair while the judges are still debating the case.

Walters testified that he knew my name before I was apprehended. The Oceanside police radio log, plus the testimony of Duran and another police officer all prove otherwise.

Walters also says he phoned my name to the gate when he asked them to stop the speeding fugitive. Yet the man whose phone he used has sworn my name was never mentioned.

Key officers who played a part in this were never called as witnesses.

The identification of the man who did it was a pack of contradictions. Yet I was convicted.

The man I paid $450 to defend me—all cash on the barrelhead—took the stand as a prosecution witness. No one ever proved that the chevrons he found were the same as the missing ones. Yet his evidence was admitted and it may have prejudiced the jury against me even though my name was never mentioned in connection with it.

Even the written opinion of COMA contains misstatements of fact that the official record of trial itself disproves.

I have even taken a lie detector test at Fordham University in 1956 at the request of a lawyer. It backs up the fact that I am telling the truth.

With all this, wouldn't you fight to clear your name?

Senator DOUGLAS has said on the floor of the U.S. Senate: "We should never be content when there is more than reasonable doubt that an innocent person has been wronged. It is more important to the honor of the Marine Corps and the United States that justice should prevail in this case."

As for Sgt. Carl H. Buck—for I still consider myself a marine—I live by my convictions. If it's proven to me that I can't trust my fellow man, and that there is no honor, then there's no use living.

When I die, I'll die the hard way, like a fighting marine, with my uniform on. And I'll die vindicated.

The only reason I live in this country is because I still believe it is good and that this

Government is honest and the people in it really want to be fair. I haven't had a fair trial. I would welcome one. For them to frame me, that I refuse to accept.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

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

S. 1152. A bill for the relief of Alicja Zofja Batukiewicz (Rept. No. 600); and

S. 1429. A bill for the relief of Magdaleno V. del Rosario (Rept. No. 601).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 1081. A bill for the relief of Arshalouis Simeonian (Rept. No. 602); and

H.R. 4242. An act for the relief of certain aliens (Rept. No. 603).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

H.R. 4120. An act for the relief of Dr. Raymond A. Vonderlehr and certain other officers of the Public Health Service (Rept. No. 606); and

H.J. Res. 405. Joint resolution for the relief of certain aliens (Rept. No. 604).

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service, without amendment:

H.R. 4644. An act to credit to postal revenues certain amounts in connection with postal activities, and for other purposes (Rept. No. 605).

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. WILEY, from the Committee on the Judiciary:

Edward G. Minor, of Wisconsin, to be U.S. attorney for the eastern district of Wisconsin:

By Mr. JOHNSTON of South Carolina, from the Committee on the Judiciary:

Francisco A. Gil, Jr., of Puerto Rico, to be U.S. attorney for the district of Puerto Rico; and

M. Frank Reid, of South Carolina, to be U.S. marshal for the western district of South Carolina.

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. McGEE (for himself and Mr. O'MAHONEY):

S. 2472. A bill to amend section 3 of the act of May 19, 1947, c. 80, 61 Stat. 102, as amended, relating to the trust funds of the Shoshone and Arapahoe Tribes, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ENGLE:

S. 2473. A bill to amend section 4132 of the Revised Statutes, section 37 of the Merchant Marine Act, 1920, and section 2 of the Shipping Act, 1916; to the Committee on Interstate and Foreign Commerce.

By Mr. HART:

S. 2474. A bill to provide for the conveyance to the State of Michigan of certain land in Grayling Township, Crawford County, Mich., to be used for National Guard purposes; to the Committee on Armed Services.

By Mr. ANDERSON:

S. 2475. A bill to amend the act of April 19, 1950 (64 Stat. 44; 25 U.S.C. 636), to better promote the rehabilitation of the Navajo and Hopi Tribes of Indians; to the Committee on Interior and Insular Affairs.

By Mr. LANGER:

S. 2476. A bill to require the full and fair labeling of tobacco products and for other purposes; to the Committee on Interstate and Foreign Commerce.

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

By Mr. ANDERSON:

S. 2477. A bill to amend subchapter S of chapter 1 of the Internal Revenue Code of 1954, relating to election of certain small business corporations as to taxable status; to the Committee on Finance.

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

By Mr. CAPEHART:

S. 2478. A bill for the relief of Marie Loray Legister; to the Committee on the Judiciary.

By Mr. BUSH:

S. 2479. A bill for the relief of Maria Angelina Parker; to the Committee on the Judiciary.

By Mr. MORSE:

S. 2480. A bill to amend the act entitled "An act to provide books for the adult blind," approved March 3, 1931; to the Committee on Rules and Administration.

By Mr. ELLENDER (for himself and Mr. AIKEN):

S.J. Res. 125. Joint resolution designating the week of November 20–26, 1959, as National Farm-City Week; to the Committee on the Judiciary.

RESOLUTIONS

Mr. BUTLER submitted a resolution (S. Res. 153) to authorize the Senate Committee on Armed Services to conduct an investigation of the concentration of defense procurement on the west coast of the United States and notably in the State of California, which was referred to the Committee on Armed Services.

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

PRINTING OF ADDITIONAL COPIES OF PART 1 OF SECOND INTERIM REPORT OF SELECT COMMITTEE ON IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

Mr. McCLELLAN submitted the following resolution (S. Res. 154); which was referred to the Committee on Rules and Administration:

Resolved, That there be printed for the use of the Select Committee on Improper Activities in the Labor or Management Field four thousand additional copies of part 1 of the second interim report of that committee, made pursuant to S. Res. 44.

FULL AND FAIR LABELING OF TOBACCO PRODUCTS

Mr. LANGER. Mr. President, I introduce, for appropriate reference, a bill to require full and fair labeling of tobacco products.

There has been much debate by the medical profession and others on the impact of the use of certain cigarettes and other forms of tobacco on certain types of cancer. The requiring of full and fair labeling of tobacco products would put the public on notice of the following:

Mislabeled tobacco products: (a) A tobacco product shall be mislabeled if it is falsely or deceptively labeled. If a label is not affixed to each package and does not state whether or not the smoking of the tobacco products contained in said package result in a deviation from the normal in the skin temperature, blood pressure and subcutaneous temperature of a human being when tested in compliance with the methods, procedures and regulations promulgated by the Commission pursuant to section 6 (c) of this act.

This labeling would ease tensions as to the impact of tobacco on the user on certain types of cancer and circulatory ailments. This bill provides for examination by the FTC of packages of tobacco products and sets forth a criminal penalty of not more than $1,000.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2476) to require the full and fair labeling of tobacco products, and for other purposes, introduced by Mr. LANGER, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

AMENDMENT OF INTERNAL REVENUE CODE OF 1954, RELATING TO ELECTION OF CERTAIN SMALL BUSINESS CORPORATIONS AS TO TAXABLE STATUS

Mr. ANDERSON. Mr. President, on January 21 I introduced S. 605, a bill to amend section 1371 of the Internal Revenue Code of 1954 to permit stock of a small business corporation which is owned by a husband and wife to be treated as owned by a single shareholder for purposes of determining the number of shareholders of such corporations. With the passage of Public Law 85–866, in which was incorporated the Small Business Tax Adjustment Act, Congress allowed small business corporations to elect to be taxed as a partnership with the income of the corporation taxed directly to the shareholders. Under the law, a "Small Business Corporation" is limited to 10 shareholders. Subsequently, it was interpreted by the Treasury Department that shares held by a husband and wife would constitute each a shareholder for purposes of the act. In New Mexico and other community property States, a share obtained or held by one spouse becomes the property of the other by operation of law. In effect, this would mean that 10 married men in Illinois, Ohio, or Pennsylvania could form a small business corporation whereas only 5 could take advantage of the new law in Texas, California, or New Mexico. I doubt if anyone will seriously contend that such discrimination was the intention of Congress.

However, during the past 6 months other defects have been brought to my

attention, and I feel that new legislation is needed which will further clarify and strengthen the law. Thus I now introduce, for appropriate reference, a bill which I believe will accomplish this goal. I intend to transmit a copy of this proposed legislation to the Honorable WILBUR MILLS, the able chairman of the House Ways and Means Committee, for his immediate consideration and attention. I sincerely hope that Congress will be able to act on this measure at the earliest opportunity in order that the original intent of effectively assisting small business will be realized.

I ask unanimous consent that the bill, together with a section-by-section analysis, be printed in the RECORD.

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

The bill (S. 2477) to amend subchapter S of chapter 1 of the Internal Revenue Code of 1954, relating to election of certain small business corporations as to taxable status, introduced by Mr. ANDERSON, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled—

SECTION 1. STOCK OWNED BY HUSBAND AND WIFE.

Section 1371 of the Internal Revenue Code of 1954 (relating to definitions applicable to certain small business corporations) is amended by adding at the end thereof the following new subsection:

"(c) Stock Owned by Husband and Wife.—For purposes of subsection (a)(1) stock which—

"(1) is community property of a husband and wife (or the income from which is community income) under the applicable community property law of a State, or

"(2) is held by a husband and wife as joint tenants, tenants by the entirety, or tenants in common, shall be treated as owned by one shareholder."

SEC. 2. SHAREHOLDERS NOT EMPLOYEES FOR CERTAIN PURPOSES.

Section 1372(b) of the Internal Revenue Code of 1954 is amended (1) by striking out "and" at the end of paragraph (1); (2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof ", and"; and (3) by inserting after paragraph (2) the following new paragraph:

"(3) with respect to the taxable years of the corporation for which such election is in effect and with respect to the taxable years of a principal shareholder (as defined in section 1378 (c)) of such corporation in which or with which the taxable years of the corporation for which such election is in effect end, a principal shareholder shall not be considered an employee for purposes of section 101(b) (relating to employees' death benefits), section 105 (relating to amounts received under accident and health plans), section 106 (relating to contributions by employer to accident and health plans), section 119 (relating to meals or lodging furnished for the convenience of the employer), section 401 (a) (relating to qualified pension, profit-sharing, and stock bonus plans), and section 403 (relating to taxation of employee annuities)."

SEC. 3. NET OPERATING LOSS IN CASE OF DECEASED SHAREHOLDER.

Section 1374(b) of the Internal Revenue Code of 1954 (relating to allowance of net operating loss to shareholders) is amended by inserting after "the taxable year of the corporation ends" the following: "(or for the final taxable year of a shareholder who dies before the end of the corporation's taxable year)".

SEC. 4. SPECIAL CAPITAL GAINS RULES.

Section 1375(a)(1) of the Internal Revenue Code of 1954 (relating to treatment of capital gains by shareholders) is amended by striking out the last sentence and inserting in lieu thereof the following:

"For purposes of this paragraph, such excess shall be deemed not to exceed the lesser of—

"(A) the corporation's taxable income (computed as provided in section 1373 (d)) for the taxable year, or

"(B) the amount of long-term capital gain for the taxable year attributable to property held by the corporation for at least 36 months during which it was an electing small business corporation. In determining the period for which property has been held by the corporation for purposes of this subparagraph, section 1223 (2) shall not apply, and no such period shall be deemed to begin before the completion of the manufacture, construction, production, or purchase of such property.

This paragraph shall not apply with respect to any taxable year of the corporation during which it is a collapsible corporation as defined in section 341(b)."

SEC. 5. ADOPTION AND CHANGE OF TAXABLE YEARS.

(a) Subchapter S of chapter 1 of the Internal Revenue Code of 1954 (relating to the election of certain small business corporations as to taxable status) is amended by adding at the end thereof the following new section:

"SEC. 1378. ADOPTION AND CHANGE OF TAXABLE YEARS.

"(a) Conformity With Taxable Year of Principal Shareholders.—An electing small business corporation may not—

"(1) adopt a taxable year other than that of all of its principal shareholders (except that if all the principal shareholders do not have the same taxable year the corporation may adopt a calendar year), or

"(2) change to a taxable year other than that of all of its principal shareholders,

unless it establishes, to the satisfaction of the Secretary or his delegate, a business purpose therefor.

"(b) Eligibility To Make Election.—A small business corporation which has a taxable year (other than a calendar year) different from that of a principal shareholder may make an election under section 1372 only if it establishes, to the satisfaction of the Secretary or his delegate, a business purpose for its having such a taxable year.

"(c) Principal Shareholder Defined.—For purposes of this subchapter, a principal shareholder is a shareholder owning 5 percent or more of the stock in the small business corporation."

(b) The table of sections for such subchapter is amended by adding at the end thereof:

"SEC. 1378. Adoption and change of taxable years."

SEC. 6. DEFINITION OF "INCLUDIBLE CORPORATION".

Section 1504(b) of the Internal Revenue Code of 1954 (relating to definition of includible corporation) is amended by striking out paragraph (8) thereof.

SEC. 7. EFFECTIVE DATES.

(a) The amendments made by sections 1, 3, 4, 5, and 6 of this Act shall take effect on the day after the date of the enactment of this Act.

(b) The amendments made by section 2 of this Act shall take effect with respect to any small business corporation on the 90th day after the date of the enactment of this Act, or on the first day of the first taxable year of the corporation which begins after the date of the enactment of this Act, whichever is later.

The section-by-section analysis presented by Mr. ANDERSON is as follows:

EXPLANATION OF THE BILL

SECTION 1

Under section 1371(a) of existing law, a small business corporation may not have more than 10 shareholders. It is clear from the manner in which the word "shareholder" is used throughout subchapter S that each person having a community or common interest in stock must be counted as a shareholder. This rule unduly limits the permissible number of shareholders where the stock is held by a husband and wife as community property, as tenants by the entirety, or in other forms of joint ownership. In such cases, generally only one of the spouses is the real owner of the stock for practical purposes, yet the other spouse must now be counted as a shareholder.

Section 1 of the bill would remedy this situation by providing that, in determining the number of shareholders of a corporation, the husband and wife owning stock jointly or as community property shall be counted as only one shareholder. For all other purposes of subchapter S, including the requirement that all shareholders consent to the election, each spouse would continue to be considered as a shareholder.

Section 1 would become effective as of the day after the date of enactment of the bill.

SECTION 2

Subchapter S was designed to eliminate the major tax differences between corporate and noncorporate forms of doing business. One such difference under existing law is the treatment of fringe benefits which are available to the owners of a corporate form of business but not to partners and sole proprietors. Of course, the price paid for such benefits is the payment of a corporate tax. Present subchapter S, while relieving the corporation of the payment of a corporate tax, does not deprive shareholders of corporate fringe benefits. For example, a subchapter S corporation can establish a pension or profit-sharing plan for the benefit of its employees (including those which are shareholders) whereby part of a shareholder's salary as an employee is set aside, free of tax, to earn interest also free of tax. The entire amount so set aside is then received at a future date either at capital gain rates or is spread over a number of years at lower rates. The corporation also can obtain deductions for premiums paid for accident and health insurance covering shareholder-employees without regard to the limitations and restrictions applicable to individuals. Furthermore, up to $100 a week tax-free could be paid to a shareholder-employee of a subchapter S corporation as a wage continuation plan during periods of illness whereas such tax-free payments cannot be made to partners or proprietors. While we believe it is proper to continue the availability of these fringe benefits for employees generally it now appears, after some experience with the operation of subchapter S, that these benefits should no longer extend to shareholders of electing small business corporations.

The bill would eliminate the preferential treatment now available to the owners of a subchapter S corporation by providing that a principal shareholder (one owning 5 percent or more of the stock of the corporation) would not qualify as an employee for purposes of section 101(b) (relating to employees' death benefits), section 105 (relating to amounts received under accident and health plans), section 106 (relating to contributions by employer to accident and health plans), section 119 (relating to meals

or lodging furnished for the convenience of the employer), section 401(a) (relating to qualified pension, profit-sharing, and stock bonus plans), and section 403 (relating to taxation of employee annuities).

Since this amendment might have the effect of invalidating an existing pension plan if some of the beneficiaries are principal shareholders, it seems desirable to allow enough time either to amend the plan or to revoke the subchapter S election. Therefore, section 2 of the bill would become effective on the 90th day after the date of enactment or as of the 1st day of the first taxable year of the corporation which begins after the date of enactment, whichever is later.

SECTION 3

Section 1374 of present law allows the shareholders of an electing small business corporation to deduct their pro rata share of the corporation's net operating loss. However, a shareholder who dies before the end of the corporation's taxable year is deprived of his share of the net operating loss which occurs in the corporation's taxable year in which he dies. This inequity results from the fact that the statute requires the deduction to be taken for the shareholder's "taxable year in which or with which the taxable year of the corporation ends." In the case of death, this condition cannot be met. This result was never intended and section 3 of the bill prospectively would eliminate this defect.

SECTION 4

It has been suggested by some that subchapter S may be used to accomplish tax results for which it was not designed. A potential major area of abuse exists under the rules of section 1375(a) which permit a shareholder of an electing small business corporation to treat as capital gain his share of the corporation's capital gain.

For example, it has been suggested that attempts may be made to use section 1375 (a) to circumvent the collapsible corporation rules which are designed to prevent taxpayers from converting ordinary income into capital gain through the use of a corporation. Thus, individuals who are dealers in a certain type of property might transfer such property to a subchapter S corporation in the hope that sales of the property by the corporation would result in a capital gain which would be passed through to the individuals. If this could be done, the sale of the property would result in a single capital gains tax to the individuals whereas the gain should be treated as ordinary income. In carrying out the intent of the statute to permit going businesses to select the form under which they would operate without having to weigh the tax conseqences of the desired form the proposed regulations under subchapter S appropriately minimize this problem by providing that gain from the sale of such property by the corporation shall not be treated as capital gain if the corporation "is availed of by any shareholder or group of shareholders owning a substantial portion of the stock of such corporation for the purpose of selling property which in the hands of such shareholder or shareholders" would not be capital gain type property.

A somewhat different problem arises where, for example, solely on a short-term or one-transaction basis, a corporation might make the subchapter S election for the purpose of disposing of highly appreciated assets at the cost of only a single capital gain tax to the shareholders. This short-term use of subchapter S to obtain such a major tax advantage is again contrary to the previously mentioned purpose of the subchapter.

Section 4 of the bill would provide a clearer statutory basis for dealing with both of these problems than does existing subchapter S. Section 4 would not deprive the shareholders of a noncollapsible corporation of the benefits of the capital gain pass-through with respect to property held for a period of at least 36 months during which the corporation was an electing small business corporation. However, it would preclude the use of subchapter S as a one-transaction or short-term tax avoidance device by removing from the scope of the capital gain pass-through the gain attributable to property held by the corporation for less than 36 months during which it was an electing small business corporation. Similarly, it would more directly preclude the use of subchapter S to circumvent the collapsible corporation rules by providing that the capital gain pass-through would not be available during any year in which the corporation was a collapsible corporation as defined in section 341(b).

Section 4 of the bill would be effective as of the day after the date of enactment.

SECTION 5

There is nothing in existing law to prevent the shareholders of a subchapter S corporation from obtaining a substantial deferment of income by having the corporation adopt a taxable year different from that of the shareholders. Such deferment of income was considered improper in the case of partnerships and section 706(b)(1) of the 1954 Code was enacted to prevent it. Section 5 of the bill is designed to prevent this deferment of income by shareholders of subchapter S corporations.

The new section 1378(a), which section 5 of the bill would add to the Code, provides that an electing small business corporation may not adopt or change to a taxable year other than that of all of its principal shareholders, unless it satisfies the Secretary or his delegate that it has a business purpose for such taxable year. A principal shareholder is defined as one who owns 5 percent or more of the stock in the small business corporation. Section 1378(a) contains an exception allowing the corporation to adopt a calendar year.

In order to preclude the circumvention of the rule of section 1378(a) by a corporation which changes its taxable year prior to, and in anticipation of, making the subchapter S election, section 1378(b) provides that a corporation which has a taxable year (other than a calendar year) different from that of any principal shareholder, is eligible to make the subchapter S election only if it establishes that it has a business purpose for having such taxable year. It is contemplated that a business purpose will be established by the fact that the corporation has been using such taxable year for a number of years prior to the election.

Section 5 of the bill would become effective as of the day after the date of enactment.

SECTION 6

Under section 1371, a small business corporation is defined as a corporation which, among other things, is not a member of an affiliated group. Standing alone, this requirement would prevent an electing small business corporation from having an 80-percent-owned subsidiary. This rule is intended to preclude the accumulation of corporate earnings in a subsidiary and thus avoid the taxation of those earnings to the shareholders of the subchapter S corporation. However, paragraph 8 of section 1504(b), which was added to the code apparently in order to insure this result, has the opposite effect by permitting the acquisition of a subsidiary by a subchapter S corporation after the election has been made. This apparent drafting error would be corrected by section 6 of the bill which would eliminate paragraph 8 from section 1504(b). This amendment would be effective as of the day after the date of enactment.

CIVIL USES OF ATOMIC ENERGY—AMENDMENTS TO AGREEMENTS WITH CERTAIN FOREIGN GOVERNMENTS

Mr. PASTORE. Mr. President, pursuant to section 123 c. of the Atomic Energy Act of 1954, as amended, the following documents were submitted to the Joint Committee on Atomic Energy on July 23, 1959, to amend the agreements for cooperation with France, Germany, Italy, the Netherlands, and Belgium, and a superseding agreement for cooperation with the Government of the Republic of Austria:

First. Five executed amendments to the agreements for cooperation with the Governments of the Republic of France, signed July 3, 1959; the Federal Republic of Germany, signed July 3, 1959; the Italian Republic, signed July 3, 1959; the Netherlands, signed July 3, 1959; and Belgium, signed July 12, 1959. Also an executed Agreement for Cooperation for Cooperation with the Republic of Austria, signed July 22, 1959, which supersedes the existing agreement for cooperation with the Government of the Republic of Austria.

Second. Copies of letters from the U.S. Atomic Energy Commission, dated July 7, 1959, to the President recommending approval of the proposed amendments and a copy of a letter, dated July 2, 1959, from the Commission to the President recommending approval of the proposed superseding Agreement for Cooperation with the Government of the Republic of Austria.

Third. Copies of letters from the President, dated July 21, 1959, to the U.S. Atomic Energy Commission approving the proposed amendments with the Governments of France, Germany, Italy, the Netherlands, and Belgium, and the superseding agreement for cooperation with Austria, containing his determination that the performance of such amendments and agreement will not constitute an unreasonable risk to the common defense and security, and his authorization to execute the proposed amendments and agreement.

Fourth. Copy of letter from the U.S. Atomic Energy Commission, dated July 22, 1959, describing provisions of the above amendments.

The amendments to the agreements for cooperation with France, Germany, Italy, the Netherlands, and Belgium are designed to update the existing agreements with the five countries to conform with current AEC policies. Specifically, the amendments would permit transfer by the United States of limited quantities of enriched uranium for use in small reactor experiments and research reactors, as well as use in materials testing reactors which is already provided for in existing agreements with these countries. Each of the amendments would permit the Atomic Energy Commission, at its discretion, to transfer uranium enriched up to 90 percent for the above types of reactors whose individual fuel load is not to exceed 8 kilograms of contained uranium 235.

In the case of each such transfer a determination is made by the Atomic Energy Commission that the transfer

will have technical and economic advantage to the United States. The amendments do not alter the comprehensive safeguards provisions in the existing agreements with the five countries which guard against diversion of the enriched materials to other than peaceful purposes.

In the case of the Belgian agreement, which formerly provided for sale only of enriched materials for these purposes, the new amendment provides for lease or sale, as may be mutually agreed, to permit Belgium to avail itself of current AEC policy to lease fuel for research and materials test reactors.

The amendments will enter into force when each government has exchanged written notification that their respective statutory and constitutional requirements have been fulfilled.

The superseding agreement for cooperation with the Government of the Republic of Austria updates the existing research agreement to conform with current AEC policies. It provides for transfer by the Atomic Energy Commission, at its discretion, of limited quantities of uranium enriched up to 90 percent for use in research reactors, and materials testing reactors. The agreement includes comprehensive safeguards provisions against diversion of these materials to other than peaceful purposes.

The new agreement affirms both parties' common interest in the International Atomic Energy Agency and they agree to consult with each other to determine in what respects, if any, they desire to modify the provisions of the proposed superseding agreement in view of the establishment of the agency. The superseding agreement will enter into force when the Governments of the United States of America and the Republic of Austria have exchanged written notifications to the effect that all statutory and constitutional requirements have been fulfilled and will remain in force for a period of 10 years thereafter.

Mr. President, I ask that these documents and the associated correspondence be printed in the RECORD.

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

U.S. ATOMIC ENERGY COMMISSION,
Washington, D.C., July 22, 1959.

Hon. CLINTON P. ANDERSON,
Chairman, Joint Committee on Atomic Energy, Congress of the United States.

DEAR SENATOR ANDERSON: By separate letters I have today transmitted amendments to the agreements for cooperation with Belgium, France, Germany, Italy, and the Netherlands to the Joint Committee. You will note that each of these amendments would permit the Commission, at its discretion, to transfer uranium enriched up to 90 percent in the isotope U^{235} for use in reactor experiments as well as research and materials testing reactors, each capable of operating with a fuel load not to exceed 8 kilograms of contained U^{235} in uranium.

As you will recall, it has heretofore been the policy of the Commission in the foreign program to limit the use of material enriched up to 90 percent to fueling research and materials testing reactors, capable of operating with core loads not to exceed 8 kilograms of contained U^{235} in uranium. The provision recorded in the amendments to our agreements with the Euratom countries will extend this policy by permitting the Commission to make such material available for use in reactor experiments.

A reactor experiment is generally defined as a project designed for the limited purpose of testing the technical feasibility of a reactor concept or some unique reactor feature or piece of equipment. It will be relatively small in size, generally producing less than 10 thermal megawatts, and in the case of the amendments now before the committee cannot have a core loading in excess of 8 kilograms of contained U^{235} in uranium. It will not incorporate all the features characteristic of a nuclear powerplant, for example, the production of electricity. A reactor experiment may be differentiated from an experimental reactor which is defined as a relatively complete plant, designed, engineered, constructed, and operated to provide the technical basis for the design of a large scale nuclear powerplant. In the Commission's program, the Borax reactors are considered reactor experiments while the EBWR is an experimental reactor.

The policy of making material enriched up to 90 percent available in the foreign program for reactor experiments is, in the Commission's view, desirable and reflects our own experience that the use of such material is often technically advantageous since it may permit the construction of a smaller and therefore more economical experimental facility than would be the case if material of assays of 20 percent or less were to be used.

Because the term "reactor experiment" was developed in the Commission's program and as a term of art may be misinterpreted or misunderstood, particularly in the foreign program, we have advised the Embassies of the Euratom countries of the definition outlined above. We are further planning to issue, in the near future, an appropriate press release with respect to this matter and will, of course, advise the joint committee beforehand in accordance with customary procedures.

Sincerely yours,

H. S. VANCE,
Acting Chairman.

AMENDMENT TO AGREEMENT FOR COOPERATION BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE NETHERLANDS CONCERNING CIVIL USES OF ATOMIC ENERGY

The Government of the United States of America and the Government of the Netherlands, desiring to amend further the agreement for cooperation concerning civil uses of atomic energy between the Government of the United States of America and the Government of the Netherlands, signed at Washington on June 22, 1956 (hereinafter referred to as the "agreement for cooperation"), as amended by the agreement signed at Washington on July 3, 1957, have agreed as follows:

ARTICLE I

Paragraph A of article IV of the agreement for cooperation, as amended, is amended to read as follows:

"A. Research materials: materials of interest in connection with defined research projects related to the peaceful uses of atomic energy and under the limitations set forth in article II, including source materials, special nuclear materials, by-product materials, other radioisotopes, and stable isotopes, will be sold or otherwise transferred to the Government of the Netherlands by the Commission for research purposes other than fueling reactors and reactor experiments in such quantities and under such terms and conditions as may be agreed when such materials are not available commercially."

ARTICLE II

Article VII of the agreement for cooperation, as amended, is amended to read as follows:

"A. The Commission will sell or lease, as may be agreed, to the Government of the Netherlands, uranium enriched up to 20 percent in the isotope U^{235}, except as otherwise provided in paragraph C of this article, in such quantities as may be agreed in accordance with the terms, conditions, and delivery schedules set forth in contracts for fueling, defined research, experimental power, demonstration power, and power reactors, materials testing reactors, and reactor experiments which the Government of the Netherlands, in consultation with the Commission, decides to construct or authorize private organizations to construct in the Netherlands and as required in experiments related thereto; provided, however, that the net amount of any uranium sold or leased hereunder during the period of this agreement shall not exceed 500 kilograms of contained U^{235}. This net amount shall be the gross quantity of contained U^{235} in uranium sold or leased to the Government of the Netherlands during the period of this agreement less the quantity of contained U^{235} in recoverable uranium which has been resold or otherwise returned to the Government of the United States of America during the period of this agreement or transferred to any other nation or international organization with the approval of the Government of the United States of America.

"B. Within the limitations contained in paragraph A of this article, the quantity of uranium enriched in the isotope U^{235} transferred by the Commission under this article and in the custody of the Government of the Netherlands shall not at any time be in excess of the amount of material necessary for the full loading of each defined reactor project which the Government of the Netherlands or persons under its jurisdiction decide to construct and fuel with the United States fuel, as provided herein, plus such additional quantity as, in the opinion of the Commission, is necessary to permit the efficient and continuous operation of such reactors or reactor experiments while replaced fuel elements are radioactively cooling, are in transit, or, subject to the provisions of paragraph E of this article, are being reprocessed in the Netherlands, it being the intent of the Commission to make possible the maximum usefulness of the material so transferred.

"C. The Commission may, upon request and in its discretion, make a portion of the foregoing special nuclear material available as material enriched up to 90 percent for use in research reactors, materials testing reactors and reactor experiments each capable of operating with a fuel load not to exceed 8 kilograms of contained U^{235} in uranium.

"D. It is understood and agreed that although the Government of the Netherlands may distribute uranium enriched in the isotope U^{235} to authorized users in the Netherlands, the Government of the Netherlands will retain title to any uranium enriched in the isotope U^{235} which is purchased from the Commission at least until such time as private users in the United States of America are permitted to acquire title in the United States of America to uranium enriched in the isotope U^{235}.

"E. It is agreed that when any source or special nuclear material received from the United States of America requires reprocessing, such reprocessing shall be performed at the discretion of the Commission in either Commission facilities or facilities acceptable to the Commission, on terms and conditions to be later agreed; and it is understood, except as may otherwise be agreed, that the form and content of any irradiated fuel elements shall not be altered after their removal from the reactor and prior to delivery to the Commission or the facilities acceptable to the Commission for reprocessing.

"F. With respect to any special nuclear material not owned by the Government of the United States of America produced in reactors fueled with materials obtained from the

United States of America which is in excess of the need of the Government of the Netherlands for such material in its program for the peaceful uses of atomic energy, the Government of the United States of America shall have and is hereby granted (a) a first option to purchase such material at prices then prevailing in the United States of America for special nuclear material produced in reactors which are fueled pursuant to the terms of an agreement for cooperation with the Government of the United States of America, and (b) the right to approve the transfer of such material to any other nation or international organization in the event the option to purchase is not exercised.

"G. Special nuclear material produced in any part of fuel leased hereunder as a result of irradiation processes shall be for the account of the Government of the Netherlands and after reprocessing as provided in paragraph E hereof shall be returned to the Government of the Netherlands at which time title to such material shall be transferred to that government, unless the Government of the United States of America shall exercise the option, which is hereby accorded, to retain, with appropriate credit to the Government of the Netherlands, any such special nuclear material which is in excess of the needs of the Government of the Netherlands for such material in its program for the peaceful uses of atomic energy.

"H. Some atomic energy materials which the Government of the Netherlands may request the Commission to provide in accordance with this agreement are harmful to persons and property unless handled and used carefully. After delivery of such materials to the Government of the Netherlands the Government of the Netherlands shall bear all responsibility, insofar as the Government of the United States of America is concerned, for the safe handling and use of such materials. With respect to any special nuclear materials or fuel elements which the Commission may, pursuant to this agreement, lease to the Government of the Netherlands or to any private individual or private organization under its jurisdiction, the Government of the Netherlands shall indemnify and save harmless the Government of the United States of America against any and all liability (including third party liability) for any cause whatsoever arising out of the production or fabrication, the ownership, the lease, and the possession and use of such special nuclear materials or fuel elements after delivery by the Commission to the Government of the Netherlands or to any authorized private individual or private organization under its jurisdiction."

ARTICLE III

Paragraph B of article XIV of the agreement for cooperation, as amended, is hereby deleted.

ARTICLE IV

This amendment, which shall be regarded as an integral part of the agreement for cooperation as amended, shall enter into force on the day on which each Government shall have received from the other Government written notification that it has complied with all statutory and constitutional requirements for the entry into force of this amendment.

In witness whereof, the undersigned, duly authorized, have signed this amendment.

Done at Washington, in duplicate, this 22d day of July 1959.

For the Government of the United States of America:

IVAN B. WHITE.
H. S. VANCE.

For the Government of the Netherlands:

E. L. C SCHIFF.

Certified to be a true copy:

LAWRENCE F. O'DONNELL,
Foreign Affairs Officer, Agreements and Liaison Branch, Division of International Affairs.

U.S. ATOMIC ENERGY COMMISSION,
Washington, D.C., July 7, 1959.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: The Atomic Energy Commission recommends that you approve the enclosed proposed amendment to the agreement for cooperation between the Government of the United States of America and the Government of the Netherlands concerning civil uses of atomic energy, determine that its performance wil promote and will not constitute an unreasonable risk to the common defense and security, and authorize its execution. The Department of State supports the Commission's recommendations.

The Netherlands is a member state of the European Atomic Energy Community (Euratom). Article 106 of the treaty establishing the European Atomic Energy Community contemplates that the member states which before the date of entry into force of that treaty have concluded agreements with third countries for cooperation in the field of nuclear energy shall jointly with the Euratom Commission enter into the necessary negotiations with third countries in order, as far as possible, to cause the rights and obligations arising out of such agreements to be assumed by the Community. The agreement for cooperation between the Government of the United States of America and the European Atomic Energy Community (Euratom) concerning the peaceful uses of atomic energy, signed November 8, 1958, provides that the Government of the United States is prepared to enter into negotiations with the Euratom member states with reference to any agreement to which it is a party. The proposed amendment is designed to satisfy pressing requirements of the Netherlands atomic energy program pending the broader renegotiation of the Netherlands agreement to effect a transfer of rights and obligations to Euratom. The negotiations leading to this amendment were carried out in consultation with Euratom.

The amendment which has been negotiated by the Atomic Energy Commission and the Department of State pursuant to the Atomic Energy Act of 1954, as amended, would modify the agreement for cooperation signed by the Government of the United States and the Government of the Netherlands on June 22, 1956, as amended on July 3, 1957.

The existing agreement, as amended, provides for the transfer of 100 grams of contained U^{235}, 10 grams of plutonium and 10 grams of U^{233} for research purposes. It also enables the Commission to sell or lease to the Government of the Netherlands for use in research reactors and sell for use in experimental, demonstration power and power reactors, enriched uranium in a net amount not to exceed 500 kilograms of contained U^{235} enriched up to a maximum of 20 percent. The existing agreement further permits the Commission to make a portion of the foregoing special nuclear materials available as material enriched up to 90 percent for use in a materials testing reactor, capable of operating with a fuel load not to exceed 6 kilograms of contained U^{235} in uranium.

Article I of the proposed amendment would permit the transfer of special nuclear materials, including U^{235}, U^{233}, and plutonium, on an as may be agreed basis, for defined research projects related to the peaceful uses of atomic energy.

Article II of the proposed amendment would provide for the transfer of a net amount of 500 kilograms of uranium enriched up to a maximum of 20 percent in the isotope U^{235}, except as noted below. This uranium would be sold or leased by the Commission to the Government of the Netherlands for fueling defined research, experimental power, demonstration power and power reactors, materials testing reactors, and reactor experiments in the Netherlands. The Commission, at its discretion, may make a portion of the foregoing 500 kilograms available as material enriched up to 90 percent for use in research reactors, materials testing reactors, and reactor experiments, each capable of operating with a fuel load not to exceed 8 kilograms of contained U^{235} in uranium.

Following your approval and subject to the authorization requested, the amendment will be formally executed by the appropriate authorities of the Government of the United States of America and the Government of the Netherlands and placed before the Joint Committee on Atomic Energy in compliance with section 123c of the Atomic Energy Act of 1954, as amended.

Respectfully,

JOHN A. MCCONE,
Chairman.

THE WHITE HOUSE,
Washington, July 21, 1959.

The Hon. JOHN A. MCCONE,
Chairman, Atomic Energy Commission, Washington, D.C.

DEAR MR. MCCONE: Under date of July 7, 1959, you informed me that the Atomic Energy Commission has recommended that I approve the proposed amendment to the agreement for cooperation between the Government of the United States of America and the Government of the Netherlands concerning the civil uses of atomic energy, and authorize it execution.

This amendment is designed to satisfy pressing requirements of the Netherlands atomic energy program pending a broader renegotiation of the Netherlands agreement to effect a transfer of rights and obligations to Euratom as provided in the treaty establishing the European Atomic Energy Community and as contemplated in the agreement for cooperation between the Government of the United States of America and the European Atomic Energy Community Concerning Peaceful Uses of Atomic Energy, signed November 8, 1958.

The recommended amendment has been reviewed. It provides for the transfer of a net quantity of 500 kilograms of enriched uranium to the Government of the Netherlands, and the Commission, at its discretion, may make a portion of the foregoing 500 kilograms available as material enriched up to 90 percent for use in research reactors, materials testing reactors, and reactor experiments. The proposed amendment will permit the transfer of quantities of special nuclear materials including U^{235}, U^{233}, and plutonium, for defined research projects related to the peaceful uses of atomic energy on an as may be agreed basis rather than in limited quantities as now provided in the existing agreement.

Therefore, pursuant to the provision of section 123 of the Atomic Energy Act of 1954, as amended, and upon the recommendation of the Atomic Energy Commission, I hereby:

1. Determine that the performance of the proposed amendment will promote and will not constitute an unreasonable risk to the common defense and security of the United States; and

2. Approve the proposed amendment to the agreement for cooperation between the Government of the United States and the Government of the Netherlands, enclosed with your letter of July 7, 1959; and

3. Authorize the execution of the proposed amendment for the Government of the United States by appropriate authorities of the Atomic Energy Commission and the Department of State.

It is my hope that this amendment will enhance the very productive program of cooperation between the United States and the Netherlands in the peaceful uses of atomic

energy pending a broader renegotiation of the Netherlands agreement to effect a transfer of rights and obligations to Euratom.

Sincerely,

DWIGHT D. EISENHOWER.

AMENDMENT TO AGREEMENT FOR COOPERATION CONCERNING THE CIVIL USES OF ATOMIC ENERGY BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE ITALIAN REPUBLIC

The Government of the United States of America and the Government of the Italian Republic, desiring to amend the agreement for cooperation concerning the civil uses of Atomic Energy between the Government of the United States of America and the Government of the Italian Republic, signed at Washington on July 3, 1957 (hereinafter referred to as the "agreement for cooperation"), have agreed as follows:

ARTICLE I

Paragraph A of article VI of the agreement for cooperation is amended to read as follows:

"A. Research materials: Materials of interest in connection with defined research projects related to the peaceful uses of atomic energy and under the limitations set forth in article III, including source materials, special nuclear materials, byproduct materials, other radioisotopes, and stable isotopes, will be sold or otherwise transferred to the Government of the Italian Republic for research purposes other than fueling reactors and reactor experiments in such quantities and under such terms and conditions as may be agreed when such materials are not available commercially."

ARTICLE II

Paragraphs A, B, and C of article VIII of the agreement for cooperation are deleted and the following paragraphs A, B, and C are substituted in lieu thereof:

"A. The Commission will sell or lease as may be agreed to the Government of the Italian Republic uranium enriched up to 20 percent in the isotope U^{235}, except as otherwise provided in paragraph C of this article, in such quantities as may be agreed in accordance with the terms, conditions, and delivery schedules set forth in contracts for fueling defined research, experimental power, demonstration power, and power reactors, materials testing reactors and reactor experiments, which the Government of the Italian Republic, in consultation with the Commission, decides to construct or authorize private organizations to construct in the Italian Republic and as required in experiments related thereto; provided, however, that the net amount of any uranium sold or leased hereunder during the period of this agreement shall not exceed 7,000 kilograms of contained U^{235}. This net amount shall be the gross quantity of contained U^{235} in uranium sold or leased to the Government of the Italian Republic during the period of this agreement less the quantity of contained U^{235} in recoverable uranium which has been resold or otherwise returned to the Government of the United States of America during the period of this agreement or transferred to any other nation or international organization with the approval of the Government of the United States of America.

"B. Within the limitations contained in paragraph A of this article, the quantity of uranium enriched in the isotope U^{235} transferred by the Commission under this article and in the custody of the Government of the Italian Republic shall not at any time be in excess of the amount of material necessary for the full loading of each defined reactor project which the Government of the Italian Republic or persons under its jurisdiction decide to construct and fuel with U.S. fuel, as provided herein, plus such additional quantity as, in the opinion of the Commission, is necessary to permit the efficient and continuous operation of such reactors or reactor experiments while replaced fuel elements are radioactively cooling or, subject to the provisions of paragraph E, are being reprocessed in the Italian Republic, it being the intent of the Commission to make possible the maximum usefulness of the material so transferred.

"C. The Commission may, upon request and in its discretion, make a portion of the foregoing special nuclear material available as material enriched up to 90 percent for use in research reactors, materials testing reactors, and reactor experiments, each capable of operating with a fuel load not to exceed 8 kilograms of contained U^{235} in uranium."

ARTICLE III

This amendment, which shall be regarded as an integral part of the agreement for cooperation, shall enter into force on the day on which each Government shall have received from the other Government written notification that it has complied with all statutory and constitutional requirements for the entry into force of this amendment.

In witness whereof, the undersigned, duly authorized, have signed this amendment.

Done at Washington, in duplicate, in the English and Italian languages, both equally authentic, this 22d day of July 1959.

For the Government of the United States of America:

IVAN B. WHITE.
H. S. VANCE.

For the Government of the Italian Republic:

CARLO PERRONE-CAPANO.

Certified to be a true copy:

LAWRENCE F. O'DONNELL,
Foreign Affairs Officer, Agreements and Liaison Branch, Division of International Affairs.

U.S. ATOMIC ENERGY COMMISSION,
Washington, D.C., July 7, 1959.

THE PRESIDENT,
The White House.

DEAR MR. PRESIDENT: The Atomic Energy Commission recommends that you approve the enclosed proposed "amendment to the agreement for cooperation between the Government of the United States of America and the Government of the Italian Republic concerning the civil uses of atomic energy," determine that its performance will promote and will not constitute an unreasonable risk to the common defense and security, and authorize its execution. The Department of State supports the Commission's recommendations.

The Italian Republic is a member state of European Atomic Energy Community (Euratom). Article 106 of the treaty establishing the European Atomic Energy Community contemplates that the member states which before the date of entry into force of that treaty have concluded agreements with third countries for cooperation in the field of nuclear energy shall jointly with the Euratom Commission enter into the necessary negotiations with third countries in order, as far as possible, to cause the rights and obligations arising out of such agreements to be assumed by the Community. The agreement for cooperation between the Government of the United States of America and the European Atomic Energy Community (Euratom) concerning the peaceful uses of atomic energy, signed November 8, 1958, provides that the Government of the United States is prepared to enter into negotiations with the Euratom member states with reference to any agreement to which it is a party. The proposed amendment is designed to satisfy pressing requirements of the Italian atomic energy program pending the broader renegotiation of the Italian agreement to effect a transfer of rights and obligations to Euratom. The negotiations leading to this amendment were carried out in consultation with Euratom.

The amendment which has been negotiated by the Atomic Energy Commission and the Department of State pursuant to the Atomic Energy Act of 1954, as amended, would modify the agreement for cooperation signed by the Government of the United States and the Government of the Italian Republic on July 3, 1957.

The existing agreement provides for the transfer of 100 grams of contained U^{235}, 10 grams of plutonium, and 10 grams of U^{233} for research purposes. It also enables the Commission to sell or lease to the Government of the Italian Republic up to 7,000 kilograms of contained U^{235} in uranium enriched up to a maximum of 20 percent in the isotope U^{235} for use as fuel in defined research, experimental power, demonstration power, and power reactors in Italy. The existing agreement provides further that the Commission may make a portion of the foregoing special nuclear material available as material enriched up to 90 percent for use in a materials testing reactor, capable of operating with a fuel load not to exceed 6 kilograms of contained U^{235} in uranium.

Article I of the proposed amendment would permit the transfer of quantities of special nuclear materials, including U^{235}, U^{233}, and plutonium, on an as may be agreed basis, for defined research projects related to the peaceful uses of atomic energy other than fueling reactors and reactor experiments.

Article II of the proposed amendment would provide for the transfer of a net amount of 7,000 kilograms of uranium enriched up to 20 percent in the isotope U^{235}, except as noted below. This uranium would be sold or leased by the Commission to the Government of the Italian Republic for fueling defined research, experimental power, demonstration power, and power reactors, materials testing reactors, and reactor experiments, which the Government of the Italian Republic, in consultation with the Commission, decides to construct or authorize private organizations to construct in Italy and as required in experiments related thereto. The Commission, at its discretion, may make a portion of the foregoing special nuclear material available as material enriched up to 90 percent for use in research, materials testing reactors, and reactor experiments, each capable of operating with a fuel load not to exceed 8 kilograms of contained U^{235} in uranium.

Following your approval and subject to the authorization requested, the amendment will be formally executed by the appropriate authorities of the Government of the United States of America and the Government of the Italian Republic and placed before the Joint Committee on Atomic Energy in compliance with section 123c of the Atomic Energy Act of 1954, as amended.

Respectfully,

JOHN A. MCCONE,
Chairman.

THE WHITE HOUSE,
Washington, July 21, 1959.

The Honorable JOHN A. MCCONE,
Chairman, Atomic Energy Commission,
Washington, D.C.

DEAR MR. MCCONE: Under date of July 7, 1959, you informed me that the Atomic Energy Commission has recommended that I approve the proposed 'amendment to the agreement for cooperation between the Government of the United States of America and the Government of the Italian Republic concerning the civil uses of atomic energy," and authorize its execution.

This amendment is designed to satisfy pressing requirements of the Italian atomic energy program pending a broader renegotiation of the Italian agreement to effect a transfer of rights and obligations to Euratom as provided in the treaty establishing

the European Atomic Energy Community and as contemplated in the agreement for cooperation between the Government of the United States of America and the European Atomic Energy Community concerning peaceful uses of atomic energy, signed November 8, 1958.

The recommended amendment has been reviewed. It provides for the transfer of a net quantity of 7,000 kilograms of enriched uranium to the Government of the Italian Republic, and the Commission, at its discretion, may make a portion of the foregoing 7,000 kilograms available as material enriched up to 90 percent for use in research reactors, materials testing reactors and reactor experiments. The proposed amendment will permit the transfer of quantities of special nuclear materials, including U^{235}, U^{233}, and plutonium, for defined research projects related to the peaceful uses of atomic energy on an as may be agreed basis rather than in limited quantities as now provided in the existing agreement.

Therefore, pursuant to the provision of section 123 of the Atomic Energy Act of 1954, as amended, and upon the recommendation of the Atomic Energy Commission, I hereby:

1. Determine that the performance of the proposed amendment will promote and will not constitute an unreasonable risk to the common defense and security of the United States; and

2. Approve the proposed amendment to the agreement for cooperation between the Government of the United States and the Government of the Italian Republic, enclosed with your letter of July 7, 1959; and

3. Authorize the execution of the proposed amendment for the Government of the United States by appropriate authorities of the Atomic Energy Commission and the Department of State.

It is my hope that this amendment will enhance the very productive program of cooperation between the United States and the Italian Republic in the peaceful uses of atomic energy pending a broader renegotiation of the Italian agreement to effect a transfer of rights and obligations to Euratom.

Sincerely,

DWIGHT D. EISENHOWER.

AMENDMENT TO AGREEMENT FOR COOPERATION CONCERNING THE CIVIL USES OF ATOMIC ENERGY BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY

The Government of the United States of America and the Government of the Federal Republic of Germany, desiring to amend the agreement for cooperation concerning the civil uses of atomic energy between the Government of the United States of America and the Government of the Federal Republic of Germany, signed at Washington on July 3, 1957 (hereinafter referred to as the "agreement for cooperation"), have agreed as follows:

ARTICLE I

Paragraph O of article VI of the agreement for cooperation is amended to read as follows:

"A. Research materials: Materials of interest in connection with defined research projects related to the peaceful uses of atomic energy and under the limitations set forth in article III, including source materials, special nuclear materials, byproduct materials, other radioisotopes, and stable isotopes, will be sold or otherwise transferred to the Government of the Federal Republic of Germany for research purposes other than fueling reactors and reactor experiments in such quantities and under such terms and conditions as may be agreed when such materials are not available commercially."

ARTICLE II

Paragraphs A, B, and C of article VIII of the agreement for cooperation are deleted and the following paragraphs A, B, and C are substituted in lieu thereof:

"A. The Commission will sell or lease as may be agreed to the Government of the Federal Republic of Germany uranium enriched up to 20 percent in the isotope U^{235}, except as otherwise provided in paragraph C of this article, in such quantities as may be agreed in accordance with the terms, conditions, and delivery schedules set forth in contracts for fueling defined research, experimental power, demonstration power, and power reactors, materials testing reactors and reactor experiments, which the Government of the Federal Republic of Germany, in consultation with the Commission, decides to construct or authorize private organizations to construct in the Federal Republic of Germany and as required in experiments related thereto; provided, however, that the net amount of any uranium sold or leased hereunder during the period of this agreement shall not exceed 2,500 kilograms of contained U^{235}. This net amount shall be the gross quantity of contained U^{235} in uranium sold or leased to the Government of the Federal Republic of Germany during the period of this agreement less the quantity of contained U^{235} in recoverable uranium which has been resold or otherwise returned to the Government of the United States of America during the period of this agreement or transferred to any other nation or international organization with the approval of the Government of the United States of America.

"B. Within the limitations contained in paragraph A of this article, the quantity of uranium enriched in the isotope of U^{235} transferred by the Commission under this article and in the custody of the Government of the Federal Republic of Germany shall not at any time be in excess of the amount of material necessary for the full loading of each defined reactor project which the Government of the Federal Republic of Germany or persons under its jurisdiction decide to construct and fuel with U.S. fuel, as provided herein, plus such additional quantity as, in the opinion of the Commission, is necessary to permit the efficient and continuous operation of such reactor or reactor experiments while replaced fuel elements are radioactively cooling or, subject to the provisions of paragraph E, are being reprocessed in the Federal Republic of Germany, it being the intent of the Commission to make possible the maximum usefulness of the material so transferred.

"C. The Commission may, upon request and in its discretion, make a portion of the foregoing special nuclear material available as material enriched up to 90 percent for use in research reactors, materials testing reactors, and reactor experiments, each capable of operating with a fuel load not to exceed 8 kilograms of contained U^{235} in uranium."

ARTICLE III

This amendment, which shall be regarded as an integral part of the agreement for cooperation, shall enter into force on the day on which each government shall have received from the other government written notification that it has complied with all statutory and constitutional requirements for the entry into force of this amendment.

In witness whereof, the undersigned, duly authorized, have signed this amendment.

Done at Washington, in duplicate, in the English and German languages, both equally authentic, this 22d day of July 1959.

For the Government of the United States of America:

IVAN B. WHITE.
H. S. VANCE.

For the Government of the Federal Republic of Germany:

FRANZ KRAPF.

Certified to be a true copy:

LAWRENCE F. O'DONNELL,
Foreign Affairs Officer, Agreements and Liaison Branch, Division of International Affairs.

U.S. ATOMIC ENERGY COMMISSION,
Washington, D.C., July 7, 1959.

THE PRESIDENT,
The White House.

DEAR MR. PRESIDENT: The Atomic Energy Commission recommends that you approve the enclosed proposed "amendment to the agreement for cooperation between the Government of the United States of America and the Government of the Federal Republic of Germany concerning the civil uses of atomic energy," determine that its performance will promote and will not constitute an unreasonable risk to the common defense and security, and authorize its execution. The Department of State supports the Commission's recommendations.

The Federal Republic of Germany is a member state of the European Atomic Energy Community (Euratom). Article 106 of the treaty establishing the European Atomic Energy Community contemplates that the member states which before the date of entry into force of that treaty have concluded agreements with third countries for cooperation in the field of nuclear energy shall jointly with the Euratom Commission enter into the necessary negotiations with third countries in order, as far as possible, to cause the rights and obligations arising out of such agreements to be assumed by the Community. The agreement for cooperation between the Government of the United States of America and the European Atomic Energy Community (EURATOM) concerning the peaceful uses of atomic energy, signed November 8, 1958, provides that the Government of the United States is prepared to enter into negotiations with the Euratom Member States with reference to any agreement to which it is a party. The proposed amendment is designed to satisfy pressing requirements of the German atomic energy program pending the broader renegotiation of the German agreement to effect a transfer of rights and obligations to Euratom. The negotiations leading to this amendment were carried out in consultation with Euratom.

The amendment which has been negotiated by the Atomic Energy Commission and the Department of State pursuant to the Atomic Energy Act of 1954, as amended, would modify the agreement for cooperation signed by the Government of the United States and the Government of the Federal Republic of Germany on July 3, 1957.

The existing agreement provides for the transfer of 100 grams of contained U^{235}, 10 grams of plutonium, and 10 grams U^{233} for research purposes. It also enables the Commission to sell or lease to the Government of the Federal Republic of Germany up to 2,500 kilograms of contained U^{235} in uranium enriched up to a maxmum of 20 percent in the isotope U^{235} for use as fuel in defined research, experimental power, demonstration power, and power reactors in the Federal Republic of Germany. The existing agreement provides further that the Commission may make a portion of the foregoing special nuclear material available as material enriched up to 90 percent for use in a materials testing reactor, capable of operating with a fuel load not to exceed 6 kilograms of contained U^{235} in uranium.

Article I of the proposed amendment would permit the transfer of quantities of special nuclear materials, including U^{235}, U^{233}, and plutonium, on an as may be agreed to basis, for defined research projects related to the peaceful uses of atomic energy other than fueling reactors and reactor experiments.

Article II of the proposed amendment would provide for the transfer of a net amount of 2,500 kilograms of uranium enriched up to 20 percent in the isotope U^{235}, except as noted below. This uranium would be sold or leased by the Commission to the Government of the Federal Republic of Germany for fueling defined research, experimental power, demonstration power, and power reactors, materials testing reactors, and reactor experiments, which the Government of the Federal Republic of Germany, in consultation with the Commission, decides to construct or authorize private organizations to construct in the Federal Republic of Germany and as required in experiments related thereto. The Commission, at its discretion, may make a portion of the foregoing special nuclear material available as material enriched up to 90 percent for use in research, materials testing reactors, and reactor experiments, each capable of operating with a fuel load not to exceed 8 kilograms of contained U^{235} in uranium.

Following your approval and subject to the authorization requested, the amendment will be formally executed by the appropriate authorities of the Government of the United States of America and the Government of the Federal Republic of Germany and placed before the Joint Committee on Atomic Energy in compliance with section 123c of the Atomic Energy Act of 1954, as amended.

Respectfully,

JOHN A. MCCONE,
Chairman.

THE WHITE HOUSE,
Washington, July 21, 1959.

The Honorable JOHN A. MCCONE,
Chairman, Atomic Energy Commission,
Washington, D.C.

DEAR MR. MCCONE: Under date of July 7, 1959, you informed me that the Atomic Energy Commission has recommended that I approve the proposed "amendment to the agreement for cooperation between the Government of the United States of America and the Government of the Federal Republic of Germany concerning the civil uses of atomic energy," and authorize its execution.

This amendment is designed to satisfy pressing requirements of the German atomic energy program pending a broader renegotiation of the German agreement to effect a transfer of rights and obligations to Euratom as provided in the treaty establishing the European Atomic Energy Community and as contemplated in the agreement for cooperation between the Government of the United States of America and the European Atomic Energy Community concerning peaceful uses of atomic energy, signed November 8, 1958.

The recommended amendment has been reviewed. It provides for the transfer of a net quantity of 2,500 kilograms of enriched uranium to the Government of the Federal Republic of Germany, and the Commission, at its discretion, may make a portion of the foregoing 2,500 kilograms available as material enriched up to 90 percent for use in research reactors, materials testing reactors, and reactor experiments. The proposed amendment will permit the transfer of quantities of special nuclear materials, including U^{235}, U^{233}, and plutonium, for defined research projects related to the peaceful uses of atomic energy on an as may be agreed basis rather than in limited quantities as now provided in the existing agreement.

Therefore, pursuant to the provision of section 123 of the Atomic Energy Act of 1954, as amended, and upon the recommendation of the Atomic Energy Commission, I hereby:

1. Determine that the performance of the proposed amendment will promote and will not constitute an unreasonable risk to the common defense and security of the United States; and

2. Approve the proposed amendment to the agreement for cooperation between the Government of the United States and the Government of the Federal Republic of Germany, enclosed with your letter of July 7, 1959; and

3. Authorize the execution of the proposed amendment for the Government of the United States by appropriate authorities of the Atomic Energy Commission and the Department of State.

It is my hope that this amendment will enhance the very productive program of cooperation between the United States and the Federal Republic of Germany in the peaceful uses of atomic energy pending a broader renegotiation of the German agreement to effect a transfer of rights and obligations to Euratom.

Sincerely,

DWIGHT EISENHOWER.

AMENDMENT TO AGREEMENT FOR COOPERATION CONCERNING THE CIVIL USES OF ATOMIC ENERGY BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF FRANCE

The Government of the United States of America and the Government of the Republic of France, desiring to amend further the agreement for cooperation concerning the civil uses of atomic energy between the Government of the United States of America and the Government of the Republic of France, signed at Washington on June 19, 1956 (hereinafter referred to as the "agreement for cooperation") as amended by the agreement signed at Washington on July 3, 1957, have agreed as follows:

ARTICLE I

Paragraph A of article VI of the agreement for cooperation is amended to read as follows:

"A. Research materials: Materials of interest in connection with defined research projects related to the peaceful uses of atomic energy and under the limitations set forth in article III, including source materials, special nuclear materials, byproduct materials, other radioisotopes, and stable isotopes, will be sold or otherwise transferred to the Government of the Republic of France for research purposes other than fueling reactors and reactor experiments in such quantities and under such terms and conditions as may be agreed when such materials are not available commercially."

ARTICLE II

Paragraphs A, B, and C of article VIII of the agreement for cooperation as amended are deleted and the following paragraphs A, B, and C are substituted in lieu thereof:

"A. The Commission will sell or lease as may be agreed to the Government of the Republic of France uranium enriched up to 20 percent in the isotope U^{235}, except as otherwise provided in paragraph C of this article, in such quantities as may be agreed in accordance with the terms, conditions, and delivery schedules set forth in contracts for fueling defined research, experimental power, demonstration power, and power reactors, materials testing reactors and reactor experiments, which the Government of the Republic of France, in consultation with the Commission, decides to construct or authorize private organizations to construct in the Republic of France and as required in experiments related thereto; provided, however, that the net amount of any uranium sold or leased hereunder during the period of this agreement shall not exceed 2,500 kilograms of contained U^{235}. This net amount shall be the gross quantity of contained U^{235} in uranium sold or leased to the Government of the Republic of France during the period of this agreement less the quantity of contained U^{235} in recoverable uranium which has been resold or otherwise returned to the Government of the United States of America during the period of this agreement or transferred to any other nation or international organization with the approval of the Government of the United States of America.

"B. Within the limitations contained in paragraph A of this article, the quantity of uranium enriched in the isotope U^{235} transferred by the Commission under this article and in the custody of the Government of the Republic of France shall not at any time be in excess of the amount of material necessary for the full loading of each defined reactor project which the Government of the Republic of France or persons under its jurisdiction decide to construct and fuel with United States fuel, as provided herein, plus such additional quantity as, in the opinion of the Commission, is necessary to permit the efficient and continuous operation of such reactors or reactor experiments while replaced fuel elements are radioactively cooling or, subject to the provisions of paragraph E, are being reprocessed in the Republic of France, it being the intent of the Commission to make possible the maximum usefulness of the material so transferred.

"C. The Commission may, upon request and in its discretion, make a portion of the foregoing special nuclear material available as material enriched up to 90 percent for use in research reactors, materials testing reactors, and reactor experiments, each capable of operating with a fuel load not to exceed 8 kilograms of contained U^{235} in uranium."

ARTICLE III

This amendment, which shall be regarded as an integral part of the agreement for cooperation, as amended, shall enter into force on the day on which each Government shall have received from the other Government written notification that it has complied with all statutory and constitutional requirements for the entry into force of this amendment.

In witness whereof, the undersigned, duly authorized, have signed this amendment.

Done at Washington, in duplicate, in the English and French languages, both equally authentic, this 22d day of July 1959.

For the Government of the United States of America:

IVAN B. WHITE.
H. S. VANCE.

For the Government of the Republic of France:

C. LEBEL.

Certified to be a true copy:
LAWRENCE F. O'DONNELL,
Foreign Affairs Officer,
Agreements and Liaison Branch,
Division of International Affairs.

U.S. ATOMIC ENERGY COMMISSION,
Washington, D.C., July 7, 1959.

THE PRESIDENT,
The White House.

DEAR MR. PRESIDENT: The Atomic Energy Commission recommends that you approve the enclosed proposed "amendment to the agreement for cooperation between the Government of the United States of America and the Government of the Republic of France concerning the civil uses of atomic energy," determine that its performance will promote and will not constitute an unreasonable risk to the common defense and security, and

authorize its execution. The Department of State supports the Commission's recommendations.

The Republic of France is a member state of the European Atomic Energy Community (Euratom). Article 106 of the treaty establishing the European Atomic Energy Community contemplates that the member states which before the date of entry into force of that treaty have concluded agreements with third countries for cooperation in the field of nuclear energy shall jointly with the Euratom Commission enter into the necessary negotiations with third countries in order, as far as possible, to cause the rights and obligations arising out of such agreements to be assumed by the Community. The agreement for cooperation between the Government of the United States of America and the European Atomic Energy Community (Euratom) concerning the peaceful uses of atomic energy, signed November 8, 1958, provides that the Government of the United States is prepared to enter into negotiations with the Euratom Member States with reference to any agreement to which it is a party. The proposed amendment is designed to satisfy pressing requirements of the French atomic energy program pending the broader renegotiation of the French agreement to effect a transfer of rights and obligations to Euratom. The negotiations leading to this amendment were carried out in consultation with Euratom.

The amendment which has been negotiated by the Atomic Energy Commision and the Department of State pursuant to the Atomic Energy Act of 1954, as amended, would modify the agreement for cooperation signed by the Government of the United States and the Government of the Republic of France on June 19, 1956, as amended on July 3, 1957.

The existing agreement, as amended, provides for the transfer of 100 grams of contained U^{235}, 10 grams of plutonium, and 10 grams of U^{233} for research purposes. It also enables the Commission to sell or lease to the Government of the Republic of France up to 2,500 kilograms of contained U^{235} in uranium enriched up to a maximum of 20 percent in the isotope U^{235} for use as fuel in defined research, experimental power, demonstration power, and power reactors in France. The existing agreement provides further that the Commission may make a portion of the foregoing special nuclear material available as material enriched up to 90 percent for use in a materials testing reactor, capable of operating with a fuel load not to exceed 6 kilograms of contained U^{235} in uranium.

Article I of the proposed amendment would permit the transfer of quantities of special nuclear materials, including U^{235}, U^{233}, and plutonium, on an as may be agreed basis, for defined research projects related to the peaceful uses of atomic energy other than fueling reactors and reactor experiments.

Article II of the proposed amendment would provide for the transfer of a net amount of 2,500 kilograms of uranium enriched up to 20 percent in the isotope U^{235}, except as noted below. This uranium would be sold or leased by the Commission to the Government of the Republic of France for fueling defined research, experimental power, demonstration power, and power reactors, materials testing reactors and reactor experiments, which the Government of France, in consultation with the Commission, decides to construct or authorize private organizations to construct in France and as required in experiments related thereto. The Commission, at its discretion, may make a portion of the foregoing special nuclear material available as material enriched up to 90 percent for use in research, materials testing reactors, and reactor experiments, each capable of operating with a fuel load not to exceed 8 kilograms of contained U^{235} in uranium.

Following your approval and subject to the authorization requested, the amendment will be formally executed by the appropriate authorities of the Government of the United States of America and the Government of the Republic of France and placed before the Joint Committee on Atomic Energy in compliance with section 123c of the Atomic Energy Act of 1954, as amended.

Respectfully,

JOHN A. MCCONE,
Chairman.

THE WHITE HOUSE,
Washington, July 21, 1959.

The Honorable JOHN A. MCCONE,
Chairman, Atomic Energy Commission,
Washington, D.C.

DEAR MR. MCCONE: Under date of July 7, 1959, you informed me that the Atomic Energy Commission has recommended that I approve the proposed "amendment to the agreement for cooperation between the Government of the United States of America and the Government of the Republic of France concerning the civil uses of atomic energy," and authorize its execution.

This amendment is designed to satisfy pressing requirements of the French atomic energy program pending a broader renegotiation of the French agreement to effect a transfer of rights and obligations to Euratom as provided in the treaty establishing the European Atomic Energy Community and as contemplated in the agreement for cooperation between the Government of the United States of America and the European Atomic Energy Community concerning peaceful uses to atomic energy, signed November 8, 1958.

The recommended amendment has been reviewed. It provides for the transfer of a net quantity of 2,500 kilograms of enriched uranium to the Government of the Republic of France, and the Commission, at its discretion, may make a portion of the foregoing 2,500 kilograms available as material enriched up to 90 percent for use in research reactors, materials testing reactors and reactor experiments. The proposed amendment will permit the transfer of quantities of special nuclear materials, including U^{235}, U^{233}, and plutonium, for defined research projects related to the peaceful uses of atomic energy on an as may be agreed basis rather than in limited quantities as now provided in the existing agreement.

Therefore, pursuant to the provision of section 123 of the Atomic Energy Act of 1954, as amended, and upon the recommendation of the Atomic Energy Commission, I hereby:

1. Determine that the performance of the proposed amendment will promote and will not constitute an unreasonable risk to the common defense and security of the United States; and

2. Approve the proposed amendment to the agreement for cooperation between the Government of the United States and the Government of the Republic of France, enclosed with your letter of July 7, 1959; and

3. Authorize the execution of the proposed amendment for the Government of the United States by appropriate authorities of the Atomic Energy Commission and the Department of State.

It is my hope that this amendment will enhance the very productive program of cooperation between the United States and France in the peaceful uses of atomic energy pending a broader renegotiation of the French agreement to effect a transfer of rights and obligations to Euratom.

Sincerely,

DWIGHT D. EISENHOWER.

AMENDMENT TO THE AGREEMENT FOR COOPERATION BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF BELGIUM CONCERNING THE CIVIL USES OF ATOMIC ENERGY

The Government of the United States of America and the Government of Belgium, desiring to amend further the agreement for cooperation concerning civil uses of atomic energy between the Government of the United States of America and the Government of Belgium, signed at Washington on June 15, 1955 (hereinafter referred to as the "agreement for cooperation"), as amended by the agreement signed at Washington on July 12, 1956, have agreed as follows:

ARTICLE I

Paragraph B of article VII of the agreement for cooperation, as amended, is deleted and the following is substituted in lieu thereof:

"B. 1. The Commission will sell or lease to the Government of Belgium under such terms and conditions as may be agreed such quantities of uranium enriched up to 20 percent in the isotope U^{235} as Belgium may require during the period of this agreement for fueling defined research, experimental power, demonstration power and power reactors, materials-testing reactors, and reactor experiments located in Belgium, the Belgian Congo, and Ruanda-Urundi which the Government of Belgium, in consultation with the Commission, decides to construct or authorize private users to construct in Belgium, the Belgian Congo, and Ruanda-Urundi, and as required in related experiments thereto, subject to any limitations in connection with quantities of such material available for such distribution by the Commission during any year. The Commission may upon request and in its discretion make a portion of the material sold or leased under this paragraph available as material enriched up to 90 percent for use in research reactors, materials-testing reactors, and reactor experiments each capable of operating with a fuel load not to exceed 8 kilograms of contained U^{235} in uranium.

"2. It is understood and agreed that although Belgium may distribute uranium enriched in the isotope U^{235} to authorized users in Belgium, the Belgian Congo, and Ruanda-Urundi, the Government of Belgium will retain title to any uranium enriched in the isotope U^{235} which is purchased from the Commission at least until such time as private users in the United States are permitted to acquire title to uranium enriched in the isotope U^{235}.

"3. It is agreed that when any source or special nuclear materials received from the United States of America require reprocessing, such reprocessing shall be performed at the discretion of the Commission in either Commission facilities or facilities acceptable to the Commission, on terms and conditions to be later agreed; and it is understood, except as may otherwise be agreed, that the form and content of any irradiated fuel elements shall not be altered after removal from the reactor and prior to delivery to the Commission or the facilities acceptable to the Commission for reprocessing.

"4. With respect to any special nuclear material not owned by the Government of the United States of America produced in reactors fueled with materials obtained from the United States of America which is in excess of the need of the Government of Belgium for such material in its program for the peaceful uses of atomic energy, the Government of the United States of America shall have and is hereby granted (a) a first option to purchase such material at prices then prevailing in the United States of America for special nuclear material produced in reactors which are fueled pursuant to the terms of an agreement for cooperation with the Government of the United States of America, and (b) the right to approve the transfer of such material to any other nation or international organization in the event the option to purchase is not exercised.

5. Special nuclear material produced in any part of fuel leased hereunder as a result of irridiation processes shall be for the account of the Government of Belgium and

after reprocessing as provided in subparagraph 3 hereof shall be returned to the Government of Belgium, at which time title to such material shall be transferred to that Government, unless the Government of the United States of America shall exercise the option, which is hereby accorded, to retain, with appropriate credit to the Government of Belgium any such special nuclear material which is in excess of the needs of the Government of Belgium for such material in its program for the peaceful uses of atomic energy.

6. Some atomic energy materials which the Government of Belgium may request the Commission to provide in accordance with this agreement are harmful to persons and property unless handled and used carefully. After delivery of such material to the Government of Belgium, the Government of Belgium shall bear all responsibility, insofar as the Government of the United States of America is concerned, for the safe handling and use of such materials. With respect to any special nuclear materials or fuel elements which the United States Commission may, pursuant to this agreement, lease to the Government of Belgium or to any private individual or private organization under its jurisdiction, the Government of Belgium shall indemnify and save harmless the Government of the United States of America against any and all liability (including third party liability) from any cause whatsoever arising out of the production or fabrication, the ownership, the lease, and the possession and use of such special nuclear materials or fuel elements after delivery by the United States Commission to the Government of Belgium or to any authorized private individual or private organization under its jurisdiction."

ARTICLE II

This amendment, which shall be regarded as an integral part of the agreement for cooperation, as amended, shall enter into force on the day on which each Government shall have received from the other Government written notification that it has complied with all statutory and constitutional requirements for the entry into force of this amendment.

In witness whereof, the undersigned, duly authorized, have signed this amendment.

Done at Washington, in duplicate, this 22d day of July 1959.

For the Government of the United States of America:

IVAN B. WHITE.
H. S. VANCE.

For the Government of Belgium:

JEAN DE BASSOMPIERRE.

Certified to be a true copy:

LAWRENCE F. O'DONNELL,
Foreign Affairs Officer, Agreements and Liaison Branch, Division of International Affairs.

U.S. ATOMIC ENERGY COMMISSION,
Washington, D.C., July 7, 1959.

THE PRESIDENT,
The White House.

DEAR MR. PRESIDENT: The Atomic Energy Commission recommends that you approve the enclosed proposed "amendment to the agreement for cooperation between the Government of the United States of America and the Government of Belgium concerning the civil uses of atomic energy," determine that its performance will promote and will not constitute an unreasonable risk to the common defense and security, and authorize its execution. The Department of State supports the Commission's recommendations.

Belgium is a member state of the European Atomic Energy Community (Euratom). Article 106 of the treaty establishing the European Atomic Energy Community contemplates that the member states which before the date of entry into force of that treaty have concluded agreements with third countries for cooperation in the field of nuclear energy shall jointly with the Euratom Commission enter into the necessary negotiations with third countries in order, as far as possible, to cause the rights and obligations arising out of such agreements to be assumed by the community. The agreement for cooperation between the Government of the United States of America and the European Atomic Energy Community (Euratom) concerning the peaceful uses of atomic energy, signed November 8, 1958, provides that the Government of the United States is prepared to enter into negotiations with the Euratom member states with reference to any agreement to which it is a party. The proposed amendment is designed to satisfy pressing requirements of the Belgian atomic energy program pending the broader renegotiation of the Belgian agreement to effect a transfer of rights and obligations to Euratom. The negotiations leading to this amendment were carried out in consultation with Euratom.

The amendment which has been negotiated by the Atomic Energy Commission and the Department of State pursuant to the Atomic Energy Act of 1954, as amended, would modify the agreement for cooperation signed by the Government of the United States and the Government of Belgium on June 15, 1955, as amended July 12, 1956.

The existing agreement, as amended, provides that the Commission will sell such quantities of uranium enriched up to 20 percent in the isotope U^{235} as Belgium may require and under such terms and conditions as may be agreed for use in research and power reactors located in Belgium, the Belgian Congo, and Ruanda Urundi, subject to any limitations in connection with quantities of such material available for such distribution by the Commission during any year, and subject to the limitation that the quantity of uranium enriched in the isotope U^{235} of weapon quality in the possession of Belgium by reason of transfer under this agreement shall not, in the opinion of the Commission, be of military significance. It also provides that a portion of the foregoing material, sold under the agreement, may be made available as material enriched up to 90 percent for use in a materials testing reactor, capable of operating with a fuel load not to exceed 8 kilograms of contained U^{235} in uranium.

Article I of the proposed amendment would permit the Commission to sell or lease to the Government of Belgium under such terms and conditions as may be agreed such quantities of uranium enriched up to 20 percent in the isotope U^{235} as Belgium may require during the period of the agreement for fueling defined research, experimental power, demonstration power and power reactors, materials testing reactors, and reactor experiments located in Belgium, the Belgian Congo, and Ruanda Urundi subject to any limitations in connection with quantities of such material available for such distribution by the Commission during any year. The Commission, at its discretion, may make a portion of the foregoing material available as material enriched up to 90 percent for use in research, materials testing reactors, and reactor experiments, each capable of operating with a fuel load not to exceed 8 kilograms of contained U^{235} in uranium.

Following your approval and subject to the authorization requested, the amendment will be formally executed by the appropriate authorities of the Government of the United States of America and the Government of Belgium and placed before the Joint Committee on Atomic Energy in compliance with section 123c of the Atomic Energy Act of 1954, as amended.

Respectfully,

JOHN A. MCCONE,
Chairman.

THE WHITE HOUSE,
Washington, July 21, 1959.

The Honorable JOHN A. MCCONE,
Chairman, Atomic Energy Commission, Washington, D.C.

DEAR MR. MCCONE: Under date of July 7, 1959, you informed me that the Atomic Energy Commission has recommended that I approve the proposed "amendment to the agreement for cooperation between the Government of the United States of America and the Government of Belgium concerning the civil uses of atomic energy," and authorize its execution.

This amendment is designed to satisfy pressing requirements of the Belgian atomic energy program pending a broader renegotiation of the Belgian agreement to effect a transfer of rights and obligations to Euratom as provided in the treaty establishing the European Atomic Energy Community and as contemplated in the agreement for cooperation between the Government of the United States of America and the European Atomic Energy Community concerning peaceful uses of atomic energy, signed November 8, 1958.

The recommended amendment has been reviewed. It provides for the transfer by sale or lease to the Government of Belgium under such terms and conditions as may be agreed such quantities of uranium enriched up to 20 percent in the isotope U^{235} as Belgium may require during the period of the agreement, subject to any limitations in connection with quantities of such material available for such distribution by the Commission during any year. It also provides that the Commission, at its discretion, may make a portion of the material leased or sold under the agreement as amended available as material enriched up to 90 percent for use in research reactors, materials testing reactors, and reactor experiments.

Therefore, pursuant to the provision of section 123 of the Atomic Energy Act of 1954, as amended, and upon the recommendation of the Atomic Energy Commission, I hereby:

1. Determine that the performance of the proposed amendment will promote and will not constitute an unreasonable risk to the common defense and security of the United States; and

2. Approve the proposed amendment to the agreement for cooperation between the Government of the United States and the Government of Belgium, enclosed with your letter of July 7, 1959; and

3. Authorize the execution of the proposed amendment for the Government of the United States by appropriate authorities of the Atomic Energy Commission and the Department of State.

It is my hope that this amendment will enhance the very productive program of cooperation between the United States and Belgium in the peaceful uses of atomic energy pending a broader renegotiation of the Belgian agreement to effect a transfer of rights and obligations to Euratom.

Sincerely,

DWIGHT D. EISENHOWER.

AGREEMENT FOR COOPERATION BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF AUSTRIA CONCERNING CIVIL USES OF ATOMIC ENERGY

Whereas the peaceful uses of atomic energy hold great promise for all mankind; and

Whereas the Government of the United States of America and the Government of the Republic of Austria desire to cooperate with each other in the development of such peaceful uses of atomic energy; and

Whereas the design and development of several types of research reactors are well advanced; and

Whereas research reactors are useful in the production of research quantities of radioisotopes, in medical therapy, and in

numerous other research activities and at the same time are a means of affording valuable training and experience in nuclear science and engineering useful in the development of other peaceful uses of atomic energy including civilian nuclear power; and

Whereas the Government of the Republic of Austria desires to pursue a research and development program looking toward the realization of the peaceful and humanitarian uses of atomic energy and desires to obtain assistance from the Government of the United States of America and U.S. industry with respect to this program; and

Whereas the Government of the United States of America, acting through the U.S. Atomic Energy Commission, desires to assist the Government of the Republic of Austria in such a program; and

Whereas the parties desire this agreement to supersede the agreement for coooperation between the Government of the United States of America and the Government of the Republic of Austria concerning civil uses of atomic energy, signed at Washington on June 8, 1956;

The parties agree as follows:

ARTICLE I

For the purposes of this agreement:

(a) "Commission means the United States Atomic Energy Commission or its duly authorized representatives.

(b) "Equipment and devices" means any instrument or apparatus and includes research reactors, as defined herein, and their component parts.

(c) "Research reactor" means a reactor which is designed for the production of neutrons and other radiations for general research and development purposes, medical therapy, or training in nuclear science and engineering. The term does not cover power reactors, power demonstrations reactors, or reactors designed primarily for the production of special nuclear materials.

(d) "Restricted data" means all data concerning (1) design, manufacture or utilization of atomic weapons; (2) the production of special nuclear material; or (3) the use of special nuclear material in the production of energy, but shall not include data declassified or removed from the category of Restricted Data by the appropriate authority.

(e) "Special nuclear material" means: (1) Plutonium, uranium enriched in the isotope 233 or in the isotope 235, or any other material which the Commission or the Government of the Republic of Austria determines to be special nuclear material; or (2) any material artificially enriched by any of the foregoing.

(f) "Atomic weapon" means any device utilizing atomic energy, exclusive of the means for transporting or propelling the device (where such means is a separable and divisible part of the device), the principal purpose of which is for use as, or for development of, a weapon, a weapon prototype, or a weapon test device.

(g) "Under its jurisdiction" as used in articles II, VIII, IX, and XI means subject to the laws of; and as used in articles IV, V, VI, and VII means within the territory and subject to the laws of. "Beyond the jurisdiction of" as used in article IX means not within the territory and not subject to the laws of.

ARTICLE II

Restricted data shall not be communicated under this agreement, and no materials or equipment and devices shall be transferred and no services shall be furnished under this agreement to the Republic of Austria or authorized persons under its jurisdiction if the transfer of any such materials or equipment and devices or the furnishing of any such services involves the communication of restricted data.

ARTICLE III

A. Subject to the provisions of article II, the parties hereto will exchange information in the following fields:

1. Design, construction, and operation of research reactors and their use as research, development, and engineering tools and in medical therapy.

2. Health and safety problems related to the operation and use of research reactors.

3. The use of radioactive isotopes in physical and biological research, medical therapy, agriculture, and industry.

B. The application or use of any information or data of any kind whatsoever, including design drawings and specifications, shall be the responsibility of the party which receives and uses such information or data, and it is understood that the other party does not warrant the accuracy, completeness, or suitability of such information or data for any particular use or application.

ARTICLE IV

A. The Commission will sell or lease, as may be agreed, to the Government of the Republic of Austria, uranium enriched up to 20 percent in the isotope U^{235}, except as otherwise provided in paragraph C of this article, in such quantities as may be agreed in accordance with the terms, conditions, and delivery schedules set forth in contracts for fueling defined research and materials testing reactors which the Government of the Republic of Austria, in consultation with the Commission, decides to construct or authorize private organizations to construct and which are constructed in Austria; provided, however, that the net amount of any uranium which shall have been sold or leased under this article during the period of this agreement shall not at any time exceed 50 kilograms of contained U^{235}. This net amount shall be the gross quantity of such contained U^{235} in uranium less the quantity of contained U^{235} in recoverable uranium which has been resold or otherwise returned to the Government of the United States of America during the period of this agreement or transferred to any other nation or international organization with the approval of the Government of the United States of America.

B. Within the limitations contained in paragraph A of this article, the quantity of uranium enriched in the isotope U^{235} transferred by the Commission under this article and in the custody of the Government of the Republic of Austria shall not at any time be in excess of the quantity necessary for the full loading of each defined reactor project which the Government of the Republic of Austria or persons under its jurisdiction construct and fuel with uranium received from the United States of America, as provided herein, plus such additional quantity as, in the opinion of the Commission, is necessary to permit the efficient and continuous operation of such reactor or reactors while replaced fuel is radioactively cooling, is in transit, or, subject to the provisions of paragraph E of this article, is being reprocessed in Austria, it being the intent of the Commission to make possible the maximum usefulness of the material so transferred.

C. The Commission may, upon request and in its discretion, make a portion of the foregoing special nuclear material available as uranium enriched up to 90 percent in the isotope U^{235} for use in research or materials testing reactors each capable of operating with a fuel load not to exceed 8 kilograms of contained U^{235} in uranium.

D. It is understood and agreed that although the Government of the Republic of Austria may distribute uranium enriched in the isotope U^{235} to authorized users in Austria, the Government of the Republic of Austria will retain title to any uranium enriched in the isotope U^{235} which is purchased from the Commission at least until such time as private users in the United States of America are permitted to acquire title in the United States of America to uranium enriched in the isotope U^{235}.

E. It is agreed that when any source or special nuclear material received from the United States of America requires reprocessing, such reprocessing shall be performed at the discretion of the Commission in either Commission facilities or facilities acceptable to the Commission, on terms and conditions to be later agreed; and it is undertood, except as may be otherwise agreed, that the form and content of any irradiated fuel shall not be altered after its removal from the reactor and prior to delivery to the Commission or the facilities acceptable to the Commission for reprocessing.

F. With respect to any special nuclear material not subject to the option referred to in paragraph G of this article and produced in reactors fueled with materials received from the United States of America which is in excess of the need of the Republic of Austria for such material in its program for the peaceful uses of atomic energy, the Government of the United States of America shall have and is hereby granted (a) a first option to purchase such material at prices then prevailing in the United States of America for special nuclear material produced in reactors which are fueled pursuant to the terms of an agreement for cooperation with the Government of the United States of America, and (b) the right to approve the transfer of such material to any other nation or international organization in the event the option to purchase is not exercised.

G. Special nuclear material produced in any part of fuel leased hereunder as a result of irradiation processes shall be for the account of the Government of the Republic of Austria and after reprocessing as provided in paragraph E of this article shall be returned to the Government of the Republic of Austria at which time title to such material shall be transferred to that Government, unless the Government of the United States of America shall exercise the option, which is hereby granted, to retain, with appropriate credit to the Government of the Republic of Austria, any such special nuclear material which is in excess of the needs of the Republic of Austria for such material in its program for the peaceful uses of atomic energy.

H. Some atomic energy materials which the Commission may provide in accordance with this agreement are harmful to persons and property unless handled and used carefully. After delivery of such materials to the Government of the Republic of Austria the Government of the Republic of Austria shall bear all responsibility, insofar as the Government of the United States of America is concerned, for the safe handling and use of such materials. With respect to any special nuclear materials or fuel which the Commission may, pursuant to this agreement, lease to the Government of the Republic of Austria or to any private individual or private organization under its jurisdiction, the Government of the Republic of Austria shall indemnify and save harmless the Government of the United States of America against any and all liability (including third-party liability) for any cause whatsoever arising out of the production or fabrication, the ownership, the lease, and the possession and use of such special nuclear materials or fuel after delivery by the Commission to the Government of the Republic of Austria or to any authorized private individual or private organization under its jurisdiction.

ARTICLE V

Materials of interest in connection with defined research projects related to the peaceful uses of atomic energy undertaken

by the Government of the Republic of Austria or persons under its jurisdiction, including source materials, special nuclear materials, byproduct material, other radioisotopes, and stable isotopes, will be sold or otherwise transferred to the Government of the Republic of Austria by the Commission for research purposes in such quantities and under such terms and conditions as may be agreed when such materials are not available commercially.

ARTICLE VI

Subject to the availability of supply and as may be mutually agreed, the Commission will sell or lease, through such means as it deems appropriate, to the Government of the Republic of Austria or authorized persons under its jurisdiction such reactor materials, other than special nuclear materials, as are not obtainable on the commercial market and which are required in the construction and operation of research reactors in Austria. The sale or lease of these materials shall be on such terms as may be agreed.

ARTICLE VII

It is contemplated that, as provided in this article, private individuals and private organizations in either the United States of America or Austria may deal directly with private individuals and private organizations in the other country. Accordingly, with respect to the subject of agreed exchange of information as provided in article III, each party will permit persons under its jurisdiction to transfer and export materials, including equipment and devices, to and perform services for the other Party and such persons under its jurisdiction as are authorized by the other Party to receive and possess such materials and utilize such services, subject to:

(a) The provisions of article II.

(b) Applicable laws, regulations, and license requirements of each party.

ARTICLE VIII

A. The Government of the United States of America and the Government of the Republic of Austria emphasize their common interest in assuring that any material, equipment, or device made available to the Goverment of the Republic of Austria pursuant to this Agreement shall be used solely for civil purposes.

B. Except to the extent that the safeguards provided for in this agreement are supplanted, as provided in article XI, by safeguards of the International Atomic Energy Agency, the Government of the United States of America, notwithstanding any other provisions of this agreement, shall have the following rights:

1. With the objective of assuring design and operation for civil purposes and permitting effective application of safeguards, to review the design of any (i) reactor and (ii) other equipment and devices the design of which the Commission determines to be relevant to the effective application of safeguards, which are to be made available to the Government of the Republic of Austria or persons under its jurisdiction by the Government of the United States of America or any person under its jurisdiction, or which are to use, fabricate, or process any of the following materials so made available: Source material, special nuclear material, moderator material, or other material designated by the Commission.

2. With respect to any source or special nuclear material which is to be made available to the Government of the Republic of Austria or any person under its jurisdiction and any source or special nuclear material utilized in, recovered from, or produced as a result of the use of any of the following materials, equipment, or device so made available (i) source material, special nuclear material, moderator material, or other material designated by the Commission, (ii) reactors, (iii) any other equipment or device designated by the Commission as an item to be made available on the condition that the provision of this subparagraph B2 will apply, (a) to require the maintenance and production of operating records and to request and receive reports for the purpose of assisting in ensuring accountability for such material; and (b) to require that any such material in the custody of the Government of the Republic of Austria or any person under its jurisdiction be subject to all of the safeguards provided for in this article and the guarantees set forth in article IX.

3. To require the deposit in storage facilities designated by the Commission of any of the special nuclear material referred to in subparagraph B2 of this article which is not currently utilized for civil purposes in Austria and which is not purchased or retained by the Government of the United States of America pursuant to article IV of this agreement, or otherwise disposed of pursuant to an arrangement mutually acceptable to the parties.

4. To designate, after consultation with the Government of the Republic of Austria, personnel who, accompanied, if either party so requests, by personnel designated by the Government of the Republic of Austria, shall have access in Austria to all places and data necessary to account for the source and special nuclear materials which are subject to subparagraph B2 of this article to determine whether there is compliance with this agreement and to make such independent measurements as may be deemed necessary.

5. In the event of noncompliance with the provisions of this article, or the guarantees set forth in article IX, and the failure of the Government of the Republic of Austria to carry out the provisions of this article within a reasonable time, to suspend or terminate this agreement and require the return of any materials, equipment, and devices referred to in subparagraph B2 of this article.

6. To consult with the Government of the Republic of Austria in the matter of health and safety.

C. The Government of the Republic of Austria undertakes to facilitate the application of the safeguards provided for in this article.

ARTICLE IX

The Government of the Republic of Austria guarantees that:

(a) Safeguards set forth in article VIII shall be maintained.

(b) No material, including equipment and devices, transferred to the Government of the Republic of Austria or authorized persons under its jurisdiction, pursuant to this agreement, by lease, sale, or otherwise will be used for atomic weapons or for research on or development of atomic weapons or for any other military purposes, and that no such material, including equipment and devices, will be transferred to unauthorized persons or beyond the jurisdiction of the Government of the Republic of Austria except as the Commission may agree to such transfer to another nation and then only if in the opinion of the Commission such transfer falls within the scope of an agreement for cooperation between the Government of the United States of America and the other nation.

ARTICLE X

It is the hope and expectation of the Parties that this Agreement will lead to consideration of further cooperation extending to the design, construction, and operation of power producing reactors. Accordingly, the Parties will consult with each other from time to time concerning the feasibility of an additional agreement for cooperation with respect to the production of power from atomic energy in Austria.

ARTICLE XI

The Government of the United States of America and the Government of the Republic of Austria affirm their common interest in the International Atomic Energy Agency and to this end:

(a) The parties will consult with each other, upon the request of either party, to determine in what respects, if any, they desire to modify the provisions of this agreement. In particular, the parties will consult with each other to determine in what respects and to what extent they desire to arrange for the administration by the International Atomic Energy Agency of those conditions, controls, and safeguards including those relating to health and safety standards required by the Agency in connection with similar assistance rendered to a cooperating nation under the aegis of the Agency.

(b) In the event the parties do not reach a mutually satisfactory agreement following the consultation provided for in subparagraph (a) of this article, either party may by notification terminate this agreement. In the event this agreement is so terminated, the Government of the Republic of Austria shall return to the Commission all source and special nuclear materials received pursuant to this agreement and in its possession or in the possession of persons under its jurisdiction.

ARTICLE XII

A. The agreement for cooperation between the Government of the United States of America and the Government of the Republic of Austria concerning civil uses of atomic energy signed at Washington on June 8, 1956, is superseded in its entirety on the day this agreement enters into force.

B. This agreement shall enter into force on the day on which each party shall have received from the other party written notification that such other party has complied with all statutory and constitutional requirements for the entry into force of such agreement and shall remain in force for a period of 10 years.

C. At the expiration of this agreement or of any extension thereof the Government of the Republic of Austria shall deliver to the Commission all fuel containing reactor fuels and any other fuel materials leased by the Commission. Such fuel and such fuel materials shall be delivered to the Commission at a site in the United States of America designated by the Commission at the expense of the Government of the Republic of Austria and such delivery shall be made under appropriate safeguards against radiation hazards while in transit.

In witness whereof, the undersigned, duly authorized, have signed this agreement.

Done at Washington, in duplicate this 22d day of July 1959.

For the Government of the United States of America:

IVAN B. WHITE.
H. S. VANCE.

For the Government of the Republic of Austria:

WILFRIED PLATZER.

Certified to be a true copy:

LAWRENCE F. O'DONNELL,
Foreign Affairs Officer, Agreements and Liaison Branch, Division of International Affairs, Atomic Energy Commission.

U. S. ATOMIC ENERGY COMMISSION,
Washington, D.C., July 2, 1959.

THE PRESIDENT,
The White House.

DEAR MR. PRESIDENT: The Atomic Energy Commission recommends that you approve the enclosed proposed agreement for cooperation between the Government of the United States of America and the Government of the Republic of Austria concerning civil uses of atomic energy, determine that its performance will promote and will not constitute an unreasonable risk to the common

defense and security, and authorize its execution. The Department of State supports the Commission's recommendations.

The proposed agreement, which has been negotiated by the Atomic Energy Commission and the Department of State pursuant to the Atomic Energy Act of 1954, as amended, would supersede the agreement for cooperation signed by the Government of the United States and the Government of the Republic of Austria on June 8, 1956. Major features of the proposed agreement are summarized below.

The existing agreement, which has a duration of 5 years, provides that the Commission will lease to the Government of the Republic of Austria, as fuel for research reactors, up to 6 kilograms of contained U^{235} in uranium enriched up to a maximum of 20 percent in the isotope U^{235} plus such additional quantity as, in the opinion of the Commission, is necessary to permit the efficient and continuous use of the reactors involved. It also enables the Commission to transfer to the Government of the Republic of Austria 100 grams of contained U^{235}, 10 grams of plutonium, and 10 grams of U^{233} for use in defined research projects.

Article IV of the proposed superseding agreement provides that the Commission will sell or lease, as may be agreed, to the Government of the Republic of Austria, a net amount of 50 kilograms of uranium enriched up to 20 percent in the isotope U^{235}, except as noted below, for fueling defined research or materials testing reactors which the Government of the Republic of Austria, in consultation with the Commission, decides to construct or authorize private organizations to construct in Austria. The Commission, at its discretion, may make a portion of the 50 kilograms available as material enriched up to 90 percent for use in research or materials testing reactors, each capable of operating with a fuel load not to exceed 8 kilograms of contained U^{235} in uranium. In addition, article IV provides that when any source or special nuclear material received from the United States requires reprocessing, such reprocessing will be performed either in Commission facilities or in facilities acceptable to the Commission.

The quantity of uranium enriched in the isotope U^{235} transferred to the Government of the Republic of Austria for use as fuel in reactors will not at any time be in excess of the amount of material necessary for the full loading of each defined reactor project plus such additional quantity as, in the opinion of the Commission, is necessary to permit the efficient and continuous operation of the reactor or reactors while replaced fuel is radioactively cooling, is in transit, or, subject to Commission approval, is being reprocessed in Austria.

Article V of the proposed agreement would permit the transfer of quantities of special nuclear materials, namely U^{235}, U^{233}, and plutonium, on an as may be agreed basis, for defined research projects related to the peaceful uses of atomic energy other than fueling reactors.

Article VIII of the proposed agreement incorporates several provisions which are designed to minimize the possibility that material or equipment transferred under the agreement will be diverted to nonpeaceful purposes.

In article XI of the proposed agreement the parties affirm their common interest in the International Atomic Energy Agency and agree to consult with each other to determine in what respects, if any, they desire to modify the provisions of the proposed agreement in view of the establishment of the Agency.

Following your approval and subject to the authorization requested, the proposed agreement will be formally executed by the appropriate authorities of the Government of the United States of America and the Government of the Republic of Austria and placed before the Joint Committee on Atomic Energy in compliance with section 123c of the Atomic Energy Act of 1954, as amended.

When the Government of the United States of America and the Republic of Austria have exchanged written notification to the effect that all statutory and constitutional requirements have been fulfilled, the proposed agreement will enter into force and so remain for a period of 10 years thereafter.

Respectfully,

HAROLD S. VANCE,
Acting Chairman.

THE WHITE HOUSE,
Washington, July 21, 1959.

The Honorable JOHN A. MCCONE,
Chairman, Atomic Energy Commission,
Washington, D.C.

DEAR MR. MCCONE: Under date of July 2, 1959, you informed me that the Atomic Energy Commission has recommended that I approve the proposed agreement for cooperation between the Government of the United States of America and the Government of the Republic of Austria concerning civil uses of atomic energy, determine that its performance will promote and will not constitute an unreasonable risk to the common defense and security, and authorize its execution. The proposed agreement will supersede the agreement for cooperation signed by the Government of the United States and the Government of the Republic of Austria on June 8, 1956, and will remain in effect for a period of 10 years.

The proposed superseding agreement provides, among other things, that the Commission will sell or lease, as may be agreed, a net amount of 50 kilograms of uranium enriched up to 20 percent in the isotope U^{235}, except as noted below, for use in research or materials testing reactors. The Commission, at its discretion, may make a portion of the 50 kilograms available as material enriched up to 90 percent for use in research or materials testing reactors, each capable of operating with a fuel load not to exceed 8 kilograms of contained U^{235} in uranium. It is also provided that when any source or special nuclear material received from the United States requires reprocessing, such reprocessing will be performed either in Commission facilities or in facilities acceptable to the Commission.

The quantity of uranium enriched in the isotope U^{235} transferred to the Government of the Republic of Austria for use as fuel in reactors will not at any time be in excess of the amount of material necessary for the full loading of each defined reactor project plus such additional quantity as, in the opinion of the Commission, is necessary to permit the efficient and continuous operation of the reactor or reactors while replaced fuel is radioactively cooling, is in transit, or subject to Commission approval, is being reprocessed in Austria.

The agreement further permits the transfer of quantities of special nuclear materials, namely U^{235}, U^{233}, and plutonium, on an as may be agreed basis, for defined research projects related to the peaceful uses of atomic energy other than fueling reactors.

The agreement also contains several provisions which are designed to minimize the possibility that material or equipment transferred under the agreement will be diverted to nonpeaceful purposes. Finally, the agreement contains a provision whereby the parties affirm their common interest in the International Atomic Energy Agency and agree to consult with each other to determine in what respects, if any, they desire to modify the provisions of the agreement for cooperation in view of the establishment of the Agency.

Pursuant to the provisions of section 123 of the Atomic Energy Act of 1954, as amended, and upon the recommendation of the Atomic Energy Commission, I hereby:

1. Determine that the performance of the proposed agreement will promote and will not constitute an unreasonable risk to the common defense and security of the United States;

2. Approve the proposed agreement for cooperation between the Government of the United States of America and the Government of the Republic of Austria, enclosed with your letter; and

3. Authorize the execution of the proposed agreement for the Government of the United States of America by appropriate authorities of the U.S. Atomic Energy Commission and the Department of State.

Sincerely,

DWIGHT D. EISENHOWER.

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. SYMINGTON:

Address delivered by Representative CHARLES H. BROWN, of Missouri, at the annual Carver Day observance at George Washington Carver National Monument, July 12, 1959.

By Mr. MORSE:

Statement issued by him on the proposed exchange of visits between President Eisenhower and Premier Khrushchev.

RADIO AND TELEVISION ADDRESS BY VICE PRESIDENT NIXON AT MOSCOW

Mr. COOPER. Mr. President, I ask unanimous consent that the text of the address delivered by Vice President NIXON on August 1, at Moscow, to a radio and television audience, in the Soviet Union be printed in the body of the RECORD, at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. COOPER. Mr. President, there will be many appraisals of the Vice President's visit to the Soviet Union and its effect on Soviet foreign policy, the people of Russia, and, in indeed, upon the relations the United States and the Soviet Union.

The consequences of his trip—of his meetings with Mr. Khrushchev and other Soviet leaders, Mr. NIXON's associations with the Russian people, and his speeches and statements in Russia—undoubtedly will develop and unfold over a period of many months. But we can say today, as the President of the United States has said, and as the press of the United States has stated with unanimity, that Vice President NIXON has represented our country with dignity, honor, and good taste, and at the same time he has presented the basic beliefs and policies of the United States with strength and firmness. Mr. NIXON's speeches and exchanges with Soviet leaders, demonstrated his clear knowledge of the problems and issues which divide our country and the Soviet Union, whether they are immediate issues, susceptible of solution, or ideological ones, which cannot be reconciled.

As I said, Mr. NIXON conducted himself with restraint and good taste as a visitor in Russia, yet he did not hesitate to make clear to Mr. Khrushchev that the United States and its people, while devoted to peace, are determined to preserve our free system of government, and that our people are united in this purpose. His warning that ultimatums, from whatever side, and that the continuance of the Soviet policy of communizing other countries, could only result in danger, reached the heart of our difficulties with Soviet policy. The Vice President's constructive proposals for association between the leaders and people of our two countries, his insistence that the people of our country want a true peace, has strength, firmness and good humor, have made a substantial contribution to the lessening of tensions, and we can hope that in the months ahead we may see other favorable developments from his trip, and his statements. Whether or not this shall occur he has expressed the best principles of our country.

EXHIBIT 1

[From the New York Times, Aug. 2, 1959]

TEXT OF NIXON ADDRESS ON MOSCOW TELEVISION

Moscow, August 1.—I first want to express my appreciation to the Government of the U.S.S.R. for giving me an opportunity to speak to the people of this country by radio and television just as Mr. Frol R. Kozlov and Mr. Anastas I. Mikoyan spoke to the American people on their visit to my country.

I realize that 9 days is much too brief a time for a visitor to spend in this great country. But in that period I have had the opportunity of having extended and frank discussions with Mr. Khrushchev and other leaders of your Government. I have visited Leningrad, Siberia, and the Urals and I have had the privilege of meeting thousands of people in all walks of life.

What I would like to do tonight is to answer for the millions of people who are listening to this program some of the questions which were asked me over and over again on this trip so that you may get a true picture of the policies of the American Government and people.

IMPRESSIONS GIVEN

I should like to begin by answering a question which I often heard, "What are my impressions of this country and this people?"

While my visit was brief, I did have a chance, in addition to visiting this great capital city of Moscow, to see the beauty and culture of Leningrad, whose brave people won the admiration of the world for their heroic defense of their city during the war; to savor the inspiring pioneer spirit of Novosibirsk; to witness firsthand the thriving productivity of the Urals. I was greatly impressed by the efficient modern equipment of your factories; your magnificent ballets in Leningrad and Novosibirsk; by the competitive drive for progress which is evident on every side.

But most of all I was impressed by your people. After all, the greatest asset of a country is not its forests, its factories or its farms, but its people.

These are some of the characteristics of the Soviet people which I particularly noticed on this trip:

First, their capacity for hard work, their vitality; their intense desire to improve their lot, to get ahead, is evident everywhere.

There was another feature about the Soviet people which I noticed that may surprise you and that is in how many respects you are like us Americans. We are similar in our love of humor—we laugh at the same jokes. The people of your frontier East have much the same spirit of what was our frontier West.

We have a common love of sport. The name of Vasily Kuzenetsov, your great decathlon champion, is known in the United States as well as it is in the Soviet Union. We are both a hospitable, friendly people. When we meet each other we tend to like each other, as so many of our soldiers who met during the last Great War can attest.

DESIRE FOR PEACE CITED

Above all, the American people and the Soviet people are as one in their desire for peace, and our desire for peace is not because either of us is weak. On the contrary, each of us is strong and respects the strength the other possesses.

This means that if we are to have peace it must be a just peace based on mutual respect rather than the peace of surrender or dictation by either side. Putting it bluntly, both of our people want peace, but both of us also possess great strength and, much as we want peace, neither of us can or will tolerate being pushed around.

That is why I was so surprised that a question that was asked by a worker on the new scientific center outside of Novosibirsk. My heart went out to him as he told me that he had been wounded in World War II and that his father and mother had been killed by bombs. But then he said, "I don't believe when you say America is for peace."

Nothing he could have said could have astonished or saddened me more.

And so to the millions of Soviet people who suffered or lost their loved ones in war, and to all of those in this great country who want peace, I say tonight, if you doubt that the American Government and the American people are as dedicated to peace as you are, look at our record, examine our policies, and you can reach only one conclusion, that only aggressor nations have anything to fear from the United States of America.

AVERSION TO WAR OFFERED

We have fought in two world wars and have demanded and received not an acre of territory or a cent in reparations. We enjoy the highest standard of living of any people in the world history, and there is nothing whatever that we want from any other people in the world except to live in peace and friendship with them.

No leader in the world today could be more dedicated to peace than our President. And his brother, who has honored us by making this visit with us, can tell you President Eisenhower's whole life is proof of the stark but simple truth that no one hates war more than one who has seen a lot of it.

We know as you know that in this age of nuclear weapons it is impossible for either of our nations to launch an attack which would not bring terrible destruction to itself.

In this age any leader who is so insane even to think of starting a war would well heed your proverb—"Do not dig a pit for another; you may fall into it yourself."

Why, then, is there any doubt that the American Government and people are just as dedicated to peace as the people of the U.S.S.R.? I think part of the answer is to be found in another question which was often asked of me on this trip and in which Mr. Khrushchev himself raised in this manner in his speech on July 28 at Dnepropetrovsk: "If you believe in the peaceful intentions of our country, why do you continue the arms race, why do you construct new military bases around our borders?"

In answering this question, let me first point out that these bases are not maintained for purposes of attacking you but for purposes of defending ourselves and our allies.

BERLIN BLOCKADE RECALLED

Why did we think it was necessary to set up bases? Let us look at the record. We disarmed rapidly after World War II. Then came a series of events which threatened our friends abroad as well as ourselves.

The Berlin blockade and the war in Korea are typical of the actions which led the United States and our allies to rearm so that we could defend ourselves against aggression.

We also must remember that these events occurred before the 20th party congress changed the line to the one Mr. Khrushchev enunciated again in his speech at Dnepropetrovsk, that communism will now try to achieve its international objectives by peaceful means rather than by force. I could cite statement after statement made by previous leaders of the U.S.S.R. which advocated and threatened the use of force against non-Communist countries in order to achieve Communist objectives.

A striking illustration of why we maintain bases and strong military forces is the fact that one-fourth of the entire production of the U.S.S.R. goes into armaments. This, in effect, means that every worker in the Soviet Union works 1 day out of 4 for armaments. And we in our country are also bearing a heavy burden of armaments. Think what it could mean to both of our countries if we could lift this burden from the backs of our people.

MUTUAL ACTION URGED

Some may ask, why don't we get rid of the bases since the Soviet Government declares today that it has only peaceful intentions? The answer is that whenever the fear and suspicion that caused us and our allies to take measures for collective self-defense are removed, the reason for our maintaining bases will be removed. In other words, the only possible solution of this problem lies in mutual rather than unilateral action leading toward disarmament.

Another question which was often asked was, why don't the United States agree to stop the tests of atomic weapons? The answer in a nutshell is that the question is not whether we both should enter into an agreement to stop tests but whether that agreement is one which will make sure that the tests actually are stopped.

That is why we say that, if both sides honestly want to stop tests, we must first agree to set up inspection procedures in both of our countries which will make certain that the agreement is not violated. We believe this position is the only one that gives assurance of accomplishing the objective of stopping tests rather than just signing an agreement to do so.

We are encouraged by the fact that, at least in this area, we are presently engaged in serious negotiations which have made some progress. I know that I express the sentiments of the people of both our countries when I say that I am hopeful that these negotiations will finally end in agreement.

Another question that has often been asked me went something like this: The United States says it is for peace, but what the world wants are deeds not words. And the United States is short on deeds and long on words.

Nothing could be further from the truth. It is possible that many of you listening to me are not aware of the positive programs the United States has proposed which were designed to contribute to peace. Let me tell you about just a few of them and what happened to them:

We had a monopoly on the atomic bomb when on June 14, 1946, we submitted to the Baruch plan for international control of atomic energy. What happened? It was rejected by the U.S.S.R.

Under article 43 of the United Nations Charter, provision was made for the establishment of the United Nations armed forces to keep the peace. On June 4, 1947, we

made the first of many requests that agreement be reached. What happened? All have been rejected by the U.S.S.R.

At the summit conference in Geneva on July 21, 1955, President Eisenhower made his offer of open skies aerial inspection. What happened? It was rejected by the U.S.S.R. On May 1, 1958, the United States offered an Arctic aerial inspection plan to protect both nations from surprise attack. What happened? It was rejected by the U.S.S.R.

I realize that your Government has reasons for its rejection of these proposals. I do not list these proposals for the purpose of warming over past history but simply to demonstrate the initiative that our Government has taken to reduce tensions and to find peaceful solutions for differences between us.

END OF SUSPICION ASKED

I realize that my answers to these questions indicate that there are some very basic differences between us. But let us emphasize at the same time that the very fact that we have not made as much progress as we would like in the past in settling our differences is the strongest reason for us to redouble our efforts to create better understanding between our two countries to remove fear, suspicion and misconceptions where they exist and, thereby, to pave the way for discussions and eventual settlement by agreement of some of the basic conflicts between us.

We should both frankly recognize that we have some very real differences; they are not too easily settled. But two men who are friends can settle an argument between them without using their fists and two nations who want to be friends can do so without war.

I should like to suggest tonight some practical steps which will contribute to the cause of peace to which we are both dedicated.

First there are some positive things we can do which will create better understanding between us.

We can start by removing the language barrier. Here is one place where you are ahead of us. I was amazed at the number of people I met on this trip who were studying English. What we need are millions of American students who understand Russian.

EXPANSION SUGGESTED

Both the exchange of persons and the cultural exchange programs should not only be continued but sharply expanded. The more Americans who visit and get to know first hand the people of the Soviet Union and the more Soviets who do the same in the United States, the better understanding we shall have.

I believe that visits by officials like the one Mr. Mikoyan and Mr. Kozlov made to the United States and which I have just concluded can provide the means of frank and full discussions of some of our problems and the development of solutions for them. Consequently, we should explore ways of increasing the contacts of this type.

Most important of all, we need a much greater exchange of information between our two countries so that misconceptions which they have about you and that you have about us may be removed.

I was rather surprised that Mr. Khrushchev should raise a question about the failure of the Western press to report adequately one of his recent statements. I would estimate that at leass 100 of Mr. Khrushchev's words are printed in our American press for every one word of President Eisenhower's speeches on foreign policy be printed in the Soviet Union.

Why not go further and set up regular radio and television broadcasts by Mr. Khrushchev to the American people in return for President Eisenhower having the same privilege to talk to the Soviet people?

END OF JAMMING URGED

Let us put a stop to the jamming of broadcasts so that the Soviet people may hear broadcasts from our country just as the American people can hear 40 hours of broadcast a day from the Soviet Union. And let us have a freer flow of newspapers and magazines so that the Soviet people can buy American newspapers and magazine here just as we Americans purchased over 1½ million Soviet publications in last year alone.

I recognize that freedom of information can be abused and that neither of us is free from blame in that respect. The press, radio, television, and other means of communication, such as film studios, have a heavy responsibility for maintaining the spirit of truth and for preventing misinformation. In the final analysis, the misrepresentation of facts for distortion of the truth defeats itself. Let me give you an example that occurred to me on this trip.

There was a report in Pravda to the effect that on the morning after I arrived in Moscow I tried to give money to a poor Soviet citizen, with the hope that American press photographers who were present might take pictures of the incident and send them around the world. There was not a shred of truth to this story.

Here is what actually happened. On an early morning visit to the Danilovsky market, I had talked to scores of people and received a most friendly welcome. As I was about to leave, several of the people asked me for tickets to the American exhibition. I told them I did not have any with me, but that I would be glad to buy some tickets for those present who wanted to attend the exhibition. One of the group explained that it was not a question of their not being able to obtain them. I told him I would be glad to check into the matter and see if I could get tickets for him.

These are the simple facts as far as this incident was concerned, and I can only add that irresponsible reporters should never forget that in the end the truth always catches up with a lie.

"COEXISTENCE" CRITICIZED

Through this greater exchange of information between our two peoples, we not only learn from each other and improve our way of life, but we reduce the suspicion, the mistrust, the fear, and misunderstanding and assure the understanding and friendship which will lead to the peace we all want. That is why, to me, the concept of coexistence is completely inadequate and negative.

Coexistence implies that the world must be divided into two hostile camps with a wall of hate and fear between. What we need today is not two worlds but one world where different people will choose the economic and political systems which they want, but where there is free communication among all the people living on this earth.

Let us expand the concept of open skies. What the world also needs are open cities, open minds, and open hearts.

Let us have peaceful competition not only in producing the best factories but in producing better lives for our people.

Let us cooperate in our exploration of outer space. As a worker told me in Novosibirsk, let us go to the moon together.

Let our aim be not victory over other people but the victory of all mankind over hunger, want, misery, and disease, wherever it exists in the world.

I realize that this era of peaceful competition and even cooperation seems like an impossible dream when we consider the present differences we have between us. But the leaders of our countries can help make this dream come true. So far as the leader of our country is concerned, I can assure you that President Eisenhower has no objective to which he is more dedicated.

EISENHOWER PRAISED

As far as Mr. Khrushchev is concerned, I am sure you know we disagree sharply on political and economic philosophy and on many world problems. But these characteristics to anyone who meets him—he is a self-made man who worked his way up from the bottom; he is an articulate spokesman for the economic system in which he believes; he has immense drive; in sum, he is one of those individuals, whether you agree with him or disagree with him, who is a born leader of men. Because he has these unique qualities and because the decisions he makes will affect not only the two hundred million people of the U.S.S.R. but the two billion people on this earth, he carries a tremendous responsibility on his shoulders.

I would not be presumptuous as to try to give him advice on how he should fill that responsibility. In every factory and on hundreds of billboards I saw this slogan, "Let us work for the victory of communism."

If Mr. Khrushchev means by this slogan working for a better life for the people within the Soviet Union, that is one thing. If on the other hand, he means the victory of communism over the United States and other countries, this is a horse of a different color. For we have our own ideas as to what system is best for us.

If he devoted his immense energies and talents to building a better life for the people of his own country, Mr. Khrushchev can go down in history as one of the greatest leaders the Soviet people have ever produced. But if he diverts the resources and talents of his people to the objective of promoting the communization of countries outside the Soviet Union, he will only assure that both he and his people will continue to live in an era of fear, suspicion and tension.

The Geneva conference is a case in point. It would not be proper for me to comment on the specific proposals that are pending before that conference at this time. But agreements between great powers cannot be reached unless they take into account the views and interests of all parties concerned. I was encouraged to note in my conversations with Mr. Khrushchev that he recognizes this fact and agrees that a successful outcome of this conference could be a great step forward in settling some of the problems I have discussed tonight.

REPLY MADE TO KHRUSHCHEV

I have one final thought to add. Mr. Khrushchev predicted that our grandchildren would live under communism.

He reiterated that to me in our talks last Sunday. Let me say that we do not object to his saying this will happen. We only object if he tries to bring this about.

And this is my answer to him.

I do not say that your grandchildren will live under capitalism.

We prefer our system. But the very essence of our belief is that we do not and will not try to impose our system on anybody else. We believe that you and all other peoples on this earth should have the right to choose the kind of economic or political system which best fits your particular problems without any foreign intervention.

As I leave your country, I shall never forget an incident that occurred as I was driving through your beautiful Ural Mountains. A group of children on the side of the road threw wild flowers into my car and cried in English the word "friendship, friendship." Mr. [Georgi A.] Zhukov told me that the first word children who study English are taught is the word friendship. There could be no more eloquent expression of the attitude, an attitude which we share in common with you.

Finally, may I express on behalf of my wife and myself, and all the members of our party, our deep appreciation for the warm friendship and boundless hospitality we have found everywhere we have gone in the Soviet Union. I pledge to you that in the years to come I shall devote my best efforts to the cause of peace with justice for all the peoples of the world.

"Bolshoi spashibo, dosvidanva." Thank you very much, goodby.

THE NEED FOR FARM LEGISLATION

Mr. SYMINGTON. Mr. President, on July 24 I again called the attention of the Senate to the fact that Secretary Benson had not fulfilled the promise he made to members of the Senate Agriculture and Forestry Committee last February—namely, that he would send the committee a draft of an omnibus farm bill giving his recommendations in legislative language for dealing with the overall farm problem.

On July 29 the able minority leader [Mr. DIRKSEN] discussed my statement. In doing so he presented several excerpts from the testimony of February 16 and gave the dates of several letters, citing the latter in an effort to show that the Secretary had complied with his promise.

The distinguished Senator from Illinois concluded his remarks by saying, "This is the story and I am confident it cannot be denied."

But based on a detailed analysis of the record, it can be denied.

I read some excerpts from the testimony of February 16:

Senator PROXMIRE. If the Senator would yield, it was my understanding this morning that the Secretary of Agriculture said he would be delighted to come in with a bill pertaining to wheat. But it was not my understanding that he said he would come in with an omnibus farm bill of the kind the Senator from Georgia has proposed. I think there is a very important distinction, and I think the Senator from Missouri is asking, and I certainly would support him in it, we get an omnibus bill covering the administration's objectives, as the Senator from Missouri has suggested.

Senator SYMINGTON. This is correct, Mr. Chairman. My able colleague from Wisconsin has stated it exactly the way I would like to see it done, so that we will know what it is the Secretary of Agriculture would like us to do to help with this farm problem.

Later in the hearing, Senator PROXMIRE stated:

It would certainly seem to me, Mr. Secretary, you would come in and propose changes all up and down the line anywhere you feel the law should be changed and improved.

Secretary BENSON. That is what I have done in the testimony and we will draft it.

Still later Senator PROXMIRE asked:

As I understand it, the committee has asked you and you have agreed to provide an omnibus farm bill in this session.

Secretary BENSON. We have agreed to do some drafting that would incorporate it in legal language.

It is true that the acting general counsel of the Department did send some draft language to the chairman of the House Appropriations subcommittee, with a copy to the chairman of the Senate Agriculture Committee.

This language was transmitted without going through the regular Bureau of the Budget procedure. What is more important, the language dealt with only three commodities, plus the extension of two programs. Not by any stretch of the imagination could such an action be confused with the promised omnibus bill.

The record therefore is clear:

Secretary Benson was asked to present an overall omnibus farm bill. The Secretary promised to supply such an overall bill. The bill has not yet been furnished.

The record speaks for itself. In any case what is needed now is some constructive action. To that end the administration should present the bill promised last February, so the Congress can consider it prior to the end of this session.

The President, himself, would seem to be in agreement with this position, because week before last he said he hoped the Congress would pass "a decent farm bill which I think is terribly important to the United States, even at this late date."

I hope, therefore, that the President will notify the Secretary of Agriculture to send immediately to the Congress a draft of what he considers to be "a decent farm bill."

THE VICE PRESIDENT'S ADDRESS IN MOSCOW

Mr. CASE of South Dakota. Mr. President, I join in the commendation that has been expressed already for the remarkable address delivered by the Vice President in Moscow. It seems to me every American can take pride in the address which was delivered by the Vice President, the President of this body, the Honorable RICHARD M. NIXON, over radio and television to the millions of people who saw and heard it on the other side of the Iron Curtain as well as in parts of the free world.

There have been times when some of us have thought there was a lack of imagination in the foreign policy of the United States and that circumstances would combine to make it difficult to present a constructive approach. Today I think we can take comfort, pride, and resolution in the fact that the Vice President's address was imaginative and yet factual. He gave credit to the Russians for wanting to act when self-interest served the cause of peace, and in that respect it marks a distinct forward step, for unless this country can give support to and recognize that there are movements and elements in Russia that desire peace, the outlook will be very dark.

It has been properly recognized that in the Soviet countries, too, there are some people and some elements who sincerely want better relationships with the rest of the world, and on a deep basis, and by giving encouragement to them and at the same time making a straightforward statement of America's purposes, the Vice President has well served the cause of peace. I think this address will be one of the landmarks in the postwar relationships of the peoples of the world.

I ask unanimous consent that following my remarks there may be printed in the RECORD an editorial which appeared in the Washington Post and Times Herald of today, entitled "Rising to the Occasion."

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

[From the Washington Post, Aug. 3, 1959]

RISING TO THE OCCASION

Vice President NIXON's address in Moscow is a powerful answer to the pessimists who say that there can be no change in the hostility that has existed between the United States and the Soviet Union since the war in Korea. It is estimated that 11 million persons in the Moscow area saw the Vice President make his speech on television and many millions of others heard the broadcast by radio. This in itself is a revolution in American-Soviet relations.

The manner in which Mr. NIXON responded to this unique opportunity is almost hopeful. His talk exuded only friendship for the people of the Soviet Union. He skillfully emphasized the common interests of Americans and Russians in humor, sports, a high standard of living, and peace. He had complimentary words for Premier Khrushchev and drew a distinction between the Stalinist brand of communism and Moscow policy today. With a good deal of deftness, he played upon the desire of the Soviet masses for more consumer goods and their horror of war.

It is reasonable to suppose that much of what the Vice President said would have a sympathetic reception among the Soviet people. This made it possible for him also to present, without giving offense, a clear and pointed explanation of American policy in terms that most of his listeners had probably never heard before. Without trying to minimize the differences between Washington and Moscow, he said very plainly that when two peoples of great strength want peace the peace must necessarily be just, because neither will tolerate being pushed around.

It was excellent strategy for Mr. NIXON to use his television address to answer the questions that planted Soviet propagandists had thrown at him at many different points of his tour. Some of his replies could have been improved, particularly his explanation of why the United States maintains foreign bases. But on the whole his responses were simple, direct to the point and, we surmise, convincing to many fair-minded listeners. His refutation of the miserable story in the Soviet press to the effect that he had tried to give money to a poor Soviet citizen so that propaganda pictures could be circulated abroad was nothing short of devastating, and it should have a considerable impact on those Russians who deplore the propagandistic nature of their press.

The Vice President's direct remarks to Mr. Khrushchev were superb. If that dynamic leader bends his energy toward peaceful progress within his own country, Mr. NIXON said, he "can go down in history as one of the greatest leaders the Soviet people have ever produced." But if he diverts Soviet resources and talents to the communization of other countries, the only result can be continuation of fear, suspicion, and tension.

Rising dramatically above Mr. Khrushchev's threat that our grandchildren will live under communism, the Vice President refused to predict that a third generation of Russians will be living under capitalism. "We prefer our system," he said. "But the very essence of our belief is that we do not and will not try to impose our system on anybody else." The contrast between communism and democracy in terms of human

values could scarcely be couched in more pointed terms.

On the whole, we think the Vice President has acquitted himself remarkably well in this difficult venture. He has effectively presented the message that the American people are most eager for the Russians to hear. If words and reason and attempts at friendly understanding can advance the cause of peace, Mr. NIXON has made a notable contribution.

A 1959 VIEW OF EISENHOWER

Mr. BUSH. Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "A 1959 View of Eisenhower," written by David Lawrence, and published in the Washington Star of July 30.

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

A 1959 VIEW OF EISENHOWER

(By David Lawrence)

This correspondent happened to be one of a dozen newspapermen invited to dine with President Eisenhower last Monday night at the White House. Whatever the President says, informally or otherwise, in answer to questions on current issues is usually news, and permission was granted to those present to report it without direct quotation as they deal from time to time with the same subjects. Both of the press associations, which had representatives there, will in due course give the details.

What impressed this writer most, however, entirely apart from the many subjects that were covered during a discussion lasting nearly 4 hours, was how President Eisenhower looks physically. He seems healthier, ruddier of face, and younger in spirit and mood than when he first came to the White House in January 1953.

When this correspondent was in London recently, he was astonished to find that the image of President Eisenhower built up there by news dispatches from this country was that of a sick man and a puppet. The impression prevalent in some quarters in Britain and in other parts of Europe is that Mr. Eisenhower is an invalid, that he really doesn't have a mind of his own, and that he merely reflects perfunctorily what different advisers inside and outside the Cabinet tell him. Some of this doubtless has originated from partisan sniping in America.

A face-to-face appraisal, on the other hand, gives exactly the opposite feeling. Advisers, of course, play a part in every President's decisions, but Mr. Eisenhower shows an intimate knowledge of the pros and cons of many subjects, as well as of the nuances that emerge in the complicated problems of Government.

He ranks high indeed in Presidential stature, as this writer thinks back about the eight Presidents whose official careers he has studied firsthand in the last few decades of our history. Mr. Eisenhower is not as spectacular or as eloquent or as dramatic or as bellicose as have been some of the other Chief Executives, but he is nevertheless an effective one. Today he has an unprecedented hold on public opinion in America and abroad.

Incidentally, Mr. Eisenhower questions the accuracy of the phrase "lame duck President," as it is often used in the press with respect to his own status during a second term. The words "lame duck," he rightly points out, apply to someone who is finishing out his term after he has run for reelection and been defeated. There are many who believe that if Ike were eligible to run again and decided to do so, he would be elected by an overwhelming majority. So he really ought not to be called a "lame duck President."

Whether it is a complicated appropriations bill, or an analysis of the Cuban situation, or the contradictory and paradoxical aspects of the Khrushchev personality or of Communist aims, or the delicate subject of what American political currents may be in 1960, Mr. Eisenhower shows an extraordinarily intimate knowledge of what is going on and ts relationship to the Presidency.

Just before he finishes his term, he expects to reveal a study he has made of our antiquated system of operation in the executive branch of the Government. This probably will be issued after the election next year, when there is no possibility of political motivation being attributed to the plan.

As for the guiding influence in Mr. Eisenhower's decisions, it can be expressed in the phrase "common sense." He has a remarkable insight into the mind of the American people. He understands the spirit of free America, and he constantly tries to apply it in his decisions. He holds tenaciously to a "middle of the road" approach—avoiding the advice of extremists, irrespective of party. He is convinced that America can make progress only by steering a safe and sane course, and that the domestic dangers that face us lie in the realm of overspending of public funds and economic maladjustment.

Despite the harassments of the Presidential Office today, Mr. Eisenhower seems a happy and genial man. When he was told the other day that there would be a third major league in baseball, he began discussing the poor record of the Washington team, known as the "Senators." He thought perhaps they should have some other name, and jokingly suggested maybe they ought to be called the "Executives."

The President is optimistic about things in general. He thinks that social progress is being steadily made on the American scene. He knows the international situation is full of potential risks and peril, but he has faith in the unity of the Western Allies. Difficulties among them are not, of course, minimized by him.

Upon leaving the White House last Monday night, this correspondent thought of a visit 7 years ago with General Eisenhower, then Supreme Allied Commander in Europe. Chatting with him at his headquarters in Paris in 1952, this writer found him to be a military man with a surprising grasp of nonmilitary problems. Today, oddly enough, one forgets that Dwight Eisenhower has ever been in uniform. The "image" presented instead is that of an American statesman whose whole objective is, as he often expresses it, to do the best he can for the American people.

VETERANS EDUCATION BILL

Mr. YOUNG of Ohio. Mr. President, the Washington Post and Times Herald of yesterday, in its lead editorial, gave its endorsement to the GI education bill which was recently passed by the Senate and is now pending in the House. I refer to Senate bill 1138, introduced by the junior Senator from Texas [Mr. YARBOROUGH]. I wish to embody in my remarks the entire editorial which was published by one of the Nation's great newspapers, and I ask unanimous consent that the editorial in its entirety be printed in the body of the RECORD at this point.

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

[From the Washington Post, Aug. 2, 1959]

EDUCATION FOR VETERANS

Should men who have served in the Armed Forces since the Korean war be granted educational benefits similar to those available to wartime veterans? The Senate decided this question in the affirmative recently, and the House is expected to do likewise, despite some dissatisfaction with the bill. The country's experience under the so-called GI bill of rights was so good and the need for education among the veterans of today is so great that we hope the objections to the bill can be overcome.

The chief argument of the opponents of the bill is that military service in peacetime should not be put on a par with actual wartime service. At one time the Senate seemed to accept this argument by adopting Senator COOPER's amendment which would have converted the original Yarborough bill into a loan program. But it finally voted for Senator LONG's substitute making grants available to all eligible veterans for 1 year, with second-year grants for those in the upper half of their class and loans for those in the lower half.

If this is not a sufficient distinction from the benefits granted in the GI law, the bill could be amended in the House to allow only 1 day of schooling for each day spent in the military service, in place of the present provision allowing 1½ days. We think the distinction between wartime and peacetime service should be maintained, but not to the extent of depriving the current crop of veterans of educational benefits.

The burden of military service, under present conditions, falls almost entirely on young men who have no opportunity to go to college. Indeed, 45 percent of the post-Korean veterans have not finished high school. Young men who attend college are seldom drafted because it would interrupt their education, and when they finish college they are beyond the age of preference for trainees. This fact alone seems to justify the extension of a helping educational hand to those who are called for military service and are eager to improve their education when and if an opportunity arises.

It can reasonably be argued, of course, that educational benefits should be available to all young men and women who measure up to certain standards and who cannot afford a college education on their own. But the outlook for the early adoption of such a policy is not bright. By accepting the Yarborough bill, with amendments, Congress can extend substantial educational aid to a group that has rendered and is rendering special service to the country. The whole Nation gains when the knowledge and skills of a substantial number of its young men are enhanced. Consequently, this bill seems to be indubitably in the public interest.

Mr. YOUNG of Ohio. Mr. President, since last January 3, I have become well acquainted with our distinguished colleague from Texas [Mr. YARBOROUGH] and regard him as a great U.S. Senator and a great leader. He is the author of this bill to provide opportunities for young men who have been serving in the cold war waged by the Soviet Union. His was a meritorious and needed legislative proposal. That it was passed in the Senate following extensive debate is a just tribute to the high respect and confidence Senators have in the distinguished author, the junior Senator from

Texas [Mr. YARBOROUGH], and the junior Senator from Ohio freely accords deference and devotion to him.

It is a historic fact that during the Civil War when conscription was enforced, families of young men subject to be drafted into the Union Army, were able to buy exemption upon payment of a $500 bounty. Of course, thousands of fathers by paying the bounty kept their sons from combat. No such favoritism has been shown in the present Selective Service Act, but it is true that young men otherwise subject to the draft under our selective service law are exempted to complete their university education. This is proper.

At this time it is of the utmost importance that young men in our country pursue a higher education. Nevertheless, it is factually correct that following the time these youngsters have completed their education, they are in most cases exempted from the draft because of age or some other good reason. Consequently, young men from poorer families, whose parents cannot afford to send them to colleges and universities, comprise the major part of our drafted Army. It is due to the leadership, research, and persistence of the distinguished Senator from Texas [Mr. YARBOROUGH] that with the enactment of his bill these young men will soon be in position to further serve their country after they have obtained a higher education in accord with the provisions of his GI education bill.

Mr. President, the bill of our colleague, the Senator from Texas, offers substantial educational opportunities to young men who have rendered special and important service to this Nation in this grim period of international anarchy. Nearly half of the young men drafted in our armed services have not completed their high school studies. Surely a great many of these boys after serving in the Army and then returning to civilian life somewhat older and much wiser than when they were drafted will complete their high school education and may take specialized training following that. By doing so, the entire Nation will benefit.

Mr. YARBOROUGH. Mr. President, will the Senator from Ohio yield to me?

Mr. YOUNG of Ohio. Mr. President, I yield to the Senator from Texas.

Mr. YARBOROUGH. Mr. President, I want to express my deep appreciation to the junior Senator from Ohio for the very generous remarks about me personally which he has just made.

It would be very unfair of me if I were to accept sole credit for the bill for the education of the cold war veterans. While I am grateful to the distinguished Senator from Ohio for his generous comments, I wish to point out that 26 Senators joined as cosponsors of the bill. The distinguished junior Senator from Ohio, who has just spoken, was an active supporter and an able advocate of the bill to educate the cold war veterans. Another Senator now standing on his feet, the distinguished junior Senator from Alabama [Mr. SPARKMAN], testified before the committee, spoke in the Senate Chamber, and worked actively for passage of the bill for the cold war veterans, as did many other Members of this body.

Mr. President, the editorial which had been inserted in the RECORD by the distinguished junior Senator from Ohio, published in the Washington Post and Times Herald for Sunday, August 2, entitled "Education for Veterans," in support of the bill, is the first editorial I have seen published in a major American newspaper supporting the measure. There may have been others, but they have not come to my attention.

I wish to pay tribute to the Washington Post and Times Herald for its leadership in speaking out, through its editorial column, for a measure so badly needed for education in America.

As was pointed out by the distinguished junior Senator from Ohio, the draft law is bearing unequally upon the American youth. Today, only 45 percent of our young men serve in the Armed Forces. If a young man has enough money to go to college, he will not be drafted so long as he remains in college. If a young man has two children, he will not be drafted. A young man will not be drafted when he passes the cutoff age of 26 years. As a result, only 45 percent of our young men serve at all, either as draftees, or as enlistees.

The editorial published in the Washington Post and Times Herald recognizes that fact.

However, Mr. President, although I find myself in close agreement with most of the points of this editorial, there is one matter which I wish to clarify. The editorial suggests that it might help to finally pass this bill in the House if a greater distinction were made between the benefits for cold war veterans as compared to those extended veterans of World War II and the Korean conflict.

Mr. President, I want to emphasize that this bill already limits to a substantial degree the assistance to be extended veterans of the cold war. When we considered this bill in committee hearings, we purposely crossed that bridge. We have not proposed, nor has the Senate passed, a new GI bill which provides as great assistance opportunities as did the original GI bills because we recognize there is difference between the service of those who fight a cold war and a war of steel and death.

I wish to point out, as is shown in the table on page 17 of the report of the Senate committee in regard to the bill, which is S. 1138, that $110 per student paid in 1952 would buy now, because of the difference in the dollar value, only the equivalent of $78 then.

Mr. President, I ask unanimous consent that I may be granted 3 minutes additional time in my own right, instead of speaking further on the time of the Senator from Ohio.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

Mr. BUTLER. Mr. President——

Mr. YARBOROUGH. Mr. President, $110 today will buy only what $78 would buy in 1952, if we consider the purchasing power of the dollar. This will give a disadvantageous position to the cold war veterans of today, in comparison with the position of the veterans of the Korean conflict, even if we allow them dollar for dollar what we allowed to the veterans of the Korean conflict.

The editorial from the Washington Post and Times Herald is forward looking. On the Sunday preceding, July 26, 1959, there was published an article by Dr. Teller, who is credited with being the inventor of the H-bomb, in the Washington Post and Times Herald, the Washington Sunday Star, and many other great newspapers across the land, which carried a warning from Dr. Teller that unless we stepped up our educational endeavor, by 1969 the Russian science would have surpassed ours.

Admiral Rickover has given us the same warning from Russia, where he has looked at and observed the Russian schools. He says that even his alma mater, the Naval Academy at Annapolis, is not up to the scientific standards of the Russian schools. He has looked at the Russian nuclear-powered icebreaker and has warned us we are falling behind in science.

Mr. President, I ask unanimous consent to have printed in the RECORD, a letter from Downtown Waco Unlimited, of Waco, Tex., dated July 31, 1959, which states that on the 13th day of August Downtown Waco Unlimited will launch a "Golden Rule Days" program which is of vital interest.

The safety of America, our leadership of the free world, the happiness and well-being of our people, all are dependent upon a fuller educational effort. It is one of the main objectives for which a democracy exists. Until we make it possible for boys and girls with capabilities of usefully applying a college education, to attend college, we are failing in one of the great ideals of a free people.

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

WACO DOWNTOWN UNLIMITED,
July 31, 1959.

Senator RALPH YARBOROUGH,
Senate Office Building,
Washington, D.C.

DEAR SENATOR YARBOROUGH: Downtown Waco Unlimited is a group of businessmen and property owners working together with a common purpose of rehabilitating our downtown area.

On August 13, D.W.U. will launch a program which we feel is of vital interest to you and to every policymaker in the United States.

The program, "Golden Rule Days," has the primary goal of focusing public attention on the vital need for improved educational standards.

Displays of missiles to be set up in the downtown area include, the Nike-Ajax, the Honest John rocket, the Atlas, and possibly the Sidewinder. Oak Ridge Nuclear Institute is shipping a summary of atomic power which will include a scale model of the *Savannah*. Baylor will furnish a nuclear

counting device, and natural history exhibits. The Waco Art Forum will demonstrate creative art techniques.

We want central Texans to realize that a child starting school this fall will be able to travel in outer space by the time he graduates from college. Although our displays are military missiles, they are the advanced application of new learning. These exhibits alert the people that the use of rocket and atomic power for peaceful purposes is almost upon us.

An added incentive for people to see these exhibits, is the prize of a $500 scholarship. Registration for the drawing of this prize is open to anyone, but the recipient must be under 21 years of age. The scholarship can be used in any college.

We are confident that Downtown Waco Unlimited is the first organization of this type to undertake such a bold venture. We would be very grateful if you could be in Waco on August 13, to help us launch our 3 day public symposium.

If it should not be possible for you to be present, we hope that you will mention our program in your newsletter, and other communications, so that other organizations will enlarge upon our efforts to awaken the people to the urgency of our educational lag.

Sincerely yours,

MICKEY LAVY,
President.

Mr. YARBOROUGH. Mr. President, I believe this is the first time in America that such an effort to publicize our need for educational advancement has been launched by an entire town. As the letter states:

The program, "Golden Rule Days," has the primary goal of focusing public attention on the vital need for improved educational standards.

Among other things, there is a prize of a $500 scholarship to be awarded. Registration for the drawing of the prize is open to anyone, but the recipient must be under 21 years of age.

The letter says:

We are confident that Downtown Waco Unlimited is the first organization of this type to undertake such a bold venture.

It is a bold venture for a greater educational effort in America.

Mr. President, I again wish to express my appreciation to the distinguished junior Senator from Ohio for his dynamic leadership and his contribution on this subject of improving the educational opportunities of our American youth and to express the hope that other newspapers of America will follow the lead of the Washington Post and Times Herald in support of this effort to afford a greater measure of educational opportunity, to the youth of America, by stepping up our educational effort.

Mr. GRUENING. Mr. President, I desire to associate myself with the remarks of the distinguished Senator from Ohio [Mr. YOUNG] and the distinguished junior Senator from Texas [Mr. YARBOROUGH] on the subject of the Veterans' Readjustment Assistance Act of 1959, Senate bill 1138, to provide education for veterans who have been called to serve after the Korean war.

I believe this is one of the most important measures passed by this body, and I am very happy that I am a cosponsor.

This legislation is important on a number of counts. It is important because it shows our appreciation of the fact that these young men are drafted more or less arbitrarily—not even under a universal form of draft—and that they are subject, therefore, in a sense, to a kind of discrimination, which their fellow citizens do not have to undergo.

Likewise, the bill is an important contribution to education, concerning the extension and amplification of which we are becoming increasingly appreciative, not only because in a free society like ours education and democracy are one and inseparable, but in view of our knowledge of the great progress being made by Russia in the field of education.

In the course of the debate several opponents of the bill made the argument that legislation on the subject was not necessary, because we were not in a state of war. I feel that the argument is not valid that because we are not actually in war, and that these young men are not being drafted for war service, entitled them to less consideration than has been given to veterans of previous wars and veterans of the war in Korea.

I think there is all the more reason for this legislation, because in time of war we naturally and properly expect every eligible young man to be called to the colors, and sooner or later everyone able to serve is called. But in this case the mere fact that we are not in war imposes on these men a peacetime duty from which many of their fellow citizens are exempted. I think it is of importance that they be given the educational opportunities of which their service in the Armed Forces may deprive them. I am very happy that the bill has been acted upon favorably. I commend the junior Senator from Ohio [Mr. YOUNG] for his very pertinent remarks, and the distinguished junior Senator from Texas [Mr. YARBOROUGH] for his sponsorship and leadership in bringing about passage of the bill.

CHALLENGE TO FREEDOM

Mr. BUTLER. Mr. President, the Honorable Herbert Hoover, Jr., who for 4 troubled years served as Under Secretary of State, played a vital role in assisting the late Secretary Dulles in meeting the threat to freedom posed by the Soviets.

He made a significant commencement address at Claremont Mens' College on June 13. It was entitled "Challenge to Freedom." From his wide experience as an engineer, a businessman, and statesman, he has surveyed the problems which confront the free world at this critical period in our history.

Mr. Hoover stated that—

Our Republic has been in continuous existence now for over 180 years—almost two centuries. That is longer, incidentally, than any other republic has ever lasted before in the entire history of the world. During that time we have withstood the impact of seven wars, each of which was a major undertaking in its day. Yet we have never fought to conquer anybody else's territory—nor have we ever lost. All we have asked is independence and the freedom to determine our own destiny.

This concept of freedom has made our economic system, which you are entering today, one of the most productive of all time. It is true that we have been blessed on this continent with an extraordinary combination of natural resources. So much so, in fact, that I am afraid we often take them too much for granted.

Mr. President, I, too, feel that many of us take freedom too much for granted. I share Mr. Hoover's fear for the future. He said:

But as time has gone on, we find more and more proposals to curtail these freedoms and incentives, in one manner or another. Some of them are necessary in order that we may continue to live and prosper in an equitable society. Others, however, merely have the effect of chipping away at the foundations and succeed only in reducing our incentives and lulling our senses of moral responsibility. Occasionally, either through ignorance or design, still others would attempt to make over our present system and substitute something new or untried for the very freedoms and incentives that have made us great.

High on this list of dangers, and perhaps one of the most insidious of all, are those proposals that would substantially alter our freedoms and incentives by indirect effect. Among the worst is fiscal irresponsibility at the governmental level; for by spending beyond our taxable income, inflation becomes inescapable. A chain reaction is initiated which ultimately affects the freedom of every member of society.

Freedom is often thought of primarily as a social and political force—freedom of worship, freedom of speech, or freedom to elect a truly representative government. But freedom is just as important and fully as indispensable in the economic side of our existence as it is anywhere else in the system. Its curtailment, too, can be equally as disastrous for it is one of the basic ingredients of our productivity. Without this productivity, many of our other freedoms would be meaningless.

Mr. President, Mr. Hoover's address is most significant. During my service in the Senate, I have had an opportunity to watch Communist methods at first hand as a member of the Internal Security Subcommittee of the Senate Judiciary Committee. Presently, as a member of the Joint Economic Committee, I have examined testimony which reinforces Mr. Hoover's views that economic freedom is inextricably united with our social and political freedoms in maintaining a truly representative government with a free enterprise economy.

So that all of my colleagues may have the benefit of reading Mr. Hoover's thoughtful address, I ask unanimous consent that it may be printed in the RECORD at this point.

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

CHALLENGE TO FREEDOM

(Commencement address, Claremont Men's College, June 13, 1959, by Herbert Hoover, Jr.)

At commencement exercises there seems to be an almost overwhelming temptation for the speaker of the day to try to terrify the graduating class with ominous forebodings of the world to come. Just why this should be, I wouldn't know, for it seems to me to be a thoroughly sadistic sort of an approach. On the contrary, this should be a day of rejoicing at having received one's sheepskin, a moment of anticipation, and a challenge of new and wonderful worlds to conquer.

According to the accepted formula, however, society, the Nation, or even the whole world—depending upon the orator's partic-

ular area of interest—are rapidly going to the dogs. The only hope for the future, apparently, lies with this special group of graduates, and on their shoulders rests the total responsibility for straightening out the mess and solving all of the world's problems.

Having heard this theme with numerous variations on many occasions, it is not my idea of a particularly auspicious way of celebrating a day of graduation—particularly while trying to sit still on a hard-bottomed chair.

True, there are a lot of troubles around, but I have a strong suspicion that the coming generation has a great deal of common sense. It will undoubtedly take these problems in its stride. It will solve many of them, it will invent some new ones, and at yearly intervals on commencement days its spokesmen will dutifully pass along the current inventory to future graduation classes.

I also have a suspicion that as each commencement day rolls around the graduating class will continue to listen with due respect, wonder why the older generation did not clean up its own troubles when the solutions were so obvious, and resolve thereafter to put softer cushions on the graduating chairs.

Seriously, though, as you leave college today it is naturally an occasion of challenge and of expectation. There is the challenge of a new job, new surroundings, new people and new responsibilities. Tomorrow you are anxious to get started and to stand on your own feet. A new life is ahead and you have the freedom to do your very best.

Your work in college, however, has been a good deal more than merely getting ready to find a job. If that were the only criterion you probably would have saved a good deal of time by skipping the last 4 years altogether. But to do a job properly today, and to assume the responsibilities that go with it, takes a sound understanding of the economic, social, and political forces that are at work around you. It is for this reason, perhaps as much as any other, that your college experience will help to lay the foundation for the years ahead. It is here also that each of you can make a real contribution to your community and to your country.

There are hundreds of millions of people in the world today who do not have the freedom to choose a job, or the freedom to make the best out of their lives. We have lived under a free system ourselves for so many generations that it is sometimes difficult to realize that a third of the world's population is held in the vise of Communist dictatorship, and that this dictatorship is utterly ruthless in directing their destinies. The leaders of this movement, moreover, have repeatedly challenged the whole concept of freedom in the rest of the world and they are doing their utmost to seek its destruction.

The basic forces of freedom are not going to suddenly change their direction. They are too fundamental and they have been at work too long to be easily deflected. Many of these forces have their roots as far back as there is any record of history. I would like to explore some of them for a moment, if you will let me, because this challenge to freedom undoubtedly will have a vital bearing on our lives for many years to come.

As I have said on several occasions, one of the most powerful forces of all time has been the desire of men to be free.

In the span of 40 years, since the end of World War I, the world has witnessed the decline of at least six major imperial empires. Out of these empires there emerged more than 30 new sovereign nations. In many instances, they were poorly prepared for self-rule, self-defense, or even for their own self-support. But the wave of nationalism which seems to follow in the wake of all great wars was such that the urge for independence was irresistible. The motivating force was that people were determined to be free—free politically, and free economically.

While the United States had strong ties with many of the mother countries of these old empires, we were necessarily sympathetic toward any people who genuinely wanted to be free and independent. Our own struggle for these principles was still fresh in history.

In fact, it was the rise of the United States, under the free system that we had developed, that sparked the desire for freedom in so many other people elsewhere in the world. And, incidentally, to that extent we may have contributed to the original Russian Revolution, for it was President Wilson who put into concrete terms the hopes of these people in his fight for freedom and self-determination during and after World War I.

It is one of the anachronisms of history that during the same period when the forces of freedom were causing the decline of the older empires, a new empire should be rising that would rule almost a third of the people of the earth with a degree of despotism that had not been seen for centuries. The rise of the Communist empire, on the ashes of the First Russian Republic was the very antithesis of the movement toward freedom and independence. Through a combination of outright military conquest, political penetration, conspiracy, and subversion, many of the countries which had won their liberty after the First World War were reduced again to despotism by the time the Second World War began. Still other nations lost their independence during the war, or after it was over. Their people were exploited to the point of real slavery, their resources were stolen, and they had no voice whatever in the determination of their own future—all in the name of communism.

It is worthwhile examining this force briefly, for much of what is going on today can only be explained in terms of its early beginnings.

Over a hundred years ago, Marx outlined a new political, economic, and social system. It was originally an expression of revolt against European capitalism as practiced in the middle 1800's.

Significantly, his work is still the standard treatise on communist ideology. The ideology itself has remained essentially static and has gone through relatively little change since its inception more than a century ago. It is doubtful, however, if the author of "Das Kapital" would recognize capitalism today for, with its fundamental concepts of individual freedom and incentive, it has been a dynamic force for progress. The competitive free enterprise system, as it has evolved in the United States, has come far closer to the dream of Marx for a system of universal plenty than the collectivist scheme which he originally spawned.

Marx, however, envisaged dictatorship as only a temporary phase in the progress toward communist ideals. While Communism has many of the trappings of representative government, in practice it has failed except under a system of absolute dictatorship. Russia is still in the dictatorship stage, 40 years after the revolution.

The suppression of religion, the elimination of individual freedom, and the substitution of military might for moral force were, according to Lenin, a necessary part of maintaining and advancing the Communist system. Lenin said:

"Religion is the opiate of the people."

And again:

"In our opinion, morality is entirely subordinate to class war * * * Our morality, then, consists solely in close discipline * * * We do not believe in the external principles of morality * * * Communist morality is identical with the fight for strengthening the dictatorship of the proletariat."

On another occasion, he said:

"We have to use any ruse, dodges, tricks, cunning, unlawful method, concealment and veiling of the truth."

No Russian leader has ever repudiated Lenin's teachings or policies. On the contrary, his works are still extolled as the foundation of all Communist wisdom. It is the bible upon which all Communists are raised—a short cut to material accomplishment by the elimination of all moral values.

No representative government, resting upon the consent of the governed, could last for long, and still enforce the kind of controls that are necessary for the survival of communism—at least in the form that we have known it up to now. It has to be ruled with an iron hand or it will fall apart.

Communist leaders have said on numerous occasions that their ultimate goal is world domination. It is beside the point whether this is for political consumption at home or from mortal fear of their inability to compete with free systems elsewhere in the world. The fact remains that they have made—and are now making—every conceivable effort to reach their objective.

There is, in the Communist orbit today, the largest military establishment in the world—almost as large as that of all other nations combined. In comparison with its economic size, the Soviet budget for military purposes is many times as large as that of the United States.

Russian heavy industry has been expanded, over the last 30 years, from practically nothing until today it is about one-third the size of that of the United States and leads all other nations except our own. That this has been accomplished with a frightening cost in forced labor, low living standards, and exploitation of the satellite countries is apparently of little consequence in the Communist system. Everything must be sacrificed for the ultimate goal.

In agriculture, about seven times as many people are engaged in producing food, in proportion to the total population, as in the United States. Yet there is less food per capita in Russia today than at any time since the revolution 40 years ago.

In providing a larger supply of consumer goods, the Soviets face a similar situation. State planning and control of heavy industry are relatively simple compared to the multiplicity of problems that arise in the consumer field. The shortage of labor in industry, due to the inordinately large number of people required for agriculture and the armed services, means that light industry can only be expanded at the sacrifice of heavy industry or the army.

What has been the reaction of the free world to this threat from communism?

More than 40 free nations have joined with us in mutual defense agreements. These countries have looked to us for leadership and support because in many instances even modest defense forces were beyond their own capabilities.

Our own defensive ability has been improved to a point never before equaled in peacetime. Yet through our resourcefulness and by developing modern weapons to replace sheer manpower we have been able to do so without impairing the fundamental freedoms of our system. The fact that during this period we have maintained one of the highest levels of individual prosperity in our history is a tribute to the soundness of our system. The cost has been high—in terms both of the expenditure of wealth, as well as the effort and material that have been diverted to economically nonproductive purposes. But the costs of deterring aggression and of keeping peace have been infinitely less than the costs of waging war.

One of the most effective leaders of modern times for real peace, and one who had a true understanding of freedom, was John Foster Dulles. It was my privilege to work

with him closely over a period of almost 4 years. He possessed a tireless and devout dedication to the fundamentals of liberty and justice, an extraordinary knowledge of world affairs, and brilliant skill and resourcefulness in handling international relations.

During the 6 years that he was Secretary of State our country was faced with some of the most difficult problems in the history of its foreign relations. That we came through this period safely was in great measure a tribute to his leadership. He was a devoted American citizen, and his loss is a deep tragedy for our country.

The free system under which we have lived in the United States has proven to be both tough, when need be, and effective. Our Republic has been in continuous existence now for over 180 years, almost 2 centuries. That is longer, incidentally, than any other republic has ever lasted before in the entire history of the world. During that time we have withstood the impact of seven wars, each of which was a major undertaking in its day. Yet we have never fought to conquer anybody else's territory, nor have we ever lost. All we have asked is independence and the freedom to determine our own destiny.

This concept of freedom has made our economic system, which you are entering today, one of the most productive of all time. It is true that we have been blessed on this continent with an extraordinary combination of natural resources. So much so, in fact, that I am afraid we often take them too much for granted. But be that as it may, these resources are things which, without the application of human effort, have little value in themselves. They do, however, create the opportunity to build a productive civilization, and that is what we have accomplished.

When the Republic began, the Thirteen Original States had an economy of the most elementary kind. Today we would call them underdeveloped—and spell it with a capital "U"—but in those days no one was offering us foreign aid, and we had to do the job ourselves. Yet the country has grown until it's economy is now the largest, most complex and most highly integrated the world has ever known. It has achieved a material standard of living for our people that is second to none.

The effectiveness of the system has been proved on many occasions by its adapability during the remarkable period of its growth. The evolution of the antitrust laws, to cite merely one example, has become one of the cornerstones of our modern, competitive, free enterprise system. Through it we have preserved the right for everyone to compete in the marketplace according to his own ability.

We have had a host of other freedoms and incentives in the economic sphere with which you are familiar—the right to determine our own occupations, to own property, and to invest our savings where we choose. The latter freedom, in particular, has created the broad base of industrial and agricultural ownership that is such a vital part of our life today.

There are probably many reasons why we have been able to do this job successfully, but to my way of thinking three of them stand out above all the rest:

First, there has been the freedom to get the job done;

Second, there has been the incentive to accomplish it; and

Third, there has been a tradition of ethical and moral responsibility to see that it was done right.

These were among the basic foundations upon which our Republic was erected and they have been an integral part of our economic, social, and governmental system ever since.

But as time has gone on we find more and more proposals to curtail these freedoms and incentives, in one manner or another. Some of them are necessary in order that we may continue to live and prosper in an equitable society. Others, however, merely have the effect of chipping away at the foundations and succeed only in reducing our incentives and lulling our senses of moral responsibility. Occasionally, either through ignorance or design, still others would attempt to make over our present system and substitute something new or untried for the very freedoms and incentives that have made us great.

High on this list of dangers, and perhaps one of the most insidious of all, are those proposals that would substantially alter our freedoms and incentives by indirect effect. Among the worst is fiscal irresponsibility at the governmental level; for by spending beyond our taxable income, inflation becomes inescapable. A chain reaction is initiated which ultimately affects the freedom of every member of society.

Freedom is often thought of primarily as a social and political force—freedom of worship, freedom of speech, or freedom to elect a truly representative government. But freedom is just as important and fully as indispensable in the economic side of our existence as it is anywhere else in the system. Its curtailment, too, can be equally as disastrous for it is one of the basic ingredients of our productivity. Without this productivity many of our other freedoms would be meaningless.

There are no easy answers to many of the problems that lie ahead. A lot of them probably will be with us for a long time to come. But I have no intention of ending this dissertation on a pessimistic note. I think we can and we will retain our basic freedoms and incentives if we make it our business to do so. The stakes are high, and they are well worth fighting for. As I mentioned a few moments ago, one reason that I am hopeful is that I think your generation has a great deal of common sense. I believe you will keep your wits about you and take these problems in your stride.

With our rapidly expanding knowledge of engineering and science, with improved public health and medicine, and with a host of other developments that are on the horizon, there is no reason why our productivity should not continue to increase many times over. There are more opportunities for real accomplishment and success awaiting your generation than ever before in our history. There will be many things to be done and they will be exciting, constructive, and rewarding.

If the challenge to freedom can be met successfully, as I believe it will, there will be a future ahead of us with untold possibilities.

RISING TO THE OCCASION

Mr. WILEY. Mr. President, I was pleased to read the editorial in this morning's issue of the Washington Post entitled "Rising to the Occasion," reviewing the significance of Vice President NIXON's address over the radio and television facilities of the Soviet Union.

As a thoughtful analysis of the speech, as well as a well-deserved tribute to the Vice President, I request unanimous consent to have the editorial printed at this point in the RECORD.

The PRESIDING OFFICER (Mr. YOUNG of Ohio in the chair). The Chair advises the Senator from Wisconsin that the editorial has already been ordered printed in the RECORD on request of the Senator from South Dakota [Mr. CASE].

Mr. WILEY. Then I withdraw the request.

ATOMIC ENERGY COMMISSION APPROPRIATIONS, 1960

Mr. JOHNSON of Texas. Mr. President, after conferring with the minority leader I ask unanimous consent that at the conclusion of the morning hour it be in order to consider Calendar No. 595, House bill 8283, the Atomic Energy Commission Appropriation Act. If such consent is given, I give notice that later I shall ask for a unanimous-consent agreement with regard to time, so that the bill may be sent to conference.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that time on amendments be limited to 20 minutes, and on the bill, to 1 hour, the time to be equally divided.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

The unanimous-consent agreement, as subsequently reduced to writing, is as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That, effective during the consideration of the bill H.R. 8283, making appropriations for the Atomic Energy Commission for the fiscal year ending June 30, 1960, and for other purposes, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 20 minutes, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided*, That, in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 1 hour, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided*, That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

EISENHOWER-KHRUSHCHEV EXCHANGE OF VISITS

Mr. WILEY. Mr. President, on Saturday I prepared a press release entitled "Should We Invite Khrushchev to This Country?" That press release was general in character. What I did was to analyze the pros and cons. Then I said:

> The final decision to invite—or not invite—Mr. Khrushchev to this country, of course, rests with President Eisenhower, as chief administrator of our foreign policy and leader of the American people.

That question has been resolved, because the President has agreed to go to Russia, and he has agreed that Khrushchev is to be invited to visit the United States sometime in September.

Mr. President, I believe the Eisenhower-Khrushchev agreement for exchange visits, announced this morning by the White House, marks an unprece-

dented step in world politics that promises advancement toward lessening East-West tensions.

The President is to be congratulated for his diplomatic courage in taking this step to carry out his promise to go anywhere in the world if it would contribute to peace.

Never before in history have the leaders of two such powerful—but opposing—ideologies, agreed upon exchange visits to attempt to find a solution to their differences.

If the trip of the Vice President can serve as a measuring stick—then the Khrushchev-Eisenhower exchange may well provide the opportunity for a beneficial exchange of ideas.

We recognize, of course, that there are clear-cut differences between the East and West. We cannot expect that an interchange of visits by the leaders will automatically dissolve all these problems. Nevertheless, it may well lay the groundwork for progress in this direction.

Perhaps the most significant feature of such an exchange will be the opportunity for President Eisenhower to contact directly the Russian people.

The Nixon-to-Moscow trip, undoubtedly, has been the most effective effort to penetrate the Iron Curtain in recent years. I would hope that an interchange of visits between Mr. Khrushchev and President Eisenhower would have the result of further tearing down this obstacle to East-West understanding.

Now, the American people—and our allies—are faced with a challenge: What should be the attitude of our people—of the man on the street—toward a visit of Khrushchev, the top world Communist, to this country?

We can expect, of course, that there will be outcrys against the idea.

The fact is amply clear, of course, that a visit by Mr. Khrushchev does not imply any degree of approval of, or acquiescence to, the kind of Communist tactics that have threatened world peace.

However, the interchange does represent an effort by President Eisenhower and Premier Khrushchev to test the strength of their ideas and ideologies before the people.

In such a comparative evaluation, I am confident that freedom will be the winner.

Mr. President, I ask uninamous consent that the press release which I prepared on Saturday, and which was issued this morning, be printed in the RECORD at this point as a part of my remarks.

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

SHOULD WE INVITE KHRUSHCHEV TO THIS COUNTRY?

The people and the press in recent days have been exploring the possibility, and the related advantages and disadvantages, of a visit by Khrushchev to the United States in the near future. President Eisenhower has stated that he is in favor of such a visit—but at the right time. The papers, reporting from Russia, seem to indicate that Vice President NIXON may be in favor of such a visit soon.

The final decision to invite, or not invite, Mr. Khrushchev to this country, of course, rests with President Eisenhower as chief administrator of our foreign policy and leader of the American people. The decision, too, would be based upon whether or not such a visit would serve to ease East-West tension and promote peace.

The best time to determine the advisability of such visit may be after Vice President NIXON returns to this country and his Russian experiences are evaluated. The impressions Vice President NIXON is getting during his visit to Russia should certainly be a very important consideration in deciding about Khrushchev's visit.

Considering the difficulties of negotiating with Russian delegates, and the easiness and speed of travel these days, there is a feeling that it would be advantageous to carry on diplomatic negotiations at the highest level possible. There are those who believe that, although lower level diplomats may not reach agreement, more concrete results could be accomplished if only the heads of state could meet, free of all diplomic details and pomp.

Advocates of the Khrushchev visit also see in Khrushchev's coming here a major effort to correct Soviet misapprehensions about the United States. Only if the head of the Soviet state comes and sees the political, economic, social, and spiritual prosperity and freedom of this country—it is argued—is there hope that the Soviet propaganda machine will be encouraged to cease its campaign of distortions about our society. It is further argued that Khrushchev's full realization of the wealth, health, and the full support that the people of this country give to their Government may stem any desire on his part for a reckless international adventure.

Against Khrushchev's visit are the following considerations:

1. A visit in the near future, before the solution of the Berlin problem has been reached, could not be carried out in a confident atmosphere.

2. Such a visit would provoke strong opposition from portions of our population and the free world press, as an unnecessary and undue sign of friendship toward a person responsible for much of the Communist aggression, including the crimes in Hungary and elsewhere.

3. Any visit which would appear to be designed to provide for a Khrushchev-Eisenhower meeting to decide the fate of the world, would be contrary to our recent practices of collective negotiations, in which our Western allies have participated, and may be harmful to the cohesion of the Western alliance.

4. Many of the discourtesies shown to Mr. NIXON in the Soviet Union hardly create a precedent for a constructive visit.

Naturally, we have nothing to hide about our country and we believe that in principle our doors should be open to any person that honestly desires to come and observe our way of life. But the complexities of the world's political situation require that we give careful consideration to invitations to the head of state of the opposing camp. Since it is Mr. Khrushchev who is greatly responsible for the present world tension, by many past acts of aggression and by his threats against our position in Germany and the Middle East, it does not seem unreasonable to hope that he might improve the world's political atmosphere, by concrete and constructive action at the Geneva Conference and elsewhere, before such trip is undertaken.

Consequently, the onus of responsibility and the proof of good will therefore rest on Mr. Khrushchev.

Mr. SPARKMAN. Mr. President, I am very glad that President Eisenhower has invited Premier Khrushchev to come to the United States for a visit, and particularly, that he has followed up that decision with the statement that he plans to visit the Soviet Union later in the fall.

A great deal has already been said on the subject, and I shall not take the time of the Senate to add to what has been said. I believe that the exchange of visits is a very good idea, and that it may hold some promise of better days to come so far as the peace of the world is concerned. I have long believed that, the greater the exchange of persons and information between the Western World and the countries behind the Iron Curtain, the better the chance of lifting the Iron Curtain.

A few days ago an editorial entitled "If Ivan Doubts What He Sees, Why Not Offer America as Proof?" published in the Huntsville, Ala., Times of July 27, 1959. This is my hometown newspaper. The editorial was written by the very able young and brilliant editor, Will C. Mickle. I ask unanimous consent that the editorial be printed in the RECORD at this point as a part of my remarks.

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

IF IVAN DOUBTS WHAT HE SEES, WHY NOT OFFER AMERICA AS PROOF?

DICK NIXON has done very well with Nik Khrushchev during their verbal tilts in Moscow, but the real winner for the West apparently has been the American national exhibition just opened in the Communist capital.

In violation of assurances given Vice President NIXON and American newsmen prior to their arrival, Soviet censors have done their best to water down stories reporting Russian reactions to the exhibit. But numerous bits of evidence slip through the censorship screen to give ample indication of a whopping success.

Perhaps the best sign is the huge volume of rush orders calling for exhibition replacements on scores of items lost to souvenir-hunting Russians.

The gay, excited and amazed Muscovites pushing through the showrooms have just about carted off the show—sub rosa, of course.

The Kremlin had previously ruled against American firms offering free souvenirs, but this didn't daunt the Ivans and the Igors who took a fancy to the bits of America on exhibit.

Application of the censors' pencils to exhibit reaction stories is an example, per se, of the show's success, just as is the counterpropaganda drive launched by the Communist press. Pravda, for example, makes much ado over the American story of George Washington and the cherry tree. Guides, the newspaper says, "learned to recite the story, but they did not learn its lesson." (Neither did Pravda, we might add.)

With the Russian policy of accentuating the negative and eliminating the positive on anything American, this seems to be an ideal time for a bold, American counterstroke.

Moscow says the American exhibit is false. As anywhere, there'll be believers and disbelievers * * * scores of thousands of them, judging from opening attendance figure at the exhibit.

Why not offer to show America itself as proof?

We might not be able to show all Russians, but certainly many thousands could be accommodated.

How? The idea of a people-to-people exchange program is not new. We do offer an adaptation.

We are now spending billions of dollars to counter communism in ways that may or may not be effective.

Some of those dollars go toward maintaining a huge fleet of mothballed ships, including transports.

Could we not press those ships into service to transport thousands of Russian visitors to America at our expense—the money being transferred from current anti-Communist funds? And once here, turn them over to American communities for a week or so, with the community itself bearing the expense. We'll bet not a single community in the Nation would say no to the opportunity to show America. Security would be no problem. The visitors would be kept too busy and watched too closely by the communities involved.

Something such as this would place the big lie where it belongs, and in a most inexpensive way, comparatively speaking.

Of course, such a program would take time to establish. But no time could be better for the initial offer.

The Kremlin would never allow it? Probably not, but the challenge could be hurled, and we would win a major cold war victory, whatever their answer.

ADEQUATE FINANCING PLAN REQUIRED TO KEEP HIGHWAY PROGRAM ON SCHEDULE

Mr. NEUBERGER. Mr. President, last week the House Committee on Ways and Means announced agreement on a proposal for supplemental financing of the Federal highway program. The committee recommended, first, issuance of up to $1 billion in revenue bonds to be paid off over a 5-year period from trust fund revenues; second, transfer to the trust fund for a 4-year period of 2 percent of the excise tax on automobiles; and, third, extension by 4 years of the period during which existing taxes which go into the trust fund will be imposed.

In line with these proposals, the committee also suggested, first, stretch out of the construction program so that final apportionments will occur in 1973 instead of 1969; and, second, reduction in authorized annual apportionments to the States for the Interstate Highway System.

Mr. President, the plan outlined by the committee is ill advised.

Acceptance by Congress of these recommendations means:

Increased traffic strangulation and consequential economic and life loss.

Disruption of highway planning, financing, and construction by the States.

Greater highway costs due to bond financing.

Loss of general fund revenue, making necessary deficit financing or curtailment of other Federal functions.

Unemployment in the highway construction industry and supporting sectors of the economy.

HIGHWAY USE VASTLY INCREASED

Mr. President, in a recent speech on the Federal highway program at the annual conference of the Western Association of State Highway Officials, association president, W. C. Williams, who is also Oregon's able State highway engineer, pointed out that—

This program was not approved and started on its way merely as something that would enable the various States to speed up their road programs. Actually, the need for the highways to be built under this great program had been evident for several years, and to have delayed any longer the start of this ambitious program would have led to ultimate chaos insofar as movement of traffic on our roads and streets is concerned. Why do I say this? Because of the fantastic increase of motor vehicles upon our highway system.

The United States is a nation on wheels—and not the horse-drawn type. In the past 20 years, we have had an increase of motor vehicles of 250 percent, and up to the time of the vast 1956 Federal-Aid Road Act there had been little addition to or major improvement of the highway system of 20 years ago. In 1959 we expect some 70 million vehicles on our system that was scarcely adequate for 30 million vehicles 20 years ago. So we were constantly losing ground.

And when we consider that reliable estimates place the 1975 automotive vehicle count at 100 million (and those vehicles traveling an estimated 1 trillion vehicle-miles per year), I do not think you will doubt my previous remark that traffic chaos would have soon enveloped us.

* * * * *

Without rapid progress on not only our interstate system but the ABC system as well, we could be staring traffic strangulation in the face on many sections of both rural and urban highways. So let us fervently hope that there will be no dragout or curtailment of the originally proposed 13-year program upon which we are now so favorably launched.

Statistics cited by Mr. Williams indicate the huge economic loss involved in delay of the Federal highway program in terms of traffic congestion and increased costs.

Delay also means loss of life. Safety engineers have estimated that completion of the Interstate Highway System will bring a saving of 4,000 lives a year from traffic accidents. Surveys of sections of the Interstate System already completed show them to be approximately 2½ times safer than ordinary highways.

Mr. President, in 1956 Congress made a commitment to the States. It approved a long-range program of Federal assistance to aid the States in constructing vitally needed roads. The States, in turn, proceeded to implement this giant highway building plan. They allocated resources of men, money, and materials in accordance with the authorizations and target dates established by Congress. Now Congress threatens to renege on its part of the bargain. The result will be disaster for many States.

My own State of Oregon has postponed indefinitely the letting of $5.3 million in highway contracts planned for July. A total of $30 million in contracts now scheduled for award in the remainder of 1959 will not be let if Federal funds are shut off. Loss or deferment of expected income from the highway trust fund may mean inability on the part of the State to meet payments on existing contracts.

OREGON SUPPLIES EXAMPLE

Mr. President, because the situation which Oregon faces with respect to the Federal highway program is similar to that confronting many other States, I ask unanimous consent that there appear at the conclusion of my remarks an article by Herman Edwards from the July 26, 1959, issue of the Oregonian, of Portland, Oreg., entitled "Oregon Faces Possible Disaster in Federal Road Fund Crisis," and describing in detail the financial consequences to my State of failure to maintain goals established in the Highway Act of 1956.

Interest rates on Federal short-term bonds are now at a record high. Expense of borrowing money to keep the Federal highway program going will boost unnecessarily the cost of the Interstate Highway System. If present general fund revenues are earmarked for retirement of this debt, we must either decrease some other Federal activity or borrow additional money to cover the gap.

Mr. President, the Department of Labor has estimated that for each $1 billion spent on highway construction, jobs are created for 63,750 men per year on the projects themselves and an additional 78,750 in sectors of the economy supporting the actual roadbuilding. The program recommended by the House Committee on Ways and Means would eliminate nearly $2 billion in authorizations for fiscal year 1961.

If available Federal funds are reduced, States will be forced to dismiss engineering and technical personnel recruited and trained for their enlarged highway programs. It will not be a simple matter to rehire.

Mr. President, for these reasons I believe that the proposal of the House Ways and Means Committee is inadequate and undesirable.

SOLUTION: INCREASED GAS TAX

I think that the correct solution to the problem which we presently face with respect to the Federal highway program is a temporary increase of 1½ cents in the Federal highway motor fuel tax.

On March 5, 1959, I submitted to the Senate a bill providing for such an increase. On June 25, 1959, I offered the substance of my measure as an amendment to the corporate and excise tax extension bill; however, the Senate declined to accept this approach at that time, 46 to 33.

Mr. President, I hope that the membership of the House of Representatives will see fit to reject the financing scheme outlined by the House Committee on Ways and Means and, instead, approve temporary imposition of a 1½-cent boost in the tax on gasoline, diesel, and special motor fuels to keep the Federal highway program on the schedule contemplated in 1956.

Should the House fail to take such action, and corrective language not be approved by the Senate Finance Committee, I intend to again offer my amendment to raise by 1½ cents for a 2-year period the Federal gasoline tax. Enactment of this proposal will enable us to realize target dates set in 1956 until we have an opportunity to review new cost estimates and user studies in 1961 and determine whether or not a major revision of the total financing program is desirable.

Mr. President, I ask unanimous consent that there appear at the conclusion of my remarks editorials from the Washington Evening Star, the Washington

Post, the New York Times, and the Medford, Oreg., Mail-Tribune, which point out the need for keeping the Federal highway program on schedule through a realistic financial arrangement.

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

[From the Portland Oregonian, July 26, 1959]

OREGON FACES POSSIBLE DISASTER IN FEDERAL ROAD FUND CRISIS

(By Herman Edwards)

The failure by Congress to enact financing legislation necessary to carry on the program of the Federal Aid Highway Act of 1956, or the delay for any considerable period in providing funds will be a major disaster to Oregon and probably to most or all of the States.

The stoppage or slowdown of Federal funds will do more than cripple the highway construction program.

The traffic strangulation that will inevitably ensue if highway modernization does not keep pace with the increasing usage of the highways will result in greater loss of life and other serious economic losses.

Great numbers of people who are dependent on highway construction and others who are employed by the manufacturers and distributors of materials and supplies would be affected.

Oregon might even have to resort to the emergency sale of bonds to meet payments on existing construction contracts.

The Oregon State Highway Commission last Monday postponed indefinitely a bid opening scheduled for the following day at which contracts for an estimated $5,300,000 worth of projects were to be considered. It had no alternative in view of the uncertainty when, or whether, Congress will act.

There will be no more calls for bids and no new contracts involving the use of Federal-aid money awarded until the financing problem is settled. Many other States have been forced to take similar action.

The Oregonian asked W. C. Williams, State highway engineer, to explain the State's position and the problems it faces.

WORK TO CONTINUE

Work will continue on existing contracts and they should proceed under normal schedule. They probably will be completed according to plans made at the time of contracting, barring strikes, bad weather, or other unforeseen difficulties, said Williams.

These include the projects on the State's two Federal-aid Interstate Highway Systems, U.S. 99 and U.S. 30, and also the ABC program—Federal-aid primary, Federal-aid urban, and Federal-aid secondary highways.

All projects except those now under contract are halted. On U.S. 99, the Pacific Highway, they include these:

Completion of the Albany-Judkins Point (Eugene) section; the Grants Pass-Medford section, the Southwest 11th Avenue-Lowell Street section of the Baldock Freeway in Portland, and the East Bank and Minnesota Avenue Freeways in Portland.

These important projects on U.S. 30, the Columbia River Highway, and the Old Oregon Trail Highway are halted:

The Multnomah Falls-Dodson section, the Dodson-Hood River section, the Hood River-Mosier section, the Meacham-La Grande section, and the Baker-Huntington section.

OTHER WORKS WAIT

Other important projects planned on the Federal-aid primary system also are halted. These include the Davis, Slough-Bandon section of the Oregon Coast Highway, the Pioneer Mountain section of U.S. 20 in Lincoln County, and two sections between Vale and Juntura, also on U.S. 20 in Malheur County.

Other primary highway projects which must wait include the structures for the six-laning of the Sunset Highway in Multnomah County from the Highlands interchange to the Washington County line; the long-sought modernization of State Highway 42 between Coos Bay and Roseburg, and the Reedville-Hillsboro section in Washington County.

The planning for the eventual construction of the Marquam and Fremont Bridges, the Foothills Freeway and the Stadium Freeway as part of the interstate highway network in Portland will not be seriously affected, said Williams.

A shutoff of Federal aid funds will make a difference of $30 million worth of contracts between what was planned to be spent during the remainder of the calendar year 1959 and what can be spent.

Under the arrangement made between the Federal Government and the Oregon Highway Commission the Federal-aid funds to be made available to the State for the fiscal year 1961 would be $43,108,000 for the Interstate System and $13,097,000 for the ABC system, a total of $56,205,000. With the addition of $14,383,000 of State matching funds, this would have provided $71,881,000 for the 1961 construction on interstate, primary, urban, and secondary highways.

PLAN TIME NEEDED

Under existing practice this money would have been apportioned this month to Oregon and other States. This allocation in advance gives the States time to do their planning and project programing ahead of time.

If Congress does act to provide funds, a short delay, say of 2 weeks, would not be too serious. The State highway department could get its program back into gear without too much trouble. The longer the delay, the more difficult it would be to get the program back on schedule.

"A delay of a year would be very serious; 3 years would be catastrophic," said Williams.

"As an example, U.S. 99 between Albany and Eugene is now at the traffic saturation point. Any delay will cause unnecessary loss of life and economic loss due to traffic congestion. Other serious bottlenecks would remain on the system, such as Grants Pass-Ashland, and on U.S. 30 between Portland and The Dalles.

BOTTLENECKS SEEN

"No relief would be provided in Portland for traffic situations on Barbur Boulevard, the Willamette River bridges, connections from the Baldock Freeway to the Banfield Freeway, and the route of U.S. 99 northerly to Vancouver," the State highway engineer said.

"The State highway department would have to reduce its personnel if there is a long delay," said Williams. This also would cause a problem in getting the construction program back on the road.

There is a chance that Oregon may not be able to meet the bills on work which it already has contracted. Said Williams:

"Oregon's normal share of the income stream into the Federal highway trust fund is slightly less than $3 million a month. If nothing is done to substantially interfere with this income the State can survive the crisis without additional financing, provided no new contracts are awarded.

"However, if this income is cut off or deferred for more than 2 or 3 months Oregon will be hard put to make payments on existing contracts. At the moment we are not able to say how such an emergency would be met, but the commission would probably have to use its authority under ORS 366.641, which provides that it may sell short-term bonds in an amount not to exceed $2 million in any calendar year."

[From the Washington Evening Star, July 30, 1959]

HIGHWAY COLLAPSE

If the House Ways and Means Committee had deliberately set out to undercut the Nation's massive highway improvement program it could hardly have been more effective than by its new proposal to solve the program's financial crisis.

The task before the committee was to find a way to replenish the rapidly diminishing National Highway Trust Fund so that (1) a deficit could be averted this year and (2) immediate allocations of Federal aid could be made to the States, up to an authorized total of $2.5 billion, for the year starting July 1, 1960. But the House committee's solution, in effect, is simply to cut back a good part of the program. Its billion-dollar bond issue scheme would trim the Federal aid amount for the 1961 fiscal year to less than a fourth of the authorized amount—from $2.5 billion to $600 million. It would slash aid in the 2 subsequent years by nearly a billion dollars a year. And it would stretch the time for completing the 41,000-mile Interstate Highway System 6 years beyond its present target date of 1969.

The committee has been too timid to adopt the proper solution—approval of the 1½-cent increase in the Federal gas tax proposed by President Eisenhower. Strong pressure undoubtedly is being exerted by oil companies and by highway user organizations against the fuel tax boost, and the positions of these groups are traditional. But we cannot believe that their shortsightedness reflects the opinion of the ordinary motorist. Certainly, if he could be heard, he would express willingness to pay the small additional charge in return for fulfillment of the bright benefits of the highway program.

One ironic aspect of the situation is that the committee's inadequate proposal, even if enacted by Congress, may well be vetoed by the President. The administration previously has opposed the concept of a special highway bond issue on grounds that it would cause inflationary pressures and would conflict with sales of other Government securities. In addition, the bond issue scheme would require transfer of part of the Federal motor vehicle excise tax from the general fund of the Treasury to the highway fund—another deficit-producing effect which the President properly has strongly opposed.

The House committee's program also seems to ignore the fact that a major restudy of Federal highway financing is due in 1961. The immediate problem has been simply to find an answer that would hold until that time. The most feasible answer is the gas tax increase.

[From the Washington Post and Times Herald, August 1, 1959]

PINCH, PINCH

The House Ways and Means Committee has hit a new low in the congressional game of trying to out-economize President Eisenhower by proposing a severe cutback in the Federal interstate highway program. The committee proposes that the program—belated in its inception and already plagued by unwarranted stretchouts, compromises, and delays—be further diluted by postponing many projects for several years and burdening the whole program with needless debt. It has rejected, with no adequate explanation, the President's thoroughly proper request for a small increase in the gasoline tax to keep the interstate program on schedule and in the black.

As we have previously noted, the added cost to highway users of the proposed 1½-cent-a-gallon increase in the motor fuel tax would probably be more than offset by the

convenience and outright dollar savings that would accrue from the early completion of the Interstate System. We hope the Senate will be less timorous about resisting the propaganda of the automobile and gasoline lobby and will meet the fiscal problem head on with a revenue scheme tailored to the Nation's highway needs.

[From the New York Times, July 30, 1959]

THE HIGHWAY PROGRAM

Reluctance of Congress to match highway construction needs with responsible financing had its logical sequel yesterday in the gravely unsatisfactory program voted out by the House Ways and Means Committee.

The 41,000-mile plan of interstate highway building will be delayed, with a stretch-out over a longer period of years. Immediate allocations to the State will be sharply cut and continue so for several years, throwing State schedules into utter confusion. A billion-dollar bond issue will be authorized, breaking with the sound policy of pay-as-we-go inaugurated when the highway plan was formulated in 1956.

All this regrettable compromise stems from Congress refusal to accept President Eisenhower's recommendation, first made months ago, and steadily reiterated that the gasoline tax be increased 1½ cents a gallon. The results will be serious, immediate, and go beyond the adverse effect on highway building.

Just a week after the President put the case for a balanced budget next year so well, and the desirability of beginning to reduce the vast public debt, and emphasized the astronomical cost of interest payments in a budget missing balance by more than $12 billion in the most recent fiscal year, the House committee departs on this new adventure in deficit financing and inflationary spending policy. It ignores the fact that, in this most prosperous of all times, Congress has failed thus far to put the Government on a current cash basis.

An instant protest can be expected from the States, which in many cases have already been spending future money on the assurance of long-term commitments from the Government, which was one of the valuable principles established by the 1956 law, enabling the State to know what to expect year after year instead of waiting to see in each congressional session what money would be available. The new highways are needed. In fact we need today the highways of tomorrow that the Federal program promised.

It is only fair that all users of the highways should pay their way on the new roads. To use the revenues of taxes other than that on gasoline to amortize the proposed billion-dollar bond issue to the detriment of a balanced budget and a further delay in the reduction of the Federal debt is to rob Peter to pay Paul. The interest charges on the bond issue will increase the cost of the highway program, a disservice to all taxpayers, including motorists.

The Ways and Means Committee has taken an unwise course damaging to the highway construction program and the Nation's economy as well. Its plan must be rejected and an ample gasoline tax increase substituted.

[From the Medford (Oreg.) Mail Tribune, July 24, 1959]

HIGHWAY PROGRAM THREATENED

Sometimes the attitudes of Congress pass all understanding.

Such is the case in the national highway program, which has stopped bid-letting in both Oregon and Washington, and threatens to bring the entire national program to a halt within a few months unless something is done.

In Oregon, as well as elsewhere, this is serious. The State highway commission is "geared up" for an extensive road building program, based on the earlier assurances of Federal funds to pay for 90 percent of the Interstate Highway System construction costs.

Contractors throughout the State have expended huge sums to purchase the heavy road building machinery they need to bid on the big jobs which have been scheduled.

The commission itself has hired several hundred engineers who, if the highway building stops, will be sitting around twiddling their thumbs, or at worst be laid off. If the latter happens, the department will have to go through the entire difficult, expensive process of rebuilding its organization all over again, once the Federal funds start coming through again.

This sort of situation is duplicated in State after State throughout the Nation.

The finance measures designed to pay for the Interstate Highway System have not proven adequate to meet the costs.

There are four principal alternatives:

1. To enact measures to bring in added funds (such as the proposed 1½-cent increase in the Federal gasoline tax).

2. To issue bonds, to be repaid over a period of years from the existing sources of highway funds.

3. To tap Federal funds other than those heretofore dedicated to highway purposes.

4. To do nothing (as at present) and let the whole complicated, expensive, geared-up program come crashing down, to be followed by a long-drawn-out and extended program of limited building which will push years into the future the completion of the vital highway network.

Of these four, we personally believe number one is the best. It would keep the highway program going, and on a pay-as-you-go basis, would add little to the inflationary pressures of Government spending because it is not a deficit plan, and would adhere to the program as first contemplated when passed several years ago.

If necessary, we feel it could be combined with number three, for there are good arguments that since the entire Nation, and not just the highway users as such, benefit from better highways, other funds could justifiably be used.

We do not, however, like the idea of piling up more debt, either as bonds or through other channels, to finance the program.

As for the fourth choice—nothing—it would be a disaster. Congress should get things moving again.

E. A.

ATOMIC ENERGY COMMISSION APPROPRIATIONS, 1960—ORDER FOR YEAS AND NAYS

Mr. JOHNSON of Texas. Mr. President, I should like to have the cooperation of all Senators, since so many are now on the floor. An order has been entered for the consideration of the Atomic Energy Commission appropriation bill following the conclusion of the morning hour. I ask for the yeas and nays on the passage of that bill.

The yeas and nays were ordered.

ORDER FOR CONSIDERATION OF SUPPLEMENTAL APPROPRIATION BILL

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that following the completion of action on the atomic energy appropriation bill it be in order for the Senate to proceed to the consideration of H.R. 7978, the supplemental appropriation bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that during the consideration of the supplemental appropriation bill we may have a limitation of 20 minutes on each amendment and 1 hour on the bill, the time to be equally divided.

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

Mr. JAVITS. Mr. President, some of us could hardly hear the unanimous-consent request proposed by the Senator from Texas. Will the Senator from Texas yield, so that we may get some information? I understand the Senator proposes to bring up for consideration the atomic energy appropriation bill and that he has secured unanimous consent for the consideration of the supplemental appropriation bill, and that he is asking for a time limit on the supplemental appropriation bill. What was the request for time?

Mr. JOHNSON of Texas. The request was 20 minutes on each amendment and 1 hour on the bill.

Mr. JAVITS. Good; fine. I thank the Senator.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

The unanimous-consent agreement, as subsequently reduced to writing, is as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That, effective during the consideration of the bill H.R. 7978, the Supplemental Appropriation Act, 1960, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 20 minutes, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided*, That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 1 hour, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided*, That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

CITIZENS COMMITTEE ON NATURAL RESOURCES APPEALS FOR FAVORABLE CONGRESSIONAL ACTION ON WILDERNESS BILL

Mr. NEUBERGER. Mr. President, I believe the attention of the Senate should be called to a most persuasive and effective advertisement which was published in the Washington Post and Times Herald of August 3, 1959, urging the 86th Congress to act favorably on the wilderness bill.

The ad, which covers a full page, represents great financial sacrifice and

dedication on the part of many of the leading conservation organizations of the United States. The display appeals to us of the Congress to act upon a bill which has been the subject of extended field hearings and hearings in Washington, D.C., by the Senate Committee on Interior and Insular Affairs, headed by the eminent Senator from Montana [Mr. MURRAY]. I, myself, presided at several field hearings in Bend, Oreg., and San Francisco, Calif.

Mr. President, the advertisement in today's Washington Post has been sponsored by the Citizens Committee on Natural Resources, whose chairman is the distinguished biologist and former Director of the U.S. Fish and Wildlife Service, Dr. Ira N. Gabrielson. He and his associates, who include such conservation leaders as Howard Zahniser, Dewey Anderson, and Spencer M. Smith, ask us to pass legislation which will help to save some of the relatively scant remaining wilderness solitudes in our Nation. Let me say for these people that they have been completely reasonable and fair. In that atmosphere, they have made substantial concessions in their original bill, so that the widest possible support may now be realized in the Senate and in the House.

I believe that the entire contents of this significant advertisement, headed "An Open Letter on an Important Public Issue," should be printed in the body of the RECORD. Accordingly, Mr. President, I ask unanimous consent for this purpose. I am pleased that our esteemed Chaplain, Rev. Frederick Brown Harris, is included among the signers of this advertisement.

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

AN OPEN LETTER ON AN IMPORTANT PUBLIC ISSUE

AUGUST 3, 1959.

To the Members of the Senate and the House of Representatives of the 86th Congress, Washington, D.C.

DEAR SENATORS AND REPRESENTATIVES: We want to encourage you to enact promptly a conservation measure now in Congress to preserve a portion of our country in its natural unspoiled condition, as it always has been.

We want to emphasize to you that your support of this bill will be in the interest of all the people. It will benefit not only the present generations but generations yet unborn. It will not damage anybody.

This is the wilderness bill—introduced in the Senate by HUBERT H. HUMPHREY, RICHARD L. NEUBERGER, and a coast-to-coast bipartisan group of 16 other cosponsors and by Representative JOHN P. SAYLOR and 10 others in the House.

ENACTMENT PROCESS NOW UNDERWAY

This bill has been the subject of three hearings in Washington, D.C., and six hearings in the West—in Seattle; Bend, Oreg.; San Francisco, Salt Lake City, Albuquerque, and Phoenix.

It has been reported on favorably by the Departments of Agriculture and the Interior, and by the Budget Bureau, with suggested amendments.

After so many years of study and delay, the enactment of the bill should now move ahead promptly. The wilderness bill should become law this year.

We are aware that you have received hundreds of letters about it and have seen many articles and editorials. We realize that we do not need to tell you the many arguments in its favor.

Not only for recreation but for many reasons, our wilderness areas—like our art galleries, museums, and libraries—are an important part of our public heritage. Like these other places, the wilderness areas at any one time may contain fewer poeple than our mass recreation areas, and yet be of outstanding public importance. The claim that preserving them is locking them up for special groups is preposterous. The wilderness areas should indeed be preserved and kept open, as they now are—for all who wish to use them, as wilderness—not destroyed by exploitation for special commercial interests.

What prompts our letter is the nature of the opposition.

Strangely enough, unwarranted opposition has been stirred up against this excellent bill. The meaning and purpose of the bill seem to have been willfully and persistently misconstrued and distorted. Controversy has been aroused over a measure that should have been enacted before this.

NO INTERESTS DAMAGED

The Associated Press in reporting the April 2, 1959, hearing in Phoenix, Ariz., said: "Most of the opposition came from representatives of livestock, oil, mining, and lumber interests."

We agree with the chairman of the Citizens Committee on Natural Resources—Dr. Ira N. Gabrielson, outstanding national conservation leader—who says that this bill "avoids interference with other programs and existing interests."

We actually believe it would be wise policy and good public relations for these business interests to join in supporting the bill, instead of trying to block it.

TWO PERCENT OF OUR LAND

We are impressed with the fact that only Federal lands are involved and all that are involved comprise only a fiftieth (2 percent) of the total area of our country.

These areas, it is emphasized, are already within national forests, national parks, and wildlife refuges. They are in a wilderness condition and are already considered most important as wilderness.

Actually only some 8 percent of the land in national forests would be affected. More than 90 percent of the land in national forests would be unaffected and would remain available for lumbering and other commercial uses.

Existing grazing privileges, we note, are recognized by the bill (and continued). Mining where now a legal possibility may be permitted if needed in the national interest. All existing private rights are safeguarded, including, of course, those of miners now operating.

No areas now open to lumbering are affected.

A special provision safeguards State water laws.

Through this legislation, then, we can have the values of wilderness along with other programs.

The wilderness values are real and important:

1. This wilderness preservation program protects areas of scenic grandeur for all the population, in the future as well as now.

2. Wilderness affords a type of recreation sought by many of our citizens—a recreation that is rugged, healthful, spiritually uplifting, and attractive to youth groups and families as well as to individuals.

3. The wilderness also has scientific assets for protection—plant and animal life, geological material, and so-called control areas where scientists can observe conditions where man's management activities are absent.

4. Preserving wilderness areas is a practical way also to insure watershed protection in the high mountain country.

To argue that preserving wilderness areas for all these values is "locking" them up for special groups is indeed preposterous.

A FIGHT TO PROTECT THE PUBLIC INTEREST

Those who vote for this bill need have no fear that anyone can rightfully complain that his interests have been damaged. Of this we are sure.

The threatened damage is the other way around. The public is going to have to fight to protect its interest.

Dr. Gabrielson recently said, "This fight is not against any interests which will be damaged by the proposed bill but rather it is against interests which have hopes of raiding the few remaining areas of wilderness for their own purposes whenever they have a chance."

We think he is right.

Actually such opposition looks to us like a very good reason why we need just such a bill, to give congressional backing to wilderness preservation.

A WESTERNER'S BILL, TOO

We also want to emphasize that the wilderness bill is a Westerner's bill just as much as it is anyone else's—or perhaps more so.

We note that the entire congressional delegation from one Western State—Montana—is sponsoring the bill, in the House and Senate both. Senator MURRAY and Representative METCALF have championed it from the start; Senator MANSFIELD and Representative ANDERSON are earnest supporters.

No group of Easterners is trying to force this wilderness program on the West. Conservationists in all 50 States are urging it in the national interest.

PASS THE WILDERNESS BILL NOW

We consider the wilderness bill a most important conservation measure. We think it fortunate that this kind of program can still be carried out in this country—and without sacrificing or damaging any other interests—as part of a sound overall land-use program that all conservationists should support.

Its passage will supply a valuable guideline for the work of the Outdoor Recreation Resources Review Commission which has recently been established by Congress and the President.

We join with other conservationists in urging you: Pass the wilderness bill as soon as you can. Enact it in this first session.

Three volumes of testimony at hearings in the West and in Washington, totaling more than 1,500 pages, have already been published. Another is in press. It looks as though there is little left to be said. So we urge, on the basis of the case as now made: Go ahead with its enactment.

Don't postpone it till the second session and let this long-needed, broad-interest, conservation measure get involved in election-year politics.

It is a good measure, and timely. It will harm no one. It will be a lasting credit to all who support it.

Sincerely yours,

Ansel Adams; John H. Baker; Elliott S. Barker; Irving M. Clark; Robert K. Cutter, M.D.; Guy Emerson; U. S. Grant, 3d; Frederick Brown Harris; Joel H. Hildebrand; Paul G. Hoffman; Joseph Wood Krutch; Karl A. Menninger, M.D.; Karl W. Onthank; Eleanor Roosevelt; Francis B. Sayre, Jr.; Wallace Stegner; Adlai E. Stevenson; G. Mennen Williams.

(This letter is published under the auspices of the Citizens Committee on Natural Resources, 321 Dupont Building, 1346 Connecticut Avenue NW., Washington, D.C.

Ira N. Gabrielson, chairman; Howard Zahniser, vice chairman; Dewey Anderson, treasurer; Spencer M. Smith, secretary. In cooperation with Trustees for Conservation, 251 Kearny Street, San Francisco, Calif., and 2144 P Street NW., Washington, D.C. Edgar Wayburn, M.D., president; Clifford V. Heimburger, Robert W. Sawyer, Russell H. Varian, vice presidents; Robert C. Miller, secretary; Stuart R. Dole, treasurer, William J. Losh, executive secretary.)

THE 1960 SENATORIAL CAMPAIGN

Mr. McGEE. Mr. President, I have been having troubles over the weekend, trying to make certain identifications. I am not sure whether I am having arithmetical, geographical, or simply party troubles. However, I read a statement issued by the distinguished junior Senator from Kentucky [Mr. MORTON], who also is the national chairman of the Republican Party. In his statement, made a few days ago, he makes mention of the fact that the Republicans intend to hold "the 11 seats we have where incumbents are running."

He then goes on to make this interesting statement:

> And then we want to pick up four or five. Take the State of Wyoming for one; that is one seat we are definitely going after. Illinois is another.

I suppose he is referring to the distinguished senior Senator from Illinois [Mr. DOUGLAS], who is standing to my right, when he says the Republican Party is going after that Illinois seat. Then the Senator from Kentucky said:

> Michigan is another, and probably two in New England.

The mystifying part of the statement by the national chairman of the Republican Party is:

> And probably two in New England.

I got out my list of Senators to try to determine which two Senators they might be. I note that the senior Senator from Rhode Island [Mr. GREEN] is up for reelection next year; and his race will be a very tough one. But for the life of me, I cannot find another Democrat in New England who is up for reelection. That forces me to one of two conclusions, and I would question the validity of either one without knowing for certain the motivations, the mathematics, or the geography of the national chairman of the Republican Party. One conclusion would have to be that he is already conceding the election of a Democratic President next year, because there is a Democratic presidential candidate running from New England, in Massachusetts; therefore, the chairman of the Republican National Committee would think he would have a chance to pick up that Massachusetts seat as his second Democratic seat.

Or there may be a New England Republican who has not been voting like a Republican, and it is planned to recover that seat and add it to the Republican column.

But, again, I am not certain which of these two alternatives would be the explanation, or whether the national chairman of the Republican Party has a third alternative.

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

Mr. McGEE. I am happy to yield.

Mr. DOUGLAS. I am very glad the Senator from Wyoming has touched on this subject. As one who has been marked for slaughter, I may say that I believe in the American two-party system. I believe that we should have two vigorous, strong parties. I hope that both parties will name the best man or woman they have available, and that those candidates will make good, clean, vigorous campaigns. The voters then will decide whom they wish, and we will abide by the results.

I may say that this rather optimistic statement by the chairman of the Republican National Committee reminds me of the lines in Oliver Goldsmith which apply with peculiar appropriateness to his comments:

> The wretch condemn'd with life to part
> Still, still on hope relies;
> And every pang that rends the heart
> Bids expectation rise.

Mr. McGEE. I thank the Senator from Illinois.

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

Mr. McGEE. I yield.

Mr. MORTON. I appreciate the Senator letting me know that he planned to engage in this colloquy this morning.

While I do not like to take the floor of the Senate to speak as Chairman of the Republican National Committee, I may say that it is a part of my responsibility in my position to confuse the opposition. I have enjoyed very much the two hypothetical alternatives which the distinguished Senator has developed concerning New England. I see that I have the opposition confused. I hope the confusion may continue and that perhaps we may divide and conquer.

Mr. McGEE. I thank the Senator from Kentucky for his explanation. May I report that this side of the aisle is not confused, but is delighted with either alternative, whether it be the alternative of the election of a Democrat to the Presidency or whether it be perhaps an attempt to unseat a Republican in New England.

There is a third alternative which has just come to mind, as I have been thinking of this problem. It lies in the attempt of New England to spread west. We are told that the West is on the rise again. Perhaps New England's boundaries are now going to encroach upon those of the traditional West, and thus this would make available still another seat.

I observe the distinguished senior Senator from Michigan [Mr. MCNAMARA] in the Chamber. He was mentioned by special selectivity. I am glad he is present to hear his name taken.

FILTH IN THE MAILS

Mr. DIRKSEN. Mr. President, Family Weekly is a weekly supplement which accompanies a great many newspapers. It appears, I think, in 180 Sunday newspapers having a combined circulation of 4,700,000.

The issue for last Sunday, August 2, 1959, contains a signed article entitled "Let's Stop Filth Through the Mails," written by the Postmaster General.

The postmasters in the 177 cities where this magazine is distributed have been instructed to mount copies of this article on their lobby bulletin boards.

Because the article is worth while and has great appeal to families throughout the country, I ask unanimous consent that it be printed at this point in the RECORD.

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

LET'S STOP FILTH THROUGH THE MAILS

(By Arthur E. Summerfield, Postmaster General of the United States)

The Post Office Department has declared war on the mailing of obscenity into American homes.

I call upon all citizens—especially the parents of our 20 million teenage youngsters—to enlist in this crusade to rid the Nation's mails of lewd material soliciting the purchase of vile pictures, slides, films, and related filth.

I wish we could show every American parent these materials, or conduct him through the exhibit we have arranged for Members of Congress, law-enforcement officers, and civic leaders. One special alcove of the exhibit hall is reserved for the worst of it. Here, behind thick curtains, we hold confiscated books, paintings, photographs, and statues representing every depraved human appetite. It has to be seen to be believed.

Unless we stop the filth merchants, close to 1 million children in America will find such material in their family mailboxes this year, carried by the U.S. postman.

Just how serious is this problem to you and me? To our children? To our communities and our country?

My own feeling is expressed in a statement I made recently before a subcommittee of the House Post Office and Civil Service Committee investigating the mailing of obscene and pornographic material:

"It is my deep conviction that one of the most serious moral and social problems in the United States today is the multi-million-dollar mail-order traffic in obscenity."

We can estimate at present that the sale of such material through the mails is running at more than $500 million a year.

The especially disturbing aspect of this racket is the fact that these purveyors of filth are aiming their attention more and more at children. This is how they work:

First, they get a line of merchandise consisting of filthy cartoons, art studies, comic books, color slides, and perhaps movies in color.

Then they write come-on literature, describing their offerings in the most provocative phrases they can invent to excite the senses of curious teenagers.

Then they reach out for customers through the U.S. mails. They place dummy ads in inexpensive teenage and preteen publications, offering such items as baseball bats for boys and doll-dress outfits for girls. These attractive and harmless items are offered below legitimate prices and, as a result, thousands of children send in their pennies with their names and addresses. The latter is what the muck merchants seek, a list of adolescent and preadolescent boys and girls with access to money.

Another list for their pandering comes from high school annuals. Each season these are collected and their thousands of names and addresses used by filth peddlers. Their shameful solicitations are written with special emphasis on teasing and tempting the growing, curious mind.

One raid on a filth firm in New York turned up 17 tons of obscenity ready to be mailed and a list of 100,000 names of prospects, including those of many high school students.

With their first mailing, in a plain, sealed envelope, they are in business. Their investment is negligible and their profits astronomical.

Inevitably, they get some orders; later, after other mailings, they get reorders. These latter children, girls as well as boys, become their special victims. Follow this chain of events—it could happen to your boy or girl.

After several reorders, a youthful customer is likely to receive a phone call from a woman who says she represents the X company, that she is looking for a local sales agent, she has heard that he is a livewire, and she has some new merchandise to show him. Can they talk?

So the boy who answered an innocent ad for a baseball bat, after 18 months or so, may become a smalltime filth merchant on his own, with subagents working for him, all spreading vile literature and art through the community.

The worst exhibits we have ever confiscated, as a matter of fact, came from the storeroom of a 14-year-old high school student.

But the story is not finished. Pornography often leads to worse things. Drug pushers have discovered that kids who read for "kicks" are good prospects for another thrill. Somehow, the pusher learns the names of a half-dozen youthful filth peddlers, makes their acquaintance in a drug store, invites them up to his room for a drink, and introduces them to marijuana. Then, offering an even bigger "kick," he persuades them to try a shot of heroin.

In the investigation of armed robbery, extortion, embezzlement, and forgery, authorities continually find that those guilty of such crimes were early collectors of obscene pictures and films.

Sex criminals and sex murderers almost always prove to have a long record of addiction to pornographic and sadistic material. Here again, the blight of such material goes beyond its original mark. Children who have never been exposed to it can nevertheless be victims of sex criminals who have been exposed.

No child is immune. Obscene material is sent to girls as well as boys. It has been sent to orphanages and summer camps. It is addressed to children as young as 8 years.

And it is obvious that many children, without parental attention, fall into the trap of ordering the filth for sale, for smut merchants regard traffic with children as a major part of their highly lucrative business.

This monstrous assault can be stopped. I am determined that the Post Office Department will do everything possible to stop it. This determination is shared by our postmasters around the country and by my associates in the Department.

But we recognize that the final answer lies in adequate public support. The time for action is now.

As far back as 1865 Congress made it a Federal offense to mail obscene matter. Nevertheless, commercialized pornography has continued to grow.

It has expanded tremendously since World War II.

It has doubled in the past 5 years alone.

There appear to be two basic reasons for this rapidly growing volume:

First, the huge profits realized from a relatively small capital investment; and second, the broad definition of obscenity handed down by certain courts, notably in Los Angeles and New York, where the great bulk of the mail-order business in obscenity and pornography originates.

Over a period of time, these liberal rulings have established virtual sanctuaries in which dealers in obscenity operate with impunity and in defiance of the Post Office Department's efforts to bar their use of the mails or bring them to justice.

Until last year, controlling decisions of the courts held that prosecutions could be carried out only in the districts where materials were put into the mails—which, of course, were the most liberal districts. For years, we in the Post Office urged legislation that would allow prosecution not only at the point of mailing but in the communities where the filth is received—where the actual damage is done—and where citizens should have the opportunity to express their standards of morality and decency.

Such legislation finally was passed by the 85th Congress and signed into law by President Eisenhower last year. We are convinced that it provides an effective weapon for dealing with this problem. The first case following its passage was in Boise, Idaho, and related to mailings of obscene material from California and Oregon. The offenders, a man and his wife, each received a 10-year prison sentence and a fine. Other cases are now pending in the courts.

It is in our efforts to make full use of this new legal weapon that the Post Office most needs the cooperation of parents and decent-minded citizens everywhere.

The privacy of the mail is one of our basic American rights. The Post Office Department cannot, and will not, violate this right, even when it has strong evidence that the mail is being used for unlawful purposes.

Therefore, the Post Office can legally identify and take action against violators of the mails only on complaint of citizens who receive such material. We can act only after the recipient of obscene mail has opened it and placed it in the hands of the local postmaster as evidence. This will not involve the addressee in public embarrassment or testimony in court. The law is clear, as is our duty, but we must have evidence of this illicit material being received through the U.S. mail.

Unfortunately, smut merchants make profits which enable them to retain high-priced lawyers adept at hamstringing, delaying, and confusing court action until their clients go free or receive only small prison terms or fines. By getting off lightly, the peddlers can move back into their racket under a new name, in short order.

They are also experts at sounding wounded cries about "censorship," "freedom of the press," and "civil liberties." And all too often they are able to find well-meaning persons to take up their cry and carry on their insidious battle.

Don't be deceived. This is cynical nonsense. Preventing the peddling of pornographic poison to children is no more a violation of civil liberties than is preventing the sale of liquor or dope to children.

The community which does not fully punish those guilty of any of these crimes is tragically failing its duty.

Accompanying this article you will find the steps you can take to help your community clean up this mess. Act promptly. Act vigorously.

I pledge that the Post Office Department will lead the way. And I am confident that when the American people are fully aware of the vicious extent of the challenge, they will fight this battle through to certain victory.

THIS IS WHAT YOU CAN DO

1. If obscene material arrives in your mailbox, save all material received, including the envelope and enclosures.

2. Report the matter immediately to the local postmaster and turn the material over to him, either in person or by mail.

3. Actively support Members of Congress and community officials in their efforts to help bring this racket to an end.

CAPTIVE NATIONS WEEK

Mr. KEATING. Mr. President, as one of the sponsors of the Captive Nations Week resolution, I have noted with some dismay the manner in which various sources have attacked Congress and the President for their parts in its promulgation. I think this criticism is both shortsighted and ill advised.

I am proud of my sponsorship of this measure, and proud of my work in the Senate Judiciary Committee which helped speed its passage. My sentiments are grounded on my basic belief that we cannot do too much to call to the attention of the world the plight of the enslaved peoples behind the Iron Curtain. We cannot too often remind these noble people that they are not forgotten and that we are working and praying for their day of liberation.

The fact that Captive Nations Week was proclaimed at the same time Vice President NIXON was touring Russia has been attacked by some people. They indictate the Vice President was embarrassed by the incident. If that is so, he certainly has handled the whole situation with his usual aplomb.

Of course, Premier Khrushchev's heavy-handed criticisms of the week have merely served to further call the attention of the world to the plight of the oppressed people behind the Iron Curtain. While it is true that we should not taunt the Russian bear unnecessarily, the task of keeping alive the spirit of freedom among the captive peoples is important and necessary. If the result is to irritate the Soviets, then that merely demonstrates anew that often the truth hurts.

The storm of protest emanating from the Kremlin illustrates conclusively that the enslaved nations represent the Achilles' heel of the Soviet Empire. They cannot stand criticism or the hot spotlight of public scrutiny on this point.

Thus, if the result of the passage of the Captive Nations Week resolution has been to rile up the Communists, so be it. They have it coming to them as a result of their ruthless and bloody rule of their satellites and because of the oppressive manner in which all forms of free expression have been beaten down.

One wonders what the critics of Captive Nations Week would have us do. Should we turn our back on the enslaved peoples, and thus abdicate our traditional role as the champion of the world's oppressed? I should hope we have not come to that point.

I, for one, will never be a party to any tactics which smack of appeasement in an effort to avoid offending the Communist leaders. Of course, we should not stir troubled waters unnecessarily. But when our cause is just—as in the case of Captive Nations Week—we must not hold back.

Mr. President, this new controversial resolution, in effect, merely represented a concrete expression of the view of all Americans that there will never be full

peace until every nation everywhere can control its own destinies. It was directed to what may well be considered the dominant issue of our times—the right of men to choose their own form of government and to shape their own destinies. Premier Khrushchev and his fellow international gangsters have repeatedly asserted that the people of the satellite states favor the Communist rule which has been thrust upon them. If they really believe this, of course, it can readily be put to the test by a series of free elections behind the Iron Curtain.

All of us realize that will not happen, because the Communists know full well that if these people are allowed to express their own free will, they will choose to throw their lot with the forces of freedom and democracy. The Communists cannot afford to put into the hands of the people the right to change their form of government, for they know that Communist tyranny would be the first to go.

Mr. President, so long as there are captive nations and so long as Communist terrorism continues, there can be no true peace. We of the free world, and especially we in America, must continue to express our concern about the plight of the captive peoples, must continue to assure them of our mutuality of interest in their aspirations to be free. The forthright pledge of support for the enslaved peoples, as contained in the Captive Nations Week resolution, must be pounded home again and again. It cannot be repeated too often. It is nothing to be ashamed or timid about. Indeed, it must be shouted from the rooftops.

I think we ought to give serious consideration to the suggestion that this protest over Soviet tactics should be made permanent, by means of a Captive Nations Year. Perhaps in that way we can demonstrate most forcefully of all America's continued dedication to the goal of the freeing of the noble nations now trapped behind the Iron Curtain and their restoration to their rightful place in the family of free nations.

Mr. President, a number of fine articles and editorials appearing in various newspapers have recognized the importance and propriety of the action of Congress in passing the Captive Nations Week resolution. I ask unanimous consent to have them printed in the RECORD.

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

[From the New York Herald Tribune, July 28, 1959]

LIST OF PRECEDENTS CITED ON CAPTIVE NATIONS WEEK

(By David Lawrence)

WASHINGTON, July 27.—Maybe there ought to be a "Captive Nations Year" instead of a "Captive Nations Week." Then the protest will be continuous instead of once a year.

Evidently those fainthearted in our midst who think it was a bad idea for the Congress of the United States to proclaim American ideals to the peoples of the world and utter words of sympathy to the oppressed don't know that similar protests have been perennial in American history. Or else they are so afraid of offending Khrushchev that they are willing to appease him still more by criticizing what Congress did.

A glance at the record will show that the Democratic and Republican Parties have for more than 70 years inserted from time to time planks in their national platforms expressing the sympathy of the American people for oppressed peoples abroad. It has become so natural for this to be done by both parties that the Congress earlier this month spent only a few minutes debating the joint resolution which subsequently aroused the ire of the Communist imperialists in Moscow. In 1892, both the Republican and Democratic Party platforms condemned the Russian Government for the mistreatment of its people. The Democratic platform plank, entitled "Sympathy for the Oppressed," read as follows:

"This country has always been the refuge of the oppressed from every land—exiles for conscience' sake and, in the spirit of the founders of our Government, we condemn the oppression practiced by the Russian Government upon its Lutheran and Jewish subjects, and we call upon our National Government, in the interest of justice and humanity, by all just and proper means, to use its prompt and best efforts to bring about a cessation of these cruel persecutions in the dominions of the Czar, and to secure to the oppressed equal rights.

"We tender our profound and earnest sympathy to those lovers of freedom who are struggling for home rule and the great cause of local self-government in Ireland."

REPUBLICAN WORDING

The Republican national platform in the same year, under the title "Championing the Oppressed," had this plank:

"The Republican Party has always been the champion of the oppressed, and recognizes the dignity of manhood, irrespective of faith, color, or nationality. It sympathizes with the cause of home rule in Ireland, and protests against the persecution of Jews in Russia."

In 1896, the Republican platform had a plank saying: "The Armenian massacres (by the Turks) have aroused the deep sympathy and just indignation of the American people, and we believe that the United States should exercise all the influence it can properly exert to bring these atrocities to an end."

Then, in 1900, the Democratic platform had a plank expressing sympathy with the efforts of the Boers of South Africa to gain "liberty and independence" from British rule.

In 1920, the Democratic national platform contained a plank "expressing its active sympathy with the people of China, Czechoslovakia, Finland, Yugoslavia, Poland, Persia, and others who have recently established representative government." Another plank expressed sympathy with the efforts of the Irish people to get their freedom, and still another plank called on the American Government to "render every possible and proper aid to the unfortunate people of Armenia."

A CALL FOR JEWISH STATE

The year 1944 saw the first plank from the Republicans calling for a "free and democratic commonwealth" in Palestine. Then, in 1948, the Democrats had a plank, too, "looking forward to the admission of the State of Israel to the United Nations." The Republicans in their platform that year also had a plank proclaiming friendship with the people of Palestine.

The 1956 Republican platform said:

"We shall continue to seek the reunification of Germany in freedom, and the liberation of the satellite states—Poland, Czechoslovakia, Hungary, Rumania, Bulgaria, Latvia, Lithuania, Estonia, and other once-free countries now behind the Iron Curtain. The Republican party stands firmly with the peoples of these countries in their just quest for freedom. We are confident that our peaceful policies, resolutely pursued, will finally restore freedom and national independence to oppressed peoples and nations."

NINETEEN HUNDRED AND FIFTY-SIX PLANK

The 1956 Democratic plank said in part: "We declare our deepest concern for the plight of the freedom-loving peoples of central and eastern Europe and of Asia, now under the yoke of Soviet dictatorship. The United States, under democratic leaders, has never recognized the forcible annexation of Lithuania, Latvia, and Estonia, or condoned the extension of the Kremlin's tyranny over Poland, Bulgaria, Rumania, Czechoslovakia, Hungary, Albania, and other countries. We look forward to the day when the liberties of all captive nations will be restored to them and they can again take their rightful place in the community of free nations."

It's an old story with America, but somehow Nikita Khrushchev hasn't heard of it.

[From the New York Times, July 28, 1959]

MR. KHRUSHCHEV'S CAPTIVES

Premier Khrushchev has gone to great pains to make clear his displeasure at our country's observance of Captive Nations Week. His annoyance is understandable. It has long been a prime goal of his foreign policy, as it was of Stalin's, to force the West to accept the legitimacy and permanence of the Communist territorial conquests which have so radically changed the world in the last two decades. Our continued observance of Captive Nations Week testifies to the failure of this effort.

Let us recall some of the facts which Mr. Khrushchev tries to suggest he has forgotten:

Estonia, Latvia, and Lithuania were independent nations two decades ago until the Red Army occupied them and carried out farcical elections which resulted in their incorporation into the Soviet Union. The East German revolt of June 1953, and the Hungarian Revolution of October–November 1956, are recent enough so that Mr. Khrushchev should remember that it required Soviet tanks and bayonets in the streets of East Berlin and Budapest to keep those peoples captive. And the Premier knows even better than we how close he and his colleagues came to ordering their armed forces to attack Poland in October 1956, when the Soviet hierarchs rushed to Warsaw, fearful that Poland was slipping out of their grasp. Throughout Eastern Europe Communist totalitarianism was imposed upon cowed peoples either directly by the Soviet armed forces, as in Rumania, or by a minority which took power—as in Czechoslovakia in February 1948—over a majority cowed by the fear of invasion by Soviet troops standing at the border.

Since he really knows all this, Premier Khrushchev has sought to twist the issue by the clumsy trick with which he has baited Vice President NIXON, the trick of pointing to Soviet citizens and asking if they are slaves. Since Mr. NIXON is prevented by realization of his responsibilities as a guest and as an official visitor from responding adequately to this maneuver, Premier Khrushchev has been able to score a cheap propaganda point.

Even the Communists themselves have sometimes admitted that the Soviet people are not free. Here, for example, is the way Pravda put the matter as recently as July 6, 1956: "As concerns our country, the Communist Party was, is, and will be the only sovereign of the thoughts, spokesman of the ideas and aspirations, director and organizer of the people during the entire duration of its struggle for communism."

Are people free when they must endure, in Pravda's expressive word, a "sovereign" over their thoughts? If the Soviet people were free they would be able to think as they wish, to read what they like, to tune in to any radio broadcast they wished to hear, to choose their own rulers, and to travel abroad, without permission, as they

please. They have none of these rights of freemen. If Premier Khrushchev is so desirous of convincing us that his people are free, why does he not take the obvious steps? Why does he not lift the Iron Curtain? Why does he not permit the free movement of people and ideas into and out of his country? Why does he not stop jamming our broadcasts? Why does he not submit himself to the ordeal of a free election in which there is an organized opposition with freedom to urge alternate policies? Why does he not permit the American exhibition in Moscow to enjoy the same freedom in displaying our books as the Soviet exhibition has in displaying Soviet books in New York? Why does he not permit Pasternak's "Doctor Zhivago" to be freely available to the Soviet people?

There are many kinds of slavery. But of all these kinds, enslavement of the minds of a great people is the most terrible. And that is the slavery of the Soviet people.

[From the New York Daily News, July 28, 1959]

NIXON TO POLAND—VEEP TO VISIT A CAPTIVE NATION

Another thing we like about Vice President NIXON's televised set-to with Khrushchev last Friday at the U.S. Moscow fair is that it shocked a bunch of British diplomats and newspapers. They considered it disgraceful.

Mr. NIXON, we feel, couldn't have hoped for a better testimonial to his courage and his ability to trade propaganda punch for punch with the clownish Khrushchev.

The next point of top interest on the Nixon trip promises to be his 2-day visit in Poland next week. Poland is one of the countries included in the Eisenhower-Congress proclamation of Captive Nations Week—which hit Khrushchev where he lives, as witness his and his kept press' repeated screams about it.

We hope NIXON has observed this anguish, and will make all the capital he can out of it when he visits Poland.

It will be most interesting, too, to see whether NIXON gets a warm reception from the Polish crowds, in contrast to the chill of mass hatred which afflicted Khrushchev on his recent tour of his Polish slave-province. Anybody want to bet?

[From the Washington Post and Times Herald, July 29, 1959]

MR. K.'S WORDS—AT VARIANCE WITH REALITIES

(By Roscoe Drummond)

The evidence is strongly on the side that the American exhibit in Moscow plus Vice President NIXON's crowd-greeting friendliness plus his "kitchen" debate with Premier Khrushchev plus Mr. K.'s annoyance at the "captive nations" proclamation—that all these developments are exerting a considerable impact on the Soviet people.

Despite the continued Soviet attacks on the U.S. exhibition as misleading, unrepresentative, and hardly worthy of notice—or perhaps because of them—as many as 65,000 Russian citizens are enthusiastically swarming through the exposition in a single day.

Some American commentators have suggested that the "captive nations" resolution was badly timed, that it gave Mr. Khrushchev the opportunity to impose a sour atmosphere upon the Nixon visit, that it ought to have at least been delayed.

I think the opposite is true, that it was well, though perhaps accidentally, timed. Right after a trip to "captive" Poland, which didn't go very well, right after having to call off a month's visit to Scandinavia because the Scandinavian press made it clear that it didn't relish Mr. K.'s brand of freedom, the resolution apparently touched the Soviet Premier at such a sore point that he had to keep talking about it. The more he talked about it, the more attention he called to the plight of the nations which have been put under Soviet rule by force. Mr. Khrushchev did quite a job publicizing the resolution.

It seems to me that the most telltale aspect of the public NIXON-Khrushchev debate in the kitchen of the typical American house is the tremendous gap between Mr. K's words and the realities behind them—realities grimly familiar to the Soviet people as well as to the satellite peoples. For example, this exchange:

NIXON—"You must not be afraid of ideas."

Khrushchev—"We tell you not to be afraid of ideas. We have no reason to be afraid. We have already broken free of such a situation."

Is this true? Are the Soviet leaders no longer afraid to let the Soviet people have free access to ideas? Have they "broken free of such a situation?"

Well, while this conversation was taking place, Soviet censors were demanding that more than 100 books be removed from the American library at the exposition. Among them were: "Anthology of Old Russian Literature," "Journey to Poland" by Harvard's John K. Galbraith, "A Treasury of Great Russian Short Stories," Barbara Ward's "Faith and Freedom," "Great Ages and Ideas of the Jewish People," "Tides of Crisis" by A. A. Berle Jr., and other ideas of which the Soviets were apparently afraid.

At another point Mr. Khrushchev told Mr. NIXON that he wouldn't be able to find a single "captive" in the whole Communist world.

No? Consult the U.N. reports on Soviet slave labor. Consult the Hungarian "freedom fighters," some 200,000 of whom fled from Soviet tanks. Consult the 2 million North Koreans who fled to South Korea or the 1 million Vietnamese who fled from the Communist North to the noncommunist South. Consult the 3 million Germans who have fled from East Germany to West Germany. Were these millions fleeing from freedom—or from political captivity?

In his one American television interview, over CBS, Mr. Khrushchev said all he wanted was "to let the people choose" whether or not they prefer Communist rule.

At the U.S. exposition he rushed past a battery of voting machines, remarking that he was "not interested in them."

Why not—if he really believes in "letting the people choose" their form of government? He doesn't. Nowhere in the Communist world have the people ever been allowed to choose between a Communist and a non-Communist government. I suggest that even if the Communists absolutely knew they would win a free election—that is, with more than one party being voted for—they would never dare permit it. Reason: If you concede the right of a people to choose a government, you concede their right to change a government—and that the Communists never accept.

VICE PRESIDENT NIXON'S ACTIVITIES IN THE SOVIET UNION

Mr. KEATING. Mr. President, the impact of Vice President NIXON's tour is being felt not only in the United States and the Soviet Union, but throughout the world where the cold war battle for men's minds continues without letup. By standing up to Premier Khrushchev in their face-to-face debates, and by carrying the message of peace and good will from the American people direct to the Russian people, Mr. NIXON has served well the cause of world peace.

The Vice President's coolness in the face of extreme provocations and his eloquent presentation of America's position deserve the hearty applause and commendation of all of us. He has brought home to the people of Russia our dedication to the ending of wars and the building of a lasting peace based on justice and mutual understanding.

An excellent editorial concerning the Vice President's trip recently appeared in the Rochester (N.Y.) Times-Union. It summarizes well the sentiments so many of us feel—that Mr. NIXON's exemplary behavior thus far on his travels has contributed substantially to the cause of world peace. I ask unanimous consent to have this editorial printed in the RECORD.

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

NIXON KEEPS HEAD IN BRAWL, HIS POINT VITAL TO PEACE

Evidently Premier Khrushchev went to the American exposition in Moscow looking for an argument, and he got it. Vice President NIXON refused either to be pushed around, talked down, or to fawn on his host.

MASTERLY SPEECH

It was a situation he would not have chosen for himself. It was, in fact, an abrupt change in atmosphere from the Vice President's formal speech opening the exposition. This speech was a masterpiece. It went beyond the usual pleasantries of such occasions and made a serious, thoughtful presentation of American attitudes, hopes, and convictions. It glossed over none of our failures but met them head-on, thereby adding conviction to what he said. He spoke for all America.

But Khrushchev got off a plane from Poland spoiling for an argument and he found it in the kitchen at the exhibit.

In such catch-as-catch-can wrangles it is always hard to keep on the subject and not follow some provocative remark down a blind alley. But Mr. NIXON managed to do so.

And his main point was one that everyone in the world knows is true, except, perhaps, Khrushchev. It was of such overshadowing importance and of such immediate application that it alone was worth an elaborate mission to Moscow.

Mr. NIXON had touched on the point in his formal address. He said the fact that either nation had a bigger bomb, a faster plane, or a more powerful rocket no longer adds up to an advantage. This is because we have reached the point where the Biblical injunction "they that take the sword shall perish with the sword" is the grimmest fact we confront.

Therefore, he said, neither must ever put the other in a position where he has no choice but to fight or surrender. No nation is strong enough to issue an ultimatum to another without running the risk of self-destruction.

MEANS GENEVA

Despite the atmosphere of a waterfront brawl, Mr. NIXON pressed his point home on Khrushchev again and again. He exhorted him to understand all the implications of the necessity to avoid putting himself or us into a position where there is no line of retreat from catastrophe.

The implications are as close at hand as Geneva. There the whole question is the Soviet Union's insistence that it will have its way in Berlin, or else. Mr. NIXON said, concerning Geneva, "It takes two to make an agreement. You cannot have it all your own way." And he pressed him again not to allow the conference to fail.

It was tremendously worth saying, even if it had to be said in a wrangle. Mr. NIXON kept his head and got it said.

THE COMMUNISTS' PROPAGANDA BOO-BOO

Mr. KEATING. Mr. President, news reports emanating from Vienna indicate that the carefully planned Communist propaganda circus, otherwise known as the World Youth Festival, has turned into an embarrassing comedy of errors for the Reds. In spite of extensive preparations to make this a showcase for the virtues of communism, the Festival has turned into a series of angry squabbles marked by oppressive tactics typical of the Soviets.

The latest reports indicate that the sponsors of the fiasco feel the splits and feuds among delegates are getting out of hand, and that as a result the anti-Communists are stealing the propaganda spotlight from them. This is partially a result of the fact this is the first Festival which has been held outside the Iron Curtain, and perhaps also results from the makeup and alertness of some of the delegates.

There recently came to my attention a study of the World Festival of Youth and Students prepared by the Institute for the Study of the U.S.S.R. This organization is composed of scholars who have left the Soviet Union. They have banded together to make available to the free world analyses of contemporary events and detailed studies of various aspects of the Soviet system by persons who know it intimately.

The report of the Institute on the Youth Festival is particularly timely in the light of the trials and tribulations which have been going on in Vienna. As the report outlines, the Festival was organized with the utmost care by the World Federation of Democratic Youth, a front organization controlled from Moscow.

Official preparations have been made by a commission located in Vienna. This commission has been publishing a special newspaper and its activities have been supplemented by National Festival Committees organized in various countries with the assistance of various Communist and leftist organizations.

As this report makes clear, the primary objective of the Festival is to control the minds of the young delegates so that they will be thoroughly indoctrinated in the Soviet line. It is a pure and simple propaganda sounding board for the Kremlin.

It is well, therefore, that stubborn opposition to the Communists has sprung up at the Festival. The fact that disputes outnumber love feasts indicates the master plan of the Soviets has been unmasked.

In order that more people may have a fuller understanding of the background of the Festival, I ask unanimous consent to have printed in the RECORD the report prepared by the Institute for the Study of the U.S.S.R., and distributed in this country by that fine organization, the American Committee for Liberation.

The PRESIDING OFFICER. Is there objection?

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

THE VIENNA WORLD YOUTH FESTIVAL: AN INSTRUMENT OF SOVIET FOREIGN POLICY

Carefully prepared and lavishly financed, the Seventh World Festival of Youth and Students is the first in the series of such festivals to be held outside the Communist world. Its aim is to manipulate the youth of non-Communist countries in the interest of Soviet foreign policy. Particular emphasis will be placed upon influencing the youth of Asia, Africa, and Latin America.

According to the latest reports the Seventh World Youth Festival will be attended by delegates from 130 countries (Komsomolskaya Pravda, June 21, 1959).[1] It will also be "the largest and most universal international youth assembly ever to be held" (Molodezh Mira, Youth of the World, 1959, No. 3). The Central Committee of the CPSU, as the real moving force behind this festival and its organization, hopes that it will mark a new step forward in the worldwide Communist advance. The Soviet regime hopes to facilitate its future actions on the international scene by gaining full or partial support for its foreign policy from the youth of the non-Communist world.

The official preparations for the festival have been made by a permanent preparatory commission located in Vienna. The commission has been publishing a special newspaper named Festival in connection with its work and its activities have been supplemented by "National Festival Committees" organized in many countries with the assistance of various Communist and "progressive" organizations. As early as December 1958 such national committees had been organized in 60 different countries (Festival, December 1958). By June 1959 active preparations for the festival were reported to be underway in more than 90 countries. According to official Soviet information (Modoldoi Kommunist, Young Communist, 1959, No. 6), more than 1,200 youth, student, cultural, sports and trade union organizations of various political and religious tendencies were involved in these preparations.

Direct person-to-person contact has been one method of propagating the idea of the festival among non-Communist youth. Young people from Communist countries have been flooding their pen-pals in lands outside the Communist world with letters extolling the festival.

Preparatory to the Vienna Festival, national youth festivals have already been held in many non-Communist countries, particularly in Asia, Africa, and Latin America, as well as in all the Communist nations. These festivals have elected delegates to the Vienna Festival, and selected the athletic teams and music and dramatic ensembles who will represent their respective lands in the various festival programs.

The festival will be attended by about 17,000 persons in an official capacity, but large numbers of observers and curious spectators are also expected to be present. Some statistics on the anticipated number and composition of the different delegations are already available.

"Eight hundred leading representatives of Soviet youth—young factory and collective farm workers, students, future scientists, young writers and composers, artists, and athletes—will go to the World Festival" (Pravda, June 28, 1959).

In fact, a considerably larger number of participants will go to Vienna from the U.S.S.R. Besides the youthful delegates many mature scholars and leading figures in the field of fine arts will be present. A number of Communist theorists and specially trained propagandists will deliver lectures and lead discussions at seminars and meetings. Finally there will be a large complement of agents from the state security organizations to keep an eye on both the foreign and the Soviet delegates. M. Gronberg, secretary of the Austro-Soviet Society, stated in an article in Komsomolskaya Pravda on June 24, 1959 that more than 1,000 persons would come to the festival from the Soviet Union.

Communist China, in its effort to compete with Moscow for influence, will probably be almost as fully represented at the festival as the U.S.S.R. Large delegations will come from the satellite countries of Eastern Europe—about 550 each from Poland, Czechoslovakia, and Hungary, and 450 from Bulgaria. The Latin American countries will send 300 delegates from Brazil, 250 from Argentina, and 150 from Venezuela, to name only the largest contingents from that part of the world. The United States will have 400 delegates and Denmark 300. France, the home of a large and influential Communist Party, will send 800.

The Party Central Committee of the U.S.S.R., in view of the great significance it attaches to the Seventh World Youth Festival, will obviously attempt to take advantage of the presence of West Germany young people in Vienna to promote its policies toward Germany in general and Berlin in particular. The permanent commission expects the arrival of a large contingent of West German and Austrian youth. The Jugendring groups, the Catholic youth organizations of both countries, and the Union of Austrian High Schools have refused categorically to take part in the festival, but some individual branches and chapters are sending delegates to Vienna. From Western Germany the Union of Liberal Students and the Socialist Student Organization are sending to the festival 25 delegates each, and the Social Democratic Young Sokols will be represented at Vienna by observers. Festival in February 1959 stated that more than 1,000 representatives of youth in the German Federal Republic had announced their intention to participate and its April issue carried a statement to the effect that not fewer than 15,000 to 20,000 youths from West Germany would be present. The June 1959 issue of the journal Molodoi Kommunist notes that "in Bonn it is understood that thousands of young West Germans will go to Vienna without hindrance."

Molodoi Kommunist has this to say about the participation of Austrian youth in the festival:

"For the most part the young people have expressed the desire to participate personally in this festival. But since the leadership of their respective organizations is opposing it, they will take part in the festival on an individual basis and not as members or activists of this or that organization." (Molodoi Kommunist, 1959, No. 9.)

Exact information on the participation of Asian or African youth is not available, but it can be assumed that attendance from both these countries will be large.

Besides the regular delegates, by May 1959 more than 1,500 athletes from different

[1] The first of this series of youth festivals was held in Prague in 1947. It was attended by representatives of the youth of 71 countries. Delegates from 81 nations attended the second festival held in Budapest in 1949. The third, fourth, fifth, and sixth festivals were held in East Berlin, Bucharest, Warsaw, and Moscow, respectively. They took place in 1951, 1953, 1955, and 1957 and were all attended by delegates coming from more than 100 different countries.

groups in various countries had announced their intention to attend the festival (Festival, May 1959).

The festival's program is extraordinarily extensive and varied. An average of 80 different events is anticipated for each day of the festival. The events planned may be grouped under five main headings, each with a special goal of its own, while the program as a whole has one basic political aim; namely, to win over the youth of the non-Communist world.

1. Entertainment: An elaborate entertainment program has been arranged. It is hoped that the spectacular character of this program will exert sufficient psychological influence upon the young people present to make them easily susceptible to the message of other aspects of the festival. On the opening day the entertainment will include a great parade on the Prater Boulevard, a parade of dance and gymnastic groups and finally a great fireworks display and a youth ball for all participants. Later there will be an international student ball, an international student carnival, another great celebration on the Prater, an assembly of girls awarded beauty prizes during 1959, two large style shows, a celebration of youth and friendship with a parade and closing concert by famous performers, festivals of farm youth and circus performers, dances and concerts in the international student club, and a brilliant last evening of entertainment with a gala concert, fireworks, and so on.

2. Sports: The program of sports events is designed to appeal to the athletic and sports interests of youth. The friendly atmosphere and spirit of sportsmanlike competition which the sports program should generate will help the Soviets in their campaign to influence youth. The schedule includes competitions for the festival's sports medal, friendly meetings of young athletes from various countries to discuss sports, an international tournament of young stars, international automobile races, and a conference of coaches and directors of sports organizations.

3. Festival of the arts: A program of colorful and varied professional and amateur performances representing the arts of many different national groups has been arranged. By playing upon the emotion and enthusiasm of youthful audiences these artists are expected to make communism seem an attractive way of life. Ensembles and soloists from more than 70 countries have already announced their intention to take part in the festival.

4. Intellectual: This part of the festival program aims to evoke in youth respect for the accomplishments of the Communist countries and particularly the Soviet Union in science and engineering and to demonstrate their superiority to the West in these fields. Lectures will be given by outstanding scholars and scientists on such themes as "Problems of Mastering Space" (to be combined with a meeting between youth and selected Soviet creators of the first interplanetary rocket), "The Lengthening of Human Life," "Atomic Power Today and Tomorrow," "A Century of Science and Man," and "Problems of Contemporary Literature."

5. Political: The program for this section of the festival has obviously been prepared with a view to furthering the political aims of the Soviet regime. The core of the program will be a series of student seminars on critical political problems. The topics will include "The Role of Students and Student Organizations in Contemporary Society," "Nature and Man in the Light of Contemporary Concepts of Science, Technology, and Philosophy," "Problems of the Democratization and Reform of Systems of Higher Education," "Economic, Political, and Cultural Problems of Colonial and Underdeveloped Countries and the Role of Students in Their Solution." It is a foregone conclusion that the papers on these subjects will be written carefully by representatives of the Communist world and the discussions will be directed by trained propagandists and theoreticians specially selected for the purpose. There will also be conferences on such subjects as "Automation and Its Results in Various Countries" and "Questions of Wages and Employment," as well as meetings to celebrate friendship and solidarity with youth in colonial countries and countries which have only recently become independent.

Gatherings of young people organized on a professional basis are also scheduled, including gatherings of construction and metal workers, electric power and engineering workers, oil and railway workers, workers in foodstuffs industries, textile workers, workers in chemical industries, clothing and footwear workers, miners, printers, agricultural laborers, members of agricultural artels (producers' cooperatives), and collective farmers, private peasants, independent and tenant farmers, young white-collar workers, teachers, journalists, and so forth.

The first four headings of the festival program contain events designed to exert a psychological impact on youth, while the winning over of youth to the support of Soviet policies is to be attained by the fifth heading in the program. Influencing the young people is, of course, only the necessary precondition to the essential goal of capturing their support for Soviet world policy.

The formal program will be supplemented by other types of activity. An important method of spreading propaganda among the young people will be the individual contacts made at various informal gatherings and discussions. Even the inevitable flirtations may have a part to play in this process.

The Communist organizers of the festival expect opposition to it, particularly from Western youth organizations. They are therefore making every effort to compromise anti-Communist activity by such organizations. The Soviet press has even accused certain Austrian political parties of obstructing the festival:

"Officially members of these parties voted to adopt resolutions permitting the festival to be held in Vienna. However, in their partisan political activity outside the government, they have not considered themselves bound by their own vote and are carrying on both openly and in secret a campaign against the festival" (Molodoi Kommunist, 1959, No. 6).

The article also stated that West Germany is the headquarters of European opposition to the festival and that this opposition is headed by Catholic groups.

The Soviet press, Festival, and the publications of the World Federation of Democratic Youth are issuing numerous articles and press releases in an attempt to offset the impact of negative reactions to the Festival by the free youth of the West. They cite resolutions approving the Festival adopted by youth organizations in Asia, Africa, and Latin America and messages of greeting from various "progressives" in the field of politics, science, culture, and art. The official management of the Vienna Festival is trying to use these artificially inspired statements as proof that the Festival is a completely nonpolitical affair, organized by and representing youth of the most varied political, ideological, and religious beliefs, which has no other aim than to lessen world tension and clear the ground for international friendship and solidarity.

"Participation in these international games and competitions does not in any way imply adherence to or approval of any one political trend" (Festival, February 1959, No. 5).

"These young people are not gathering to discuss which is the best political faith, nor to defend or attack any particular existing government. They are gathering in order to dance together, enjoy themselves together, take part in sports together, show each other their different national cultures, and to talk over together the things which they all value. They will talk of such questions, equally understandable to all, as for instance, the simple question of what lies ahead for them—a long, peaceful life or a quick death" (Festival, Feb. 1959, No. 5).

Despite all attempts to prove that youth itself has organized this Festival, the precise and skillful stage-management of its real directors cannot be hidden. The World Federation of Democratic Youth has been placed in charge of its preparation and conduct. This organization is under the direct supervision of the Central Committee of the CPSU and together with the World Peace Council, the World Federation of Trade Unions, and the International Democratic Womens' Organization it belongs to the group of subsidiary organizations of the CPSU Central Committee created after World War II. Organized at a conference in London in 1945, by 1949 it had been completely taken over by the Communist Party. This absorption is confirmed by the expulsion from France in 1951 of the Executive Committee of the World Federation previously located in Paris, for subversive activity. The executive committee then moved behind the Iron Curtain to Budapest.

A declaration made by the executive committee of the World Federation of Democratic Youth at the December 1958 conference in Colombo shows quite clearly that this organization is directed from Moscow. Ostensibly this declaration was made on behalf of 85 million young people from all over the world. But it merely parrotted the current "line" of Soviet foreign policy, besides recommending careful preparations for the festival. The lines linking these preparations to Moscow are exposed to view in an article entitled "A Great Force of the Present Age" which was written to observe the 10th anniversary of the founding of the "World Movement of Fighters for Peace." (Molodoi Kommunist, 1959, No. 5.) The article describes youth festivals as one of the best possible means of promoting Soviet peace aims.

The Soviet press, Festival, and the publications of the World Federation of Democratic Youth provide ample proof that the festival is purely a political project. Komsomolskaya Pravda (June 23, 1959) removes all doubt about the festival's political and propaganda aims with such remarks as "Venezuela welcomes the festival which will help her in the day-by-day struggle for complete liberation from the imperialist camp." An article in Festival (February 1959) indicates the important part Communists are expected to play in the festival itself:

"As no one has ever denied young Communists will also participate in our festival. Perhaps in 1859 it was still possible to have an all-embracing world meeting without Communists, but today we live in the world of the year 1959, in which one part of the world is already Communist, while in the other part the Communists are an important force. A great world undertaking in science, sports, or any other field is impossible today without Communist participation."

The financing of the festival has been carefully planned and apparently no expense will be spared to make it a success. For example, the festival commission has budgeted $884,000 just for the upkeep of the festival participants during their stay in Vienna, at the rate of $52 per person. If the expenses

for the program itself, for publicity and propaganda, for decorating the city, and for travel costs of the participants are added up, the total figures are large indeed. It has been officially announced that funds collected by the national preparatory committees and contributed to the festival fund amounted to $250,000, which sum was earmarked for the travel expenses of participants. However, Festival (April and May 1959) notes that other funds for the festival have been provided by the World Federation of Democratic Youth, the International Student Union, and various "individuals" and "countries which have at their disposal the corresponding resources." This last modest phrase means of course the Soviet Union, which undoubtedly is contributing the lion's share of the necessary subsidy either directly to the festival fund or through the World Federation of Democratic Youth and the various Communist Party treasuries of the world to the individual national preparatory committees.

REAL PURPOSES OF THE FESTIVAL

The objectives of the festival in the eyes of the CPSU Central Committee are easily apparent in the literature prepared for the guidance of its organizers: These purposes are as follows:

1. To control the minds of the youth of the world in order through youth to promote Soviet foreign policy. To mold youth from many lands into a mobile force directed from the Kremlin to further Soviet political aims.

2. To impose upon the youth of Asia and Africa political submission to the CPSU Central Committee. The influence exerted by the Soviet Union on the youth of these continents is already substantial and the festival is intended to make that influence decisive.

3. To stimulate the struggle of the peoples of Asia and Africa against the West's policy by artificially arousing "the determination of the youth of Asia and Africa to put an end during the lifetime of our own generation to colonial survivals in the two continents." (Molodoi Kommunist, 1959, No. 5.)

4. To gain the assistance of youth in the campaign to take over politically and economically the Latin American countries. Every effort will be devoted to destroying the influence of the United States of America in Latin America. Preparations for the festival in the South American countries—Brazil, Argentina, Venezuela, and the rest—indicate the extent to which Soviet policy has been brought to bear on the youth of those countries.

5. To win the support or at least the neutrality of the youth of the free West. The possibility of achieving this aim may be increased by the fact that the Seventh World Youth Festival is being held in a free Western country, but is also protected from possible anti-Communist retaliatory moves by Austrian neutrality in the cold war.

It should be noted that the CPSU Central Committee hopes that Soviet youth will win the warm debate expected at the festival with the representatives of the youth of the non-Communist world. Appealing to Senator HUMPHREY in Komsomolskaya Pravda (June 28, 1959), the Communist leadership asserts:

"The young hearts of the festival participants go out in friendship to all their friends throughout the world. At Vienna, the sound of music and song in many different languages soaring above the Alps, may persuade youth to forget your exhortations and to carry home with them impressions which you would not like them to have received."

6. To attempt at the festival to win over politically the greatest possible number of West German youth and thus to exert an influence upon the policy of the Federal Republic in the German and Berlin questions. It is worthy of note that the Soviet leadership skillfully inspired the appeal of 39 public and scientific figures of the Federal Republic to West German youth to support and take part in the Vienna Festival.

It is interesting that the Soviet press is almost completely silent regarding preparations for the festival in Communist China. Evidently there will be serious competition in Vienna between the two Communist world centers for influence over the youth of the non-Communist world and particularly of Asia, Africa, and Latin America.

To sum up, the Seventh World Youth Festival will be the largest and most universal youth assembly ever to be held. Holding it outside the Communist empire is an attempt to introduce a Trojan horse into the free world.

SENATOR-ELECT FONG OF HAWAII

Mr. HICKENLOOPER. Mr. President, the August number of Pageant magazine contains an article entitled "Hawaiian Success Story," by David S. Teeple. Its subject is HIRAM FONG, who was just elected Senator from Hawaii.

This article is concise, but it shows a picture of a man who is a great success under the American system, in the typical American fashion.

I ask unanimous consent that the article be printed at this point in connection with my remarks.

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

HAWAIIAN SUCCESS STORY

(By David S. Teeple)

On July 28, 1959, Hawaii will have formally ratified its new statehood. The new State will bring with it, not only the 50th star for Old Glory, but a fresh reminder of America's heroic, traditional role as the melting pot of nations.

Fed by American idealism, Hawaii is itself an amazing melting pot. The new State is a racial potpourri of Polynesians, Japanese, Chinese, Portuguese, Swedes, Dutchmen, Englishmen, Spaniards, and New England Yankees.

The sweet synthesis of East and West is perhaps best typified by its leading citizens. And typical of these is the substantial figure of HIRAM FONG, the Hawaiian Republican Party's candidate for U.S. Senator in the July 28 elections.

Both of FONG's parents are Chinese, FONG's birthplace is Hawaii, but FONG himself is a distinguished success in the fabled American tradition—the poor boy who wins his way to fame and wealth by hard work and tenacity. His name itself symbolizes Hawaii's experiment in introducing East to West. "Fong" may be a name unmistakably Chinese, but "Hiram" is as downeast Yankee as any name can be.

Should FONG win the election, he will be the first person of oriental parentage to become a Senator of the United States. It is a measure of progress not without irony that today FONG should stand welcome at the threshold of the Senate, the "world's most exclusive club." It was the same Senate that helped pass laws in the 19th century (culminating in the Chinese Exclusion Act of 1882) to block the inflow of Chinese immigrants.

Our closed-shore policy helped divert many Chinese migrants to Hawaii at that time. And that really is when FONG's Hawaiian Horatio Alger story begins.

In 1872, FONG's father left the swarming Chinese mainland to work in the Hawaiian sugarcane fields as a 16-year-old indentured laborer earning $12 a month. A few years later, a young Chinese girl left home to work as an unpaid bond servant for a Hawaiian family. The two migrants married, and eventually raised 6 sons and 5 daughters in peasant penury.

Born in 1908, HIRAM LEONG FONG was the seventh child. Like his brothers and sisters, young FONG had to work constantly to help feed the sprawling family. He shined shoes and sold newspapers like a true Horatio Alger hero. But he improved on Alger by catching crabs and fish for the family larder.

Helped, no doubt, by the powerful alchemy of American culture, the zeal for self-improvement fired the seventh son of the illiterate sugarcane worker and the illiterate bond servant. HIRAM FONG set himself on going to school. School in Hawaii meant the Christian missionary schools, those enduring monuments to the forceful character of New England clerics who only 70 years before had sailed into pagan Hawaii to make "Christian gentlemen" out of Polynesian natives.

School meant not only study but work for near-pauper FONG. By constantly juggling jobs to support himself, he finally finished secondary school and enrolled in the University of Hawaii. At the university, he kept right on juggling jobs—as a collector of overdue bills, as a college correspondent for both a morning and an evening newspaper, as a guide for tourists visiting the oriental temples Christian gentleman FONG had long since grown away from.

Like many another Alger type from Maine to Hawaii, FONG found time not only to work and study, but to edit his college newspaper, serve as major in the Reserve Officer Training Corps, join the debating team, volleyball team and rifle team, and to preside over the university's YMCA.

In 1930, FONG was graduated with honors, completing the course in a one-under-par 3 years. In the midst of the great depression, he found himself a job as chief clerk of the suburban water system. Prudently saving his money, for 2 years he prepared himself for the next step up: winning a degree at Harvard Law School, then as now the most distinguished law school in the United States.

Harvard thumbed down the Hawaii University graduate on the grounds that the island school wasn't an accredited institution. But a Harvard alumnus, former Attorney General of the Territory of Hawaii Arthur G. Smith, persuaded Harvard to accept FONG, provided he remained in the top 10 percent of his class. He thus became the first Hawaii University alumnus to gain official admittance to Harvard Law School.

Three years after enrolling, FONG returned to Hawaii with $3,000 worth of debts and a Harvard degree worth a good deal more than that to an ambitious and confident young man.

FONG was gaining momentum. Three years later he entered politics, and in his first electoral bid was voted into the Hawaiian Legislature. He served there for 14 years, as speaker, vice speaker, and outspoken booster for Hawaiian statehood. (In 1940 the Hawaiian electorate voted for statehood by a large majority.)

Presenting the Hawaiian case before a U.S. Senate committee in 1950, FONG pointed out that "the granting of statehood to Hawaii will cost the Federal Government nothing, yet will accomplish in the world and especially the Pacific, what is expected of the costly Marshall plan in Europe—that is, to win friends for America. Hawaiian statehood will increase the prestige and honor of the American people in the field of international diplomacy."

When World War II broke out, ex-ROTC Major FONG was called up to active duty with the Air Corps. He eventually became judge advocate of the 7th Fighter Command of the 7th Air Force, and a real major.

After the war, FONG devoted his considerable energies to a law practice and a finance business. He has been notably successful in both. His law firm, Fong, Miho, Choy & Robinson, is one of the top firms on the archipelago. (Also one of the most cosmopolitan, since it is staffed by two Chinese, two Japanese, one Korean and one part Hawaiian, part Caucasian lawyer.)

The son of the indentured plantation worker is also president of Finance Factors (a $12 million loan corporation), Finance Realty, Finance Investment Co., and Market City, Ltd., and the Grand Pacific Life Insurance Co. Yet, with the blood of Chinese peasants in his veins, FONG likes to work hard on his 200-acre cattle ranch and banana farm. He's a gentleman farmer who rolls up his sleeves and plunges into the farm chores.

Lawyer-Financier-Farmer FONG still finds time for civic chores with the YMCA, chamber of commerce, Lions Club, PTA, and his local Congregationalist Church. A skilled practical businessman, he is nevertheless well known among his associates as "a banker with a heart." In a recent strike among sugar cane workers which lasted 6 months, FONG declared a moratorium on all payments due his finance company until the strike had been settled and normal incomes restored.

Today, at 51, HIRAM FONG is knocking at the door of the august U.S. Senate.

His Senate race won't be run on the basis of race, either. There is no race prejudice among Hawaii's "kamaaina" (native born) and very little among the "malihini" (newcomers).

Rich, honored, vigorous and active, happily married for 21 years and the father of four children, FONG is not only an indisputable success, he is a success formed indisputably from the American mold.

Describing him, one could be describing the career of any American politician who fought his way up from poverty. From working his way through college to leadership in his local PTA, FONG has made all the stops just the way they're made in Wichita, Kans., or Burlington, Vt.

Proud of that fact, FONG likes to see himself as a symbolic American figure. "I am," he has said in speeches, "a product of the American public school system, a product of the American way of life. I hope the American people will see my life as symbolic of the opportunity offered only in a democratic society such as ours."

More important, perhaps, than how America sees FONG, is how the millions of restless people in the Asian countries see him. If he wins the coming election, FONG will be the first "man of the Pacific" to vote in our Senate. Even if he loses, the people of the Orient will know that eventually one of their race will take his seat in a great legislature of a Western nation.

FONG represents Hawaii's successful experiment in joining the East to the West. He and the Hawaiian Islands that produced him should help America win friends among the eastern half of the world's population which now eyes us suspiciously.

As an American success story, Chinese-Hawaiian-American HIRAM FONG is clear proof that racism has no permanent place in America. It is not only an irony that the Senate which excluded Chinese from our shores will now or very soon be welcoming a Chinese person into its chambers. It is a mark of the progress of our Nation in meting out justice and providing a peaceful way of life within our borders to every nationality in the world.

THE DUNES OF INDIANA

Mr. DOUGLAS. Mr. President, as knowledge of the danger to the dunes of Indiana spreads, sentiment in favor of their preservation through the creation of a national park or monument is rising very rapidly. I ask unanimous consent that there may be printed at this point in the RECORD a letter from Charlotte Reischer describing the beauty of the dunes. I call attention to the last sentence, which reads as follows:

Who would dare to build a steel mill there?

This question is asked in a rhetorical sense. I regret to say that it has to be answered in the following terms, namely, that the company which is seeking to ravage the dunes immediately is the National Steel Co., headed by Mr. George M. Humphrey, a former Secretary of the Treasury. We hope very much that Mr. Humphrey's mind may be changed by this appeal. I commend the editorial to the attention of the Senate and the country; and while I do not believe in giving commercials ordinarily, I wish the Members of the Senate and others would look at the leading cartoon in this morning's Washington Post by the inimitable Herblock, which deals specifically with this question.

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

DUNE MEMORIES

Are the steel companies going to be allowed to obliterate the Indiana Dunes even before Congress has had a chance to act? Contracts have already been let for early construction of mills near Ogden Dunes.

I was born and raised 30 miles from the dunes, in Illinois. I learned to swim there and to follow the scritch-stratch trail of the sandpiper. On a clear day we could see the Chicago skyline. When my brother, 12 years old, declared he would run away from home we all helped him pack up, and off he rode on his bicycle—to the dunes.

For a week he camped out alone; then he rode home again to a proud but worried family. My parents had their honeymoon in a fisherman's cabin in the dunes, at the end of March when the west wind pushed the surf high onto the beach. And long before that, even before Gary was built on the sands in 1911, my mother used to go out to the dunes.

I have been on beaches up and down the eastern seaboard. I have swum in the Mediterranean and visited the Northwest. Here and there, there are beaches where the swimming is good. And there are a few where the sand is clean and castles are fun to build. But nowhere have I found a beach where you can walk for miles and miles, as you can at the dunes.

The dunes stretch far inland. In autumn when it was too cold to swim we used to walk back through trees aflame with color and build our picnic fire, sheltered from the wind in a sandy hollow. When we spent the night at the dunes, we would get up at 4 in the morning and climb the highest dune around to watch the sunrise. Best of all were the sunsets glowing across the lake in evening calm.

People who have grown up in other parts of the country find dull the flat expanse of midwestern fields. They are unmoved by the wide horizon, the coal-black soil, even by the "elephant's-eye" corn. But the dunes appeal to all. They are the Midwest's Grand Canyon. Who would dare to build a steel mill there?

CHARLOTTE REISCHER.

ANNANDALE, VA.

PROPOSED MEMORIAL TO JAMES MADISON

Mr. DOUGLAS. Mr. President, some weeks ago the distinguished American historian and journalist, Irving Brant, proposed that the discarded columns of the east portico of the Capitol should be used as part of a memorial to James Madison.

As all of us know, James Madison was more responsible than anyone else for the drafting of the American Constitution and for its adoption. He was also the author of the Bill of Rights, which constitutes the first 10 amendments to the Constitution. In the first session of Congress he also drafted and succeeded in having passed the statute which set up the American judicial system.

In addition to his other contributions he became Secretary of State under Thomas Jefferson, and served for 8 years as President.

It is regrettable that no adequate memorial to James Madison has hitherto been erected. I wish to commend Mr. Brant for his suggestion, and I desire to urge that it be carried out. The columns which have been taken from the east front of the Capitol are now piled in front of the east front. The Architect of the Capitol has not told us what he intends to do with them. We hope it is not his intent to destroy them. They could readily be used as columns for a building similar to that which Madison had at his estate at Montpelier, and which in turn, if my knowledge of architecture serves me correctly, was modeled after a similar structure in the Vale of Tivoli, approximately 30 minutes outside of Rome, which I remember seeing one morning, many years ago, with great appreciation.

I ask unanimous consent to have printed in the Appendix of the RECORD two letters which appeared in the Washington Post and Times Herald of August 2. One was written by Merle Curti, professor of history at the University of Wisconsin, and formerly president of the American Historical Association. The other letter was written by Sidney Hyman, author of "The American Presidents."

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

MADISON'S CONTRIBUTION

As a teacher and writer of American history who has worked for many years in one of the first cities to be named for Madison, I am happy to support the proposal of so distinguished a scholar as Irving Brant that the columns lately removed from the front of the Capitol be used to build a memorial to the man whose many services to the Nation have been duly noted by Mr. Brant and by those who have endorsed his proposal, including Edward S. Corwin, Edmond Cahn, and Carl B. Swisher.

To the reasons these authorities have given I should like to add certain qualities of mind and character that enabled Madison to make some outstanding contributions to the Nation. His mind was an extraordinarily logical one and he used his logic for highly constructive and creative purposes.

A true and wise Democrat in both the ethical and operational sense of the term, Madison, supplemented, as Adrienne Koch

has so well shown, Jefferson's emphasis on individual rights. Madison did this in part by promoting that order in which reasonable compromises are made. He stood on his feet, he was no one's man, and in this integrity guided a realism which did much to insure the success of the Republic in its early and precarious testing time.

A memorial in the Capital of the Nation he did so much to launch is an eminently appropriate testimonial to one of the indisputably great Americans.

MERLE CURTI,
Professor of History, University of Wisconsin.

MADISON.

If the monuments in Washington to men on horseback were all brought together in one field, the number would be roughly equivalent to a reinforced cavalry regiment. Yet the Washington Post has been emphasizing of late there is no suitable monument to James Madison; no monument to him, though here was a man whose force of mind helped establish the constitutional context in which all of us live, and whose glory it is for the horseback warriors to defend.

Madison himself was human enough to wish to be thought well of by posterity. In a letter he wrote on February 24, 1826, to a dying Thomas Jefferson he recalled their lifelong collaboration, and how the public effect might be regarded in aftertimes. "I indulge the confidence," he said, "that sufficient evidence will find its way to another generation to insure, after we are gone, whatever of justice may be withheld whilst we are here."

Justice of that sort has since been done to Jefferson. Precious little of it has been done to Madison—though the evidence coming down to our generation shows that the political tradition known simply as Jeffersonian is actually an amalgam of ideas and deeds in which Madison's contribution was on a par with Jefferson's.

The parity deserves recognition, however belatedly, in the graphic symbol such as the monument the editors of the Washington Post contemplate in honor of Madison's memory.

SIDNEY HYMAN.

Mr. YARBOROUGH. Mr. President, I commend the distinguished Senator from Illinois for the statement he made in support of an appropriate memorial to James Madison, honored by many as the father of the Constitution, and certainly the father of the Bill of Rights.

I wish to express my support of the resolution heretofore introduced by the distinguished Senator for the erection of a suitable Madison memorial. I think there should be appropriate recognition of one of the four or five great governmental thinkers who founded the institution under which we live.

FIRST MEETING OF TEXTILE INDUSTRY ADVISORY COMMITTEE

Mr. PASTORE. Mr. President, last year, by virtue of a Senate resolution, a very exhaustive and extensive investigation was conducted in regard to the decline in the textile industry. I had the honor and the privilege of serving as chairman of that special committee. We made 10 specific recommendations. One was for the establishment of an interdepartmental advisory committee, which only recently was created by directive of the President of the United States.

On Wednesday of last week, the first meeting of that committee was held. I have before me a press release which is quite informative and instructive; and I ask unanimous consent that it be printed in the RECORD.

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

TEXTILE INDUSTRY ADVISORY GROUP HOLDS FIRST MEETING

Acting Secretary of Commerce Frederick H. Mueller today hailed the formation of the Textile Industry Advisory Committee under Department of Commerce auspices as an important step in the Government effort to aid the textile industry, when the newly organized group held its first meeting at Commerce.

Mr. Mueller told the tripartite body, drawn from management, labor and the public, that he hopes for "concrete and constructive ideas" from its deliberations.

The Committee was brought up to date today on measures already being taken by Commerce's Business and Defense Services Administration for facilitating and expanding the collection of statistical data to meet the expressed need of the textile industry, and also for developing more economic studies on various aspects of the industry.

The Advisory Committee and the Interagency Textile Committee, which also was represented today, were created as the outgrowth of recommendations from the Senate Committee on Interstate and Foreign Commerce, after an exhaustive study of textile problems by a subcommittee.

Carl F. Oechsle, Assistant Secretary of Commerce for Domestic Affairs, heads the seven-member Interagency Committee, which also includes representation from State, Treasury, Army, Agriculture, Labor and the Council of Foreign Economic Policy. It reports to the Secretary of Commerce.

Members of the Advisory Committee today praised the Government for the creation of both groups, feeling they would serve a useful purpose in acquainting Congress and other Government agencies with textile industry developments.

H. B. McCoy, BDSA Administrator, outlined the plans for furnishing the textile industry with more complete statistical data, and for facilitating its collection, through cooperation with the Bureau of the Census.

This work will be carried on by BDSA's Textiles and Clothing Division, which also will direct the projected economic studies touching on such matters as the historic fluctuations in the textile industry domestically, and the growth of the industry abroad.

Members of the Advisory Committee agreed with A. Henry Thurston, Director of BDSA's Textiles and Clothing Division, that a pressing need is for rapid monthly reports on a number of key items that would be of great assistance in marketing programs. Better figures on imports were cited as one important item.

Henry Kearns, Assistant Secretary of Commerce for International Affairs, reported on his discussions in Hong Kong earlier this year, when he impressed on the textile and apparel industries there the need for diversification and orderly marketing in their apparel shipments to the United States. He emphasized that concentrated shipments of some specific items were causing undue distress to American industry and suggested that moderation and diversification of shipments would be desirable if they wished to continue to enjoy long-term American markets. Mr. Kearns expressed optimism that action would be taken by Hong Kong producers that would ease the situation. He also discussed his subsequent meetings with U.S. retailers and importers.

Members of the Advisory Committee said that one of the big problems of the domestic cotton textile industry is the competition from foreign sources which manufacture their products from the cotton which this Government sells overseas at 25 percent under the price at home.

Eight of the nine members of the Advisory Committee were present. They were:

Management: William I. Kent, president, Kent Manufacturing Co., Clifton Heights, Pa.; William J. Erwin, president, Dan River Mills, Danville, Va.; Seabury Stanton, president, Berkshire Hathaway, Inc., New Bedford, Mass.

Labor: Emil Rieve, chairman, executive council, Textile Workers Union of America (AFL–CIO), New York, N.Y.; George Baldanzi, president, United Textile Workers of America (AFL–CIO), Washington, D.C.; Victor Canzano, vice president, Textile Workers Union of America (AFL–CIO), New York, N.Y.

Public: A. L. M. Wiggins, chairman of the board, Atlantic Coast Line Railroad Co., Hartsville, S.C.; Olin Glen Saxon, professor of economics, Yale University, New Haven, Conn.[1]

The members of the Interagency Committee, or their representatives, also took part.

EXCHANGE OF VISITS BETWEEN PRESIDENT EISENHOWER AND PREMIER KHRUSHCHEV

Mr. JAVITS. Mr. President, on yesterday, on the television, I had occasion to comment on a prospective visit of Premier Khrushchev to the United States. This morning, the President has announced such a visit.

Mr. President, Americans will welcome this latest expression of the new diplomacy of face-to-face discussion of issues. I thing they will also welcome the fact that Premier Khrushchev, who has been doing a great deal of guessing about our country and its power and its will, will see our country for himself. Certainly that will be all to the good.

But, Mr. President, I think the most important part of the announcement lies in the fact that the President has coordinated and cleared that visit with our free world allies. I say that because we must not encourage any idea that the two super powers—ourselves and the Soviet Union—are going to divide up the world. In our case, we cannot play the game the way the Russians do. We have allies who are full and equal partners with us, and we must consult them.

In the same connection, let me say that I also wish to repeat the suggestion my colleague, the junior Senator from New York [Mr. KEATING], made earlier today—namely, that the President of the United States will not forget, when he talks to Khrushchev, that 100 million captive peoples are imprisoned behind the Iron Curtain. I hope that subject will also be on the agenda.

Mr. President, yesterday, on the television, I was asked by some young students a question which I believe will be of interest to my colleagues. Those students asked me whether I thought our will would be sapped by the visit of

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[1] Third member—Martin Gainsbrugh, National Industrial Conference Board, 460 Park Avenue, New York, N.Y., was unable to attend meeting due to a prior commitment.

Khrushchev and whether he would lull our Government into some kind of somnolence, so that we would not do our best in the cold war.

First, I join my colleagues in saying that Vice Phesident NIXON's mettlesomeness, as shown in actual face-to-face debate in Moscow, was reassuring and was representative of the spirit of Americans. I believe he is very representative of that spirit; and I believe he has done an excellent job there, as all of us affirm. But, more than that, I do not think our will will be sapped at all. On the contrary, I believe that our country's diplomacy will be reinvigorated by our increased understanding of Mr. Khrushchev, through what he has to say about Russia and her purpose.

I believe that Khrushchev's prospective visit is likely to have the same effect as that of the recent visit to our country by Mikoyan. It is my position, and I believe it is that of the American people generally, that we can safely rely on a correct understanding of the genuineness and the asserted love for peace of these two leaders of the Soviet Union, as tested in the light of what each has done, rather than based upon the words they utter.

In short, I think Mikoyan's television appearance did the cause of the free world an inestimable amount of good, as he demonstrated his inflexibility, his doctrinaire attitude, his absolute certainty that the Russian Communist way, and no other way, would allow the attainment of the proper goals. I believe that demonstration by him will convince the American people as nothing else could have done. I expect that we shall have the same experience with Khrushchev.

So I believe that at long last we are coming face to face with our trouble. But it is very important that we not be seduced by the idea that one country can "play the game" for half the world. Perhaps Khrushchev can, for Communist Russia and the Iron Curtain countries; but certainly the United States will never attempt to do so on the part of its allies in the free world.

President Eisenhower can do the countries imprisoned behind the Iron Curtain a great deal of good when he talks to Khrushchev, by always being cognizant of the fact that we expect to honor the dignity of the captive nations and their right to take the actions they deem proper.

Mr. DIRKSEN. Mr. President, I am confident that our Nation and the other nations will honor the President for his invitation to Khrushchev to visit our country, and also for President Eisenhower's decision to make a return visit, when he will have an opportunity to address the people in the Soviet Union by means of the instrumentalities made available for that purpose.

I believe that the groundwork for this situation was laid in 1952, when the President said that if he thought he could do some good by going to Korea, he would go there. He did go there, and the bloodletting and the killing ceased; and people remember kindly and graciously his visit there.

If there can come some end to the tensions which now exist between nations, and some relief from the costly armament burden which sits so heavily on people in all parts of the world, I believe history will rank President Eisenhower as the boldest peacemaker in many generations. For himself, there will, of course, be the enduring and lasting satisfaction that in his lifetime—great military man that he was, captain of the greatest military offensive mankind has ever seen—he will not have left a single stone unturned, a single thing undone, to bring to mankind the most cherished of all things—namely, a just and enduring peace.

Mr. JAVITS. Mr. President, I am grateful to the Senator from Illinois.

Let me conclude by saying that no matter what comes from the conversations, I think the world can be sure that neither the President's will, nor the will of Vice President NIXON, nor our will, nor the will of the American people generally to maintain peacefully, even if it takes decades, the struggle to obtain justice and freedom, will be sapped, but that instead, all of us will try in every way possible to arrive at concord; but if we have to sweat it out, I am confident we will do so.

PROPOSED EXCHANGE OF VISITS BY LEADERS OF RUSSIA AND THE UNITED STATES

Mr. YARBOROUGH. Mr. President, I think the proposed visit and exchange of views by the leaders of Russia and the United States is a significant step in the right direction.

There are two ways of ending the cold war conflict. We may end it by conference or by combat. We can wake the drumming guns, or we can confer on possible ways of easing tension.

It is idle to expect peaceful coexistence with people if we refuse to talk to them. We can have a rule of world law and order, or we can meet at a kind of international O.K. Corral.

Americans believe that world law and order is preferable to international acceptance of the law of the jungle, the conflict of tooth and fang, the rule of surprise and ambush.

Believing that the only way to substitute conference for recrimination is to begin, I favor conference, debate, and exchange of statements of position between the two great nuclear powers. Any agreements are likely to come only after long conferences and careful scrutiny. The sooner these conferences begin between the American and Russian leaders, the better. We can make progress for peaceful security only by working at the job. Any agreements made must be with adequate security safeguards. We are ready to confer, but not to surrender.

PROPOSED VISITS OF LEADERS OF THE UNITED STATES AND RUSSIA

Mr. LAUSCHE. Mr. President, this morning the President announced that Khrushchev would make a visit to the United States, and that, either following that visit or simultaneously with it, the President of the United States would visit the Soviet Union.

In World War II the bomb known as the blockbuster had a destructive power equal to 20 tons of TNT; at Nagasaki and Hiroshima the bombs had a destructive force of 20,000 tons; now the power is 20 million tons. In the course of a few days the populated and built-up areas of the world can be destroyed in modern warfare. Having in mind those facts, it seems to me no stone should be left unturned in trying to reach an understanding that will insure peace in the world.

There will be many who will take exception to the visit. I personally do not feel enthusiastic about it when I am motivated by sentiment and by wishes contrary to a consideration of cold, realistic facts. Considering what will happen to the world unless every effort is made to achieve peace, or at least to delay war, I cannot help but subscribe to the visit that will be made.

My own view is that Khrushchev desires to visit the United States mainly on a defensive basis. His position in the captive nations is unstable. He realizes that there are about 80 million people who want to shed themselves of the yoke of communism. He wishes to come to the United States hoping that a coolness will be thrown over the hopes of the future of those people. That is one of the results we should avoid; we should make certain it will not happen.

The people of the satellite countries of Europe should continue to understand that we are not abandoning them; that we believe in their cause; that we sympathize with their desire to achieve liberty; and that we are of the belief that in the course of time liberty will come to them. Time is on our side.

When Khrushchev comes here he will very probably visit the metropolitan centers of our country, and in them he will see islands of people whose ancestors came from the captive nations.

Mr. President, may I have 2 additional minutes?

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator may proceed.

Mr. LAUSCHE. Mr. Khrushchev will see islands of cities inhabited by the descendants of Poles, Hungarians, Finns, Estonians, Latvians, Bulgarians, Macedonians, Yugoslavs, Czechs, Slovaks, and descendants of people from other captive nations. When he sees those people he will see a community of purpose and a symbol of the cause of liberty which will make Khrushchev wonder and marvel. He will learn that we want peace, but that in the efforts to achieve it we will not surrender our honor or falter in full defense of our lands, our lives, and honor.

My belief is that good will come to our country, and it may also come to the communized countries when they receive actual knowledge of the goodness of what we are doing and the peacefulness of our purpose.

THE FOREIGN AID PROGRAM

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent to speak not to exceed 5 additional minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator may proceed.

Mr. BYRD of West Virginia. Mr. President, I am sure that many Members of the Senate are encouraged by the fact that our distinguished majority whip, the Senator from Montana [Mr. MANSFIELD], is directing a thorough and comprehensive study, through a Foreign Relations Subcommittee, of alleged abuses and mismanagement in our foreign aid program.

I believe that every Senator, regardless of his feelings in regard to foreign aid, will agree that it is a very desirable undertaking to make an objective examination of these charges.

Therefore, Mr. President, I wish to propose that the Senate should abstain from passing a foreign aid appropriation bill until the final results of the study by the Senator from Montana [Mr. MANSFIELD] and his subcommittee have been received. I feel that we should admit that we are in no position to vote on this important program as long as many charges against it have not been fully investigated, and that we should suspend judgment until the investigation is completed.

I will readily concede, Mr. President, that I believe where there is smoke, there must be some fire. I think the allegations that our foreign aid dollars are being misused and carelessly strewn over the globe have been repeated so frequently, and by such reliable personages, that some credence must be placed in them.

Even the President himself has admitted, in effect, that there is abuse in the foreign aid program. Just 12 days ago, he sent to the Congress a report which acknowledged awareness "of the charges of waste and maladministration made in connection with our aid program," and added that "there is no question but that some of these criticisms are justified." A United Press International story which contained these serious admissions was printed in the July 23 issue of the Williamson (W. Va.) Daily News, and I ask unanimous consent that the article may be printed as a part of my remarks in the CONGRESSIONAL RECORD.

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

REPORT ACKNOWLEDGES WASTE IN FOREIGN AID

WASHINGTON.—President Eisenhower sent to Congress today a report acknowledging waste and maladministration in the foreign aid program and calling for steps to end it.

The report also recommended that nations receiving aid seek to guarantee increasingly honest government at their end.

The report, prepared by a presidential study committee of former Government officials, was transmitted to Congress by Eisenhower without comment.

The committee, headed by William H. Draper, Jr., also recommended long-range financing of the oversea development loan fund a proposal that the President himself once opposed.

Congress has approved a compromise bill—now on the President's desk awaiting his signature—which authorizes $3,556,200,000 in foreign aid spending during the current fiscal year.

But the big foreign aid battle, in which charges of waste and maladministration will play a large part, is still to come. The compromise bill merely authorizes expenditures and Congress still must put up the actual money.

The Presidential Committee said its members were aware of the charges of waste and maladministration made in connection with our aid program," but added:

"While we believe that the administration and coordination of these programs has improved in recent years, there is no question but that some of these criticisms are justified.

"However, the conclusion we reach is that the programs must be continued and better administered, not emasculated or abandoned."

It recommended creation of a single Federal agency to administer all economic aid programs now scattered throughout the Government under general supervision of the State Department.

The report said that too many uncoordinated voices are being permitted to speak for the United States and officials of recipient countries had difficulty in understanding the purpose and function of the numerous American agencies operating abroad.

The report also criticized "an excessive amount of staff time" devoted to interagency coordination on foreign aid and the fact that in no one place in Government was there a complete, meaningful record of what was being done in each country.

The committee suggested that the proposed single foreign aid agency might be made a semiautonomous unit within the State Department. But it definitely favored setting up the agency outside the Department as an independent unit of Government with basic responsibility for all major related economic assistance programs.

Mr. BYRD of West Virginia. Mr. President, it is evident that there is considerable weight to the argument that some of our foreign aid money is not being properly utilized, and is not achieving the purpose for which the American people are paying so dearly.

In addition, there is another sort of charge against our foreign aid program; namely, that there is considerable secrecy and coverup of mistakes upon the part of the directors of the program. This allegation has been voiced many times, and was repeated Saturday afternoon in an editorial in the Washington Daily News. I ask unanimous consent that the editorial, too, may be printed in the RECORD as a part of my statement.

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

FOREIGN AID SECRECY

The question of official secrecy in the foreign aid program came up again yesterday at the Senate committee hearing on charges of maladministration in Vietnam.

International Cooperation Administration (ICA) officials promised full cooperation to clear up the charges, with some reservations. They will withhold, as a matter of fixed policy, evaluation reports dealing with foreign aid projects and personnel.

This policy of withholding information from Congress is defended, by President Eisenhower among others, as a matter of Executive privilege. It has been used even to keep desired information from the General Accounting Office.

Congress met this refusal with a paragraph in the foreign aid authorization bill, directly requiring that all such information be furnished to the Accounting Office and to any committee of Congress.

President Eisenhower replied, in substance, that this was an infringement on his Executive authority and that he would ignore it.

And so the House has toughened its stand with a requirement that if, after 20 days, ICA still refuses to make desired information available, money for the project involved will be cut off.

Constitutionality of such a requirement never has been tested, but we hope it sticks. These billions for foreign aid are provided reluctantly by the American people out of record taxes, on the theory that every penny thus spent is essential to American security.

This money is spent in the far corners of the world, out of sight of the average citizen. As is the case whenever huge sums are freely available, there is inclination toward waste and extravagance which can be prevented only by constant vigilance.

This is a case where, in our opinion, Congress is right and Ike is wrong.

Congress appropriates this money and Congress certainly should insist on full accounting. We hope the Senate adopts a similar 20-day rule and insists it be enforced.

Mr. BYRD of West Virginia. Finally, Mr. President, in addition to all these accusations of waste, misuse and secrecy, there is a growing feeling in America, I believe, that our farflung foreign aid program actually is not a good investment for the American taxpayers. I think that many Americans are beginning to wonder how long our country can continue to shoulder the economic burdens of more than half a hundred nations, while our own national debt is greater than the total of the national debts of all other countries in the world. I think that many Americans are beginning to ask, Why do we keep buying air conditioners for Vietnam when we cannot afford proper schools for our own children and proper medical care for our own aged?

A very lucid example of this hometown-American view was contained in an editorial which was published in the July 21 edition of the Sunset News-Observer of Bluefield and Princeton, W. Va. The editorial was titled, "Pakistan Versus Brush Creek." I ask unanimous consent that it may be printed in the RECORD as a part of my remarks.

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

PAKISTAN VERSUS BRUSH CREEK

It will be hard for Princeton and area residents to understand President Eisenhower's logic if he vetoes the public works appropriations bill which contains the funds for the badly needed Brush Creek flood control project. For here is a situation in which an expenditure of a modest amount of Federal funds could give an economic lift to an area of our own country as badly in need of help as any place you can find. Maybe we'd stand a better chance of getting help if we could fool the President into thinking Princeton is in Pakistan instead of West Virginia.

We are not sure, of course, that the President is going to veto the measure. But yesterday's story from Washington in which he criticized Congress for appropriating money for new domestic public works projects was not encouraging. Privately, our representatives in Washington are saying that Ike may not actually go through with his threat. They point out that the overall amounts in the bill are only slightly more than the President requested. But what

apparently irks Ike is that 44 new projects were added by the House and 38, of which Brush Creek is one, were added by the Senate. He sees the thing as a challenge to his determination to balance the budget whatever it may cost in terms of domestic programs.

It's the old familiar story, of course. Cutting government spending is fine so long as it applies to the other fellow. But there's more to it than that. If the U.S. economy, generally and not just in spots, is going to grow stronger and expand as it should, then Federal projects such as this which can provide new job opportunities, and hence more national income and more tax revenues, should be undertaken. We cannot afford to continue supporting public works projects all over the world (which Ike likes)—we simply will not have the tax revenues to do it—unless we undertake new projects at home which will boost our own economy. The good old goose that lays the golden eggs might quit laying one of these days.

Ike's viewpoint, in our opinion, is the short-sighted one. Balancing the budget is a desirable goal. But why balance it at the expense of the future of Princeton and other U.S. communities? Why not shave a little more off of aid for Pakistan, or wherever the money is going now?

Princeton and Mercer County, we submit, could use some foreign aid. And the returns, we wager, would be considerably more tangible than those realized from some of the aid we have sent all over the globe.

The prospect of reclaiming land that can be used for new business and industrial development, and at a reasonable cost, right here in our own bailiwick fully justifies the Federal appropriation, we think. We hope Ike sees it that way.

Mr. BYRD of West Virginia. So, Mr. President, in view of the charges of waste, the charges of mismanagement, the charges of official secrecy, and the grassroots feeling that perhaps some of the immense quantities of money which we are scattering overseas might be better spent at home—in view of all these things, I repeat my proposal.

I respectfully submit that the Senate should withhold approval of any more foreign aid appropriation bills until the findings of the investigation being conducted by the Senator from Montana [Mr. MANSFIELD] and his subcommittee have been made known.

Mr. President——

The PRESIDING OFFICER (Mr. GRUENING in the chair). The Senator from West Virginia.

UNITED STATES MUST STAND UP AGAINST KHRUSHCHEV

Mr. BYRD of West Virginia. Mr. President, in Friday's edition of the Washington Post, there was a copyrighted article by former President Harry S. Truman, entitled, "Harry Truman Writes: United States Must Stand Up Against Khrushchev."

I feel that there is great wisdom in the contents of the article. I feel that the words of caution voiced by our distinguished former Chief Executive could well serve as guides to each person who helps direct our Nation's course in these tense days.

In order that the Congress may have benefit of our former President's views on this crucial world question, I ask unanimous consent, Mr. President, that the article be printed in the body of the RECORD.

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

HARRY TRUMAN WRITES: UNITED STATES MUST STAND UP AGAINST KHRUSHCHEV

(By Harry S. Truman)

Our current encounters with Russian diplomacy should serve as added warning that to falter or to hesitate in dealing with Khrushchev can only lead to more trouble.

The unrelenting pressure on the free world by the Kremlin can only be met by steady and determined resoluteness. For us to appear to be begging the Communists for peace or to try to go over their heads to the Russian people will do us no good. The Russian people have no voice in their dictatorship and are being kept in total ignorance about the United States and the conditions in the world as a whole.

The situation—already bad—could become even more serious if we give Khrushchev reason to think that we of the West are weak, confused, and divided and that he can bluff us into bargaining away our rights and security by threats of total destruction. The visit to Russia by a Vice President of the United States would, under halfway reasonable circumstances, be seized upon by the Soviet Government to help toward a more hopeful understanding. But the Kremlin seems to prefer an atmosphere of crisis and tension, because it best serves its plan for government control and exploitation of all its satellites and for further expansion of the Communist world.

COMMON DECISIONS

We sometimes make the mistake of assuming that dictators underestimate our strength and determination to resist them. I was sorry to see the West give the impression recently of being unable to arrive at common decisions in such matters as a summit meeting, how to cope with an attempted blockade of West Berlin and nuclear weapons in France.

Clearer leadership on our part should have prevented these matters from developing into differences among the allies.

Under present conditions, one of the most important responsibilities of our leadership is to keep our allies together. This is not easy. Our allies are free and, of course, have views of their own. But in recent years there has been a feeling on the part of some of them that we have lacked sympathy and understanding of their problems. For my part, I think that this feeling grew out of our actions during the Suez crisis, and I must add that feeling was in some measure justified.

I have an impression that our friends and neighbors in Cuba and South America are disturbed about our policies toward them today. And I hope we do something about that situation so that we do not blunder into the hands of the Communist fifth column now active in this hemisphere.

For instance, in Cuba, I think that Fidel Castro is a good young man, who has made mistakes but who seems to want to do the right thing for the Cuban people, and we ought to extend our sympathy and help him to do what is right for them.

During Franklin D. Roosevelt's administration and my own, we sought to do what we thought was in the interest of the nations of South America, to do what was best for their people, without regard to special interests. And the people of South America knew we were not out to exploit them.

However, in our relations with the Kremlin, we have but one choice, and that is to meet force with force and to confront bluff and bluster with cool and determined resoluteness. If the Communists should blockade West Berlin, we ought to break through it, and that should be the end of the blockade.

If we permit the Communists to cut us out of Berlin, we will provide them with the means to take over the rest of Germany, and go on from there.

FIRMNESS STRESSED

If Khrushchev is not stopped at Berlin, there will be no stopping him anywhere in Europe. Unless we keep this in mind in our dealings with the Communist dictatorship, we shall run the risk of hesitating and faltering and thus encourage the Soviet dictators in their mad adventure.

Strong leadership by the United States is the one possible way of arresting the trend toward war through a miscalculation. The only one who dares to engage in warlike behavior is Khrushchev, aided and abetted by his comrades in arms in Red China.

We certainly never did and do not now want war, but it would be the grossest folly of miscalculation if the Kremlin and Red China believed we would stand for peace at any price.

I am disturbed by the continuing spectacle of so many well-intentioned, distinguished Americans traveling to Moscow on their own and intruding into the conduct of our foreign policy.

It is difficult and trying enough for this country to confront Russian propaganda, which has been seeking to divide and confuse us, but seldom have we been so badly served as we are now by a procession of visitors who come back and rush into print to tell us what Khrushchev intends to do. I wonder if these visitors realize that they are being used by Khrushchev to serve his purposes, which are to confuse, intimidate, and frighten free nations into surrendering to the Communists on their terms.

A fellow Missourian, Mark Twain, once talked of "Innocents Abroad," but he was referring to Americans who went abroad for amusement and not to meddle into foreign affairs. The Kremlin has seized upon the willingness of recent visitors to propagandize this country over the heads of our Government.

It makes it more difficult for the President and the Secretary of State to carry out the established policy of the Government.

MEDDLING DECRIED

All Americans should, of course, be free to travel and meet and converse with anyone they choose, but it is quite another matter when these visits and meetings are used by the Russians to meddle in the business of our constitutional policy makers.

If any of these travelers wish to undertake personal missions, they ought to make sure that they have the approval of the Government of the United States. They should bear in mind that the Logan Act prohibits unauthorized negotiations, formal or informal, by Americans with any foreign powers at any time.

With the present explosive situation between the free and the Communist-slave worlds, the dangers of misunderstanding caused by public statements of prominent Americans, in my judgment, calls for someone to put a stop to these activities.

I am not talking about curbing the fullest reporting by competent and professional reporters, just as I am in favor of giving the widest publicity to all matters pertaining to the conduct of our foreign affairs so that we may have a fully informed public; but what I am opposing is the use of visits to Moscow by prominent people—in or out of public life with no official responsibility for conducting our foreign negotiations—making statements and purporting to speak with some authority to the American people when they who speak, themselves, are not fully informed of all the circumstances involved.

If the President is to conduct our foreign affairs with a strong and firm hand, he cannot tolerate intrusions by unauthorized persons or groups of persons, no matter what

their aims. The President is in the best position to know all the facts and conditions in the exercise of his leadership. This is no place for amateurs who get themselves exposed to only one facet of a complicated situation.

Any one of these private interviews with Khrushchev—whether for 15 minutes or 8 hours—is a privileged sanctuary for him, from which he can shake his fist, threaten with missiles and make irresponsible statements with diplomatic immunity.

HARRIMAN CRITICIZED

I have the highest regard for Averell Harriman as a keen observer. He has served his country with distinction. As a matter of fact, he was among the first to sense the trend in Russia's course of hostilities toward the West. I wish that he had reported what transpired between him and Khrushchev to the President or the Secretary of State and stopped there.

Mr. Harriman understood Stalin with rare insight and communicated it, as he should have done as Ambassador, to Washington. But I think Khrushchev may have overimpressed him.

I am glad that, at long last, the administration is about to avail itself of the special talents and experience of Chip Bohlen in recalling him to the high councils of the State Department. Ambassador Bohlen not only possesses the knowledge of the Russian language—he knows the Russians.

He should be of great help and strengthen the hand of the Secretary of State. Bohlen acted as my Russian interpreter at the Potsdam Conference. I was impressed with his alertness to shadings and evasion in the translation of Stalin's own interpreter, Pavlov. Frequently, Bohlen would correct the interpretation made by Pavlov and clarify obscure meanings. Stalin, too, appreciated Bohlen's performance, for he would smile each time Bohlen corrected Pavlov.

When you caught up with Stalin, he was always easy to deal with, perhaps because he had in the back of his mind that he did not intend to keep his word and his commitments.

STUDY OF GOVERNMENT POLICY-MAKING MACHINERY

Mr. MANSFIELD. Mr. President, 3 weeks ago the Senate approved Senate Resolution 115, under which a special subcommittee of the Senate Government Operations Committee is undertaking an unprecedented study of our Government's policymaking machinery for dealing with the cold war. This study has been given front-page treatment and extensive favorable editorial comment in the Nation's press.

I share the conviction of the editorial writers that this study is in excellent hands, under the chairmanship of the distinguished junior Senator from Washington [Mr. JACKSON].

I ask unanimous consent to have printed in the RECORD a number of editorials and news stories attesting to the importance of this study.

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

[From the New York Times, July 19, 1959]

PRESIDENT BACKS SENATORS' STUDY OF POLICY-MAKING—HE SHIFTS STAND AND AGREES TO FACILITATE INQUIRY ON DEVISING STRATEGY—NOT AN INVESTIGATION—LEGISLATORS VOW THEY WILL NOT INFRINGE ON ADVISING BY NATIONAL COUNCIL

WASHINGTON, July 18.—President Eisenhower, reversing his earlier opposition, has pledged White House cooperation in a forthcoming congressional study of the Government's organization for reaching national policy decisions.

The President's assurance of cooperation in the unusual congressional inquiry was disclosed today by Senator HENRY M. JACKSON, Democrat, of Washington, who will head the three-man Senate Government Operations Subcommittee conducting the inquiry.

Senator JACKSON said in a statement that the White House cooperation would make possible an unprecedented congressional study of the adequacy and the shortcomings of the present organization for devising national strategy.

SCHOLARLY EVALUATION

"Never before have the Congress and the executive branch worked together in a scholarly and nonpartisan evaluation of our national policy machinery," the Senator declared.

An exchange of letters with the President made public by the Senator disclosed that President Eisenhower early had serious objections to the proposed inquiry and had expressed his concern in a letter to the Senate majority leader, LYNDON B. JOHNSON, Democrat of Texas. From the exchange it was evident that the President was concerned that the inquiry might infringe upon Executive privileges and go into the sensitive area of National Security Council deliberations.

To meet these Presidential objections, proposed guidelines for the inquiry were worked out in discussions between Senator JACKSON and Bryce N. Harlow, a Deputy Assistant to the President.

STUDY, NOT INVESTIGATION

The proposed guidelines specify that the inquiry, so far as it relates to the National Security Council, "will be a study, not an investigation" and "will not attempt, by legislation or otherwise, to infringe upon the constitutional privilege of the President to obtain advice through such organization and procedures as he deems appropriate."

The guidelines also state that the study of the National Security Council will be directed to its purposes, composition, organization, and procedures and will not go into substantive matters considered by the council.

In a letter to Senator JACKSON on July 10, the President said that the guidelines "relieve the most serious of the concerns" expressed in his earlier letter to Senator JOHNSON. He gave assurances, therefore, that the White House staff would "work cooperatively with your subcommittee in an effort to help make this study of value not only to the legislative branch but to the executive branch as well."

PRESIDENTIAL STUDY CITED

The President's letter indicated that the study might play a role in the reorganization plans he intended to submit to Congress before retiring from office. At his news conference this week, the President observed that the present organization imposed "unsolvable" burdens upon higher Government officials and said that he planned to submit some reorganization recommendations to Congress so his successor will have the benefit of a better organization.

Senator JACKSON, who is a member of the Senate Armed Services Committee and the Joint Congressional Committee on Atomic Energy, has criticized the present policymaking machinery on the ground that it does not "produce clearly defined and purposeful strategy for the 'cold war.'"

He has made some proposals for revising the present organization, including establishment of several policy planning staffs in various Government agencies to relieve the National Security Council of some of its planning responsibilities and creation of a national academy to act as a permanent policy study group in all phases of defense strategy.

FUNDAMENTAL ISSUES SEEN

"The fundamental issues," Senator JACKSON said in his statement today, "is whether a free society can so organize its human and material resources so as to outthink, outplan and outperform totalitarianism."

In carrying out its study, the subcommittee plans to hear testimony from officials who have held policymaking jobs in both Republican and Democratic administrations. Preliminary hearings are expected to begin next month.

Senator JACKSON announced the appointment of three men to the subcommittee staff:

Kenneth Mansfield former staff member on the Joint Congressional Committee on Atomic Energy and now assistant to the director of Combustion Engineering, Inc., of Windsor Conn., who will serve as staff director; Robert W. Tufts, former member of the State Department policy planning staff and now Professor of Economics at Oberlin College, and Greenville Garside, a New York lawyer.

[From the New York Times, July 20, 1959]

A LOOK AT NATIONAL POLICY

Senator HENRY M. JACKSON, Democrat from the State of Washington, believes that today's "fundamental issue is whether a free society can so organize its human and material resources as to outthink, outplan and outperform totalitarianism." He has overcome President Eisenhower's original reluctance to cooperate in a scholarly and nonpartisan evaluation of our national policy machinery.

Anyone who delves into that illuminating publication called the U.S. Government Organization Manual is likely to come out with a headache and a realization of the need for some study of this sort.

The trouble is not that we lack policymaking machinery, especially in the obvious fields of foreign programs and defense. We have the National Security Council, whose members include the President, Vice President, Secretary of State, Secretary of Defense and the Director of the Office of Defense Mobilization.

We have a Planning Board to formulate policy recommendations to be considered by the Council; we have an Assistant Secretary for Planning in the State Department, with the modest task of evaluating current foreign policy in the formulation of long-range policies; the Office of Defense Mobilization coordinates all mobilization activities of the executive branch of the Government; the Central Intelligence Agency advises the Council concerning such intelligence activities of the Government departments and agencies as relate to national security, and all the Operations Coordinating Board has to do is to provide for the integrated implementation of national security policies.

In this setup there are little wheels and big wheels. Senator JACKSON, who is a member of the Committee on Government Operations and therefore familiar with the work of the Hoover Commissions, will understand the problems and the difficulties.

A layman might suspect that what the Government needs is a simplified structure of responsibility and command. Who does the original thinking when everybody is either being coordinated or is coordinating somebody else? The Government is overweight, perhaps not so much with squandered money as with overlapping agencies.

Senator JACKSON's three-man Government Operations Subcommittee may get somewhere if he sticks to his announced princi-

ples and resists the temptation to put on a circus. A scholarly congressional inquiry would be refreshingly new.

[From the Christian Science Monitor, July 20, 1959]

PRESIDENT, CONGRESS LAUNCH POLICY VENTURE

(By Neal Stanford)

WASHINGTON.—A unique experiment in legislative-executive cooperation is in the making, now that President Eisenhower has pledged his support of a forthcoming congressional study of the government's machinery for reaching national policy decisions.

Normal procedure would have resulted in a congressional study—with Senators trying to pry into the administration's mechanics of formulating national policies—and the administration adamant against congressional encroachment.

It is only stating facts to report that the White House was more than a little cool to the original proposal as presented by Senator HENRY M. JACKSON, Democrat, of Washington, who will head the three-man committee making the investigation.

INVESTIGATION OUT

The President was concerned lest the investigation infringe upon executive privileges and get into the sensitive area of specific National Security Council decisions.

It is the NSC—with members including the President, Vice President, Secretary of State, Secretary of Defense, and the director of the Office of Defense Mobilization—which does the final fact finding and correlation on all major national-security problems.

But after some exchanges, a number of guide lines were agreed to by White House and Senate leadership to keep this from becoming either a witch hunt or a whitewash.

It was agreed that the inquiry would be a study, not an investigation—investigation carrying unsavory overtones.

It also was agreed that the Senators would not attempt in any way to infringe the constitutional prerogatives of the President to seek advice and help in any way he deems appropriate.

And thirdly, it was agreed that the study would not get involved in specific substantive matters considered by the National Security Council—which could only result in aid and comfort to unfriendly powers.

PRESIDENT DISSATISFIED

One reason President Eisenhower—assuring himself of adequate safeguards—was ready to cooperate with the Congress in this matter was disclosed at a recent press conference.

The President let it be known that he is himself quite dissatisfied with some governmental machinery in general and certain features specifically. As he told newsmen, the present machinery imposes unsolvable burdens on government officials.

And he announced that he himself would before long present some reorganization plans with the one purpose of leaving his successor a more workable system.

ISSUE PINPOINTED

No one is arguing that there is not enough "machinery" in the Federal Government to handle decisionmaking. But both White House and Congress are increasingly persuaded that the machinery that exists is inadequate, inefficient, overlapping, and archaic.

In sponsoring this study Senator JACKSON asserted: "The fundamental issue today is whether a free society can so organize its human and material resources as to outthink, outplan, and outperform totalitarianism."

It is his position that the United States and its allies can do just that but not with the present machinery, staff structure, responsibilities.

Members of the Senate making the study are to be: Senator JACKSON, Senator HUBERT H. HUMPHREY, Democrat, of Minnestota, and Senator KARL E. MUNDT, Republican, of South Dakota.

In the forthcoming hearings both Democrats and Republicans who have held or hold policymaking jobs in the Government will be heard.

Present machinery for reaching national policy decisions includes such a variety of councils, boards, agencies as: the National Security Council, the Operations, Coordinating Board, the Central Intelligence Agency, the Office of Defense Mobilization, the Bureau of the Budget, the National Aeronautics and Space Council.

OBSOLESCENCE HIT

The trouble, then, as Senator JACKSON publicly charges and the President suggests, is not that there is not enough machinery. It is rather that it is obsolescent.

Senator JACKSON hails the President's cooperative effort in this congressional inquiry as "unprecedented."

"Never before have the Congress and the executive branch worked together in a scholarly and nonpartisan evaluation of our national policy machinery," the Senator declared.

And, just as neither branch of Government can be expected to have a monopoly of wisdom, neither can either political party, as the Senator puts it, "have a monopoly of wisdom or a monopoly of error on this vital matter."

If the two parties and the two branches of Government carry through this study as envisaged it can indeed claim to being something unprecedented—as the Senator claims.

[From the Spokane Spokesman Review, July 20, 1959]

A FAIR AGREEMENT FOR POLICY STUDY

President Eisenhower and Washington's Senator HENRY M. JACKSON have pledged mutual cooperation between Congress and the executive branch in the conduct of an unusual evaluation of the purpose and operations of the national security council.

As chairman of a subcommittee on national policy machinery of the Senate Government Operations committee, Mr. JACKSON secured Senate approval last week of a resolution authorizing this study.

According to the Senate-White House agreement, this is not to be an investigation of the national security council. It is planned as a study into the "effectiveness of Government organization and procedure in the contest with world communism."

In pressing for this evaluation, Mr. JACKSON stated that "the fundamental issue is whether a free society can so organize its human and material resources so as to outthink, outplan and outperform totalitarianism."

Following conferences with White House officials, certain guidelines for the study were established and these were deemed satisfactory to the President in his correspondence with the Senator.

This is a vital field for consideration by both the executive and legislative branches of the Government. Mr. JACKSON should be encouraged to keep this study on a nonpartisan basis and to effect searching appraisal of how the United States can best utilize its superior talents and resources to strengthen America—militarily, diplomatically, economically and psychologically—in the contest that confronts this Nation and its people.

[From the Providence Journal, July 21, 1959]

STATESMANSHIP AT ITS BEST IN WASHINGTON

The agreement between President Eisenhower and Senator HENRY M. JACKSON, Democrat, of Washington, concerning a study of the policymaking machinery of the U.S. Government represents statesmanship of the highest order.

It is impossible to tell in advance, of course, how the study will be conducted or what it may disclose. But there is ample evidence of the need to take a long, hard look, as Senator JACKSON puts it, at the question of "whether a free society can so organize its human and material resources as to out-think, out-plan and out-perform totalitarianism." The decision to make the inquiry a joint undertaking of the legislative and executive branches should assure its scope and depth.

When Senator JACKSON first proposed that a three-man subcommittee of the Senate Government Operations Committee might look into the functioning of the National Security Conuncil, the President properly and understandably was alarmed. As he pointed out in a letter of objection to the majority leader, Senator JOHNSON, Democrat, of Texas, a congressional investigation of the usual sort in that area almost certainly would infringe upon executive privileges and risk the disclosure of sensitive information.

In negotiations between Senator JACKSON and a presidential assistant, however, it was found that guidelines for the inquiry could be established. One specifies that the subcommittee will conduct "a study, not an investigation" of the workings of the National Security Council. Another provides that the congressional group will "not attempt, by legislation or otherwise, to infringe upon the constitutional privilege of the President to obtain advice through such organization and procedures as he deems appropriate." The fact that the study is to be headed by a responsible and informed Senator like Mr. JACKSON is the best guarantee that these necessary limitations will be observed.

A third guideline stipulates that the study will be confined to the purposes, composition, organization, and procedures of the National Security Council but will not touch any substantive matters decided by the Council. This could come close to frustrating the entire undertaking. For example, Senator JACKSON may want to learn whether we have overinvested in nuclear power to fit the doctrine of "massive retaliation," and have underinvested in the kinds of balanced, mobile conventional-nuclear power most necessary to serve our political purposes under the still operative but unpopular doctrine of containment. It is difficult to see how he can get answers to such vital questions if he is obliged to consider the policymaking apparatus entirely in the abstract.

The hope that the study will be permitted to deal with some specific matters rests on President Eisenhower's pledge that the White House staff will work cooperatively with your subcommittee. Having taken the necessary precautions to prevent an irresponsible congressional intrusion into executive functions in the fields of foreign policy and military strategy, the President now says he is anxious to make this study of value not only to the legislative branch but to the executive branch as well.

If it is to have such value, it must have enough freedom to determine by examining the evidence how well the policymaking machinery is working. Senator JACKSON suspects that it has not produced clearly defined and purposeful strategy for the cold war. This is a legitimate subject for a congressional inquiry, provided it is conducted with scrupulous care and receives the cooperation of the executive. Both sides deserve credit for recognizing these requirements.

[From the Washington Post, July 22, 1959]

A LOOK AT POLICY FORMATION

The potential value of the study of governmental machinery for the shaping of

national policy has been greatly enhanced by the decision of President Eisenhower to cooperate with the Senate Government Operations Subcommittee in this undertaking. White House participation in the study became feasible when Senator JACKSON, chairman of the subcommittee, agreed with Bryce N. Harlow, Deputy Assistant to the President, on a set of guidelines. The result could well be the most valuable survey of national policy formation that has ever been undertaken.

Neither the congressional leadership nor the White House is wholly satisfied with the present system for the formulation of major national security policies, although the machinery has been substantially improved in recent years. Mr. Eisenhower indicated at his last news conference that he will send reorganization plans to Congress during his last year in office in the hope that his successor will be given a better organization to work with than he has had. Senator JACKSON and other leaders on Capitol Hill also have some definite ideas of how the country's best talents may be mobilized in the present struggle against the spread of totalitarianism. At least these ideas can now be brought together in a thoughtful and nonpartisan search for agencies and relationships that will best promote the national interest.

The study will not be an investigation. It will not be concerned with the problems before the National Security Council but rather with how that agency operates as an instrument for the shaping of international policies and defense planning. It would be a happy outcome, indeed, if the study should produce a plan satisfactory to both the congressional leaders and the White House, which would give virtual assurance of its enactment.

[From the Manchester Guardian Weekly, July 23, 1959]

WASHINGTON COMMENTARY—REFORMING NATIONAL SECURITY METHODS

(By Max Freedman)

WASHINGTON, July 21.—President Eisenhower made the right decision when he agreed to support Senator JACKSON's study of the Government's procedures in establishing national security programs. It did not require weeks of reflection in the executive branch to reach the conclusion that Senator JACKSON would conduct a responsible study of the National Security Council rather than a destructive investigation. His entire record in Congress, together with his special interest in defense problems, confirms his credentials as one of the most reliable and useful Members of the Senate. More than the usual measure of responsibility rests, in a study of this kind, on the staff director. It is therefore a matter for general rejoicing that Senator JACKSON has been able to persuade Mr. Kenneth Mansfield to return to Washington for this duty. During his years of service with the congressional Committee on Atomic Energy he was universally regarded as an official whose rare intellectual gifts were enhanced by his austere and disinterested concepts of public duty. It will be good to have him in Washington again.

Senator JACKSON, like many other responsible students of government, has criticized the National Security Council because it often fails to debate and to decide the crucial issues of policy. All too frequently the problem, when it reaches the Council, is presented in the form of an agreed compromise. This procedure prevents the President and the Council from seeing the question in all its tangled and urgent complexity. Senator JACKSON has suggested more planning staffs for the departments, so that they will be able to make the strongest possible case for the Council's judgment. These departments in turn can often exact a responsible and searching decision by the Council, for it will know that its policy will be subject to friendly but detailed review by independent experts.

Mere administrative machinery will not solve very much. The project of reform will collapse in failure if the members of the Council do not accept the painful duty of making the ultimate national decisions which they alone are qualified to make. But at least Senator JACKSON wants to give them a fair chance by improving the methods of consultation with the various departments, by presenting the opposed issues with challenging clarity, and by producing the necessary information for a candid and courageous debate. Senator JACKSON deserved the President's support, if only for this high purpose.

When he discussed this whole question in April before the National War College. Senator JACKSON regretted the lack of planning throughout the executive branch. Officials are inclined to leave this task to the National Security Council or to agencies that are given specific duties. The result can be seen in the absence of ideas for new policies. A great deal of talent in the Government is never used. The National Security Council itself is most active after a crisis has burst upon Washington. It usually shows less wisdom and less zeal in applying the policies which will prevent a dangerous situation from slipping out of control. It requires no morbid precision of memory to recall numerous episodes in recent American policy that confirm the accuracy of Senator JACKSON's analysis. One proof that the indictment has hit the mark is provided by the special commissions and study groups doing the work which should be done by the National Security Council if it were functioning properly.

President Eisenhower's guarded and enigmatic remarks at his recent press conference have been taken to mean that his personal discontent with existing procedures will lead him to propose a detailed reorganization plan to Congress next year. There will be no conflict between the President's proposals and the Senator's study. Both will try to strengthen the Government for the diverse tasks of peace and for the constant challenge of Communist power.

Senator JACKSON has suggested that the staff of the National Security Council be reorganized so that it would consist of the heads of the policy-planning staffs in the departments. These men would have direct access at all times to their departmental chief and would be responsible to them. He believes this kind of staff would be better prepared to define issues in a way that would compel responsible decisions by the council than is the present staff which is responsible to an independent director. This change would be frankly designed "to force the chiefs of departments and the President to make the choices between alternatives that they should make." The Secretary of State would have a central role on the council, as it would be his duty to make the first presentation in which the choices of policy are defined.

Another suggestion calls for the establishment of an Academy of National Policy. This agency would be outside the Government, but it could see secret information. It would conduct special investigations for the confidential use of the Government. Many of its reports could be published, for the academy would have as one of its tasks the preparation of public opinion in understanding the issues which would one day have to be settled by the National Security Council. Being a permanent agency, consisting of nationally respected citizens and having easy access to the thinking of the Government's leading officials, the academy might come to exercise a central influence in the development of policy.

Senator JACKSON has not intended either to anticipate or to limit the results of his forthcoming study. The inquiry may begin next month but it will almost certainly run into next year. Few activities in Washington will better reward thoughtful attention.

[From the St. Louis Post-Dispatch, July 26, 1959]

NATIONAL SECURITY COUNCIL COMES UNDER PUBLIC STUDY BY U.S. SENATE COMMITTEE—GOVERNMENT'S HIGHEST POLICY ADVISORY GROUP CALLED A DANGEROUSLY MISLEADING FACADE BY A SENATORIAL CRITIC—LONG-TERM PLANNING SAID TO BE NEGLECTED—NIXON INCIDENT IS CITED

(By Raymond P. Brandt)

WASHINGTON, July 25.—With limited cooperation promised by President Eisenhower, a Senate subcommittee is preparing for the first public study of the National Security Council, the highest policy advisory group in the Government.

Chairman of the three-man subcommittee of the Government Operations Committee is Democratic Senator HENRY M. JACKSON, of Washington, a severe but constructive critic of the Council's setup, recommendations and operations. He is also a member of the Armed Services and the Joint Atomic Energy Committees. The other members are Democrat HUBERT H. HUMPHREY, of Minnesota, a member also of the Foreign Relations Committee, and Republican KARL E. MUNDT, of South Dakota, also on the Appropriations Committee.

JACKSON is convinced that the Security Council has failed, under Presidents Truman and Eisenhower, to live up to its promises and potentialities envisioned when it was established as an integral part of the 1947 National Security Act.

"As it now functions," he told the Post-Dispatch, "the NSC is a dangerously misleading facade. The American people and even the Congress get the impression that when the Council meets, fresh and unambiguous strategies are decided upon. That's not the case though it ought to be. The NSC spends most of its time readying papers that mean all things to all men.

"As a result, national decision making becomes in fact a series of ad hoc, spur of moment, crash actions, when there is action at all. Because the NSC does not produce positively worded strategy and see that it is carried out, the handling of day-to-day problems is necessarily left to the departments concerned. Each goes its own way because purposeful, hard-driving, goal-directed strategy, which alone can give cutting edge to day-to-day tactical operations, is lacking."

A minor but timely example of the lack of executive branch foresight was the coincidence of Vice President NIXON's arrival in Moscow Thursday to open the American fair, with President Eisenhower's proclamation for a Week of Prayer for the nations held captive by Russian communism.

For their own political purpose the Kremlin undoubtedly would have found other ways to downgrade the NIXON good will gesture if this Government had not given Khrushchev and Pravda a readymade target for propaganda blasts.

NIXON's trip to Russia was a high-level policy decision. It was not the Security Council's function to try to guess what probable counter actions the Kremlin would take. That would be the job of the lower level Operations Coordinating Board which is expected to see that the approved policy is carried out in the most effective way. The coincidence of the visit and the proclamation probably was an accident.

But the accident could have been avoided if someone in the State Department, the U.S. Information Service, or Central Intelligence, all represented on the Coordinating Board, had been able to delay the issuance of the proclamation until after NIXON's visit.

JACKSON wants the Council to act in accordance with Bernard M. Baruch's personal definition of a speculator as "a person who sees what is going to happen and does something about it." Baruch emphasizes that the doing something is just as important as seeing what is going to happen.

The Council, which in potentialities ranks higher than the Cabinet, is headed by the President, who presides at weekly meetings when he is in Washington. The other statutory members are Vice President Nixon, Secretary of State Christian A. Herter, Secretary of Defense Neil H. McElroy, and Director Leo A. Hoegh, of the Office of Civil and Defense Mobilization.

The Council's papers are only advisory recommendations to the President who constitutionally is responsible for foreign policy. Once he has signed them, however, they become operational directives to the departments and agencies, primarily State, Defense, OCDM, and the U.S. Information Agency.

In practice, about 10 other high ranking officials, backed by their experts, attend the Council meetings. They include Treasury Secretary Anderson, Attorney General William P. Rogers, Budget Director Maurice H. Stans, Chairman Raymond Saulnier of the President's economic advisers, Gordon Gray, Presidential Assistant for National Security Affairs, General Nathan Twining, Chairman of the Joint Chiefs of Staff, Director George V. Allen, of the USIA, and Director Allen W. Dulles, of the Central Intelligence Agency. These officials do not have a vote on policy papers.

The meetings, which last from 2 to 3 hours, are almost invariably opened by Dulles with a briefing on the latest international intelligence. Its agenda is handled by Gray, who is a principal member both of the planning staff, composed of experts from various departments and agencies, and the Operations Coordinating Board, of which an Under Secretary of State is chairman.

The Jackson resolution authorizing the study of the NSC setup was unanimously approved by the Senate July 14 and carried with it an appropriation of $60,000. Preliminary work has already been started by a three-man expert staff and public hearings may be held within a few months. The first report must be made by January 31. The subcommittee's life probably will be extended.

President Eisenhower agreed to cooperate with the study only if rather severe limitations were accepted by the subcommittee. These were worked out between Jackson and Bryce N. Harlow, the President's deputy assistant.

In summary, these conditions were:

1. The inquiry will be a study, not an investigation.

2. The testimony of executive branch officials must not deal with substantive considerations before the Council or its subordinate machinery.

3. The study will be confined to matters involving purposes, composition, organization and procedures, all subject to appropriate safeguards regarding classified projects.

4. All testimony by present and former officials who have served on the NSC and its subordinate bodies will first be taken in executive session. Decision as to later public hearings and release of testimony will be agreed upon by the committee and a representative of the President.

On June 25, Mr. Eisenhower wrote to Senate Majority Leader LYNDON B. JOHNSON what, in effect, was a protest against the resolution. This letter has not been made public but it expressed a natural concern that an investigation might get into the sensitive area of the President's foreign policy responsibilities and undermine the usefulness of the Council itself.

After the subcommittee guidelines had been agreed upon, the President wrote JACKSON that within those bounds his staff, including personnel of the NSC organization would cooperate to help make this study of value not only to the legislative branch but to the executive branch as well.

Commenting on this letter, JACKSON said Mr. Eisenhower had made a "major contribution" to the study which should produce some practical results in the national interest.

JACKSON's concept of the NSC organization and the President's responsibilities for foreign policy and national security is much more comprehensive than Mr. Eisenhower's.

His basic complaint is that we are losing the cold war when we could be winning it.

Committee after committee, he points out, has proposed programs to fortify our position in the cold war, for every new crisis we seem to get a new committee.

"It is a formidable list," he observes, "for example the Finletter committee, the Gray committee, the Paley commission, the Sarnoff commission, the President's Committee on Scientists and Engineers, Citizens Advisers on Mutual Security, the Gaither committee, the Draper committee, the Boeschenstein committee—not to mention the Committee on Economic Development and the study groups of the Rockefeller Brothers Fund.

"Over and over again these committees warn that we are losing the cold war. Their reports are not refuted, neither are they acted upon. They are simply referred to some other committee for 'study'."

JACKSON believes that policy planning staffs should be set up in each major department and agency, "with a position, role, and prestige" like that of the Policy Planning Staff in the State Department during the Truman Administration. He would also consider establishing an "academy of nation policy" outside the Government, the equivalent of a permanent Gaither committee, which would have access to classified information.

The Washington Senator does not expect immediate radical changes in the NSC organization as a result of the subcommittee study. Much will depend on who is elected President next year because the NSC is an intimate advisory group for the President.

[From the New York Times, Aug. 2, 1959]

NEW APPROACH TO FOREIGN POLICY—COMMITTEE TO STUDY U.S. PLANNING

(By Russell Baker)

WASHINGTON, August 1. — Without fanfare, the machinery has begun to roll here for a joint White House-Congressional undertaking that could be of immense importance in the decade ahead.

The object is review and possible revision of the fundamental processes through which the United States Government makes and carries out the highest national policy.

The prime mover is Senator HENRY M. JACKSON, Democrat, of Washington, who has been arguing for months that the existing cumbersome and labyrinthine bureaucracy charged with policymaking has proved a dismal failure against the peculiar challenge of cold war.

A few weeks ago Senator JACKSON finally found an influential and not unenthusiastic supporter for his thesis that it was time at least to start reexamining the policymaking machinery.

President Eisenhower, after an initial coolness toward the project promised White House cooperation in a nonpolitical Senate study that will examine and recommend improvements in the present system.

The study will be managed by a three-man panel of the Senate's Government Operations Committee. Senator JACKSON is the chairman. His colleagues will be Senators HUBERT H. HUMPHREY, Democrat, of Minnesota, and KARL E. MUNDT, Republican, of South Dakota.

STAFF READY

The President has assigned Charles A. Haskins, senior staff member of the National Security Council, to work closely with them. A professional staff has already been assembled and is at work. A few hearings may be held later this summer but the bulk of the work that will attract public notice is unlikely to begin until early 1960.

Behind these unstartling facts lie problems and issues of the greatest sensitivity and the most profound importance. National security policy touches in some degree, every activity of public life and lies at the heart of most contemporary political controversy.

Into its formulation go questions great and small: How extensive a military commitment will national resources safely permit? What should be the policy toward the Middle East? Would the psychological value of an expensive technological demonstration justify expenditures that threaten the economy's stability? What are the United States' long-term goals in the cold war? Is it wise to build a grain elevator in Pakistan and deny Idaho's demand for a new dam?

Ideally, the thousands of daily decisions made by the executive branch would conform to a set of policy guidelines charted by the President in consultation with his highest advisers, the whole directed toward moving the Nation along a defined course toward an understood goal.

AGREED GOALS

Obviously this directed course would be impossible and unthinkable in a nontotalitarian state, even if it were blessed with a leader of the omniscience required to chart it.

In an effort to fit democratic government for a prolonged competition with totalitarianism, Congress and the President have gradually created a system of organizations where, in theory, agreed goals are synthesized from the constant clash of ideas and interests within government, and where alternatives are prepared for the President to weigh when he must make an important decision in crisis.

Senator JACKSON's charge is that the organization has fatal flaws for the cold war situation. President Eisenhower, through his recent discussion of the need for well defined national goals, of the lack of time for top Government men to think, and of the need for a White House reorganization after 1960, has indicated his own dissatisfaction with the present system.

"The central issue of our time," Senator JACKSON said in a speech to the National War College in April, "is can a free society so organize its human and material resources as to outperform totalitarianism?"

"Come a crisis, we may arouse ourselves to take emergency action," he said. "We appoint a science adviser to the President, we rush wheat to India, we improvise an airlift to Lebanon, we consent to a summit meeting. But at no time are the vital energies of our people fully engaged. * * * At no time are the tasks of the cold war presented in terms that are meaningful to men at the work bench, to shopkeepers, to children in school, and to housewives."

FLAW NOTED

Directly under the President at present are the Cabinet and the National Security Council with its subsidiary Planning Board and Operations Coordinating Board. In addition, there are the Joint Chiefs of Staff in the Pentagon, the offices of the Secretaries of State and Defense, various departmental planning staffs, hundreds of advisory boards, steering groups, interdepartmental committees and special Presidential committees.

Under the organization charts, the Planning Board of the NSC plans new policies

and programs which are then considered by the appropriate department heads before an agreed paper is presented to the NSC. The NSC functions as a presidential advisory board. Decision rests with the President.

The agreed policy is then carried out under the supervision of the Operations Coordinating Board.

Senator JACKSON contends that the flaw in this picture is that the NSC simply does not operate as the charts depict. In fact, he argues, NSC papers are inevitably no more than compromises worked out among conflicting departments and, therefore, lacking in the "sharply defined policy issues and choices" that a President should have before him.

CRASH ACTION

"An NSC paper is commonly so ambiguous and so general that the issues must all be renegotiated when the situation to which it was supposed to apply actually arises," he said in his War College speech.

As a result, he contends, high decision-making becomes a series of "crash actions."

The NSC was established by Congress in 1947 but it has not been subject to congressional study since. Senator JACKSON, realizing the sensitive area he will be treading, has agreed with the President that his study is to be apolitical, without attempts to embarrass or sensationalize, and dedicated to strengthening the hand of the President of the future, to whichever party he may belong.

The prospect for headlines is dim. The opportunity for Senator Jackson to make a significant contribution to the art of Government is enormous.

HUMAN NEEDS IN URBAN SOCIETY

Mr. MURRAY. Mr. President, my interest was recently caught by a statement of Dr. Karl Menninger, the famed chief of staff of the Menninger Foundation at Topeka, Kans., that wilderness and near wilderness areas are essential to the mental health of both children and adults.

Upon inquiry about the statement, Dr. Menninger sent me the text of an article he wrote for the Architectural Record of July 1959, on "Human Needs in Urban Society," where the statement is made.

I ask unanimous consent to have the text of Dr. Menninger's article printed in the RECORD.

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

PLANNING FOR AN INCREASING LEISURE—HUMAN NEEDS IN URBAN SOCIETY

(By Karl Menninger [1])

If a psychiatrist were to be interviewed by a group of architects and builders, they might ask him some such question as this: "There are many of us engaged in the sciences and arts involved in planning and building houses, schools, factories, subdivisions and cities. Our aim in the long view is the more complete fulfillment of human needs insofar as these depend upon physical structures. For our guidance we must depend upon the experience of previous failures, failures which we can analyze and try to make provision against in the ever-opening future. In this way, we believe, we create more and more stately mansions and more and more comfortable human colonies.

"The failures from which we have learned least are the human failures, the individual citizens who, for all our diligent planning and provision, nevertheless fall sick, turn back from their goals and even attack the very community which has given them life. About such failures we expect psychiatrists to have something to say to us, because psychiatrists see these failures. Of course lawyers see them too, and clergymen and general physicians. But psychiatrists see more of them than anyone, especially of those whose behavior suggests a deep frustration of human needs and purposes. Some of the lacks in these damaged lives may reflect an omission or an error in the planning and building of human habitations. What can you, a psychiatrist, tell us that will help us to know how to plan and build better for people?"

This is not the kind of question which psychiatrists ordinarily must answer. In practice, we are usually faced with an immediate problem of damage done. Frustrations have become unbearable; disappointments, temptations, and aggressions have overwhelmed control. Reactions have occurred which necessitate special maneuvers by the doctor, from consolation to hospitalization or even incarceration. This is our daily practice. In theory, a few research projects have been developed which engage the cooperation of sociologists, but psychiatry for the most part concentrates upon the individual's capacity to make the best of his situation, whatever it may be.

We have made some progress away from the ancient notion that behavior programs are inherited along with the family silver and Grandmother Wright's asthma. We are not quite in agreement with the Russian psychiatrists for whom it is an axiom that nothing is inherited, but we no longer use heredity as a whipping boy or an alibi. Nor do we go along with the Russians in dispensing with individual responsibility, picturesquely and improperly labelled "free will." But most psychiatrists throughout the world would probably concur that much human maladjustment—or let us just say crime and illness—is directly related to social structures, social pathology, and social improvidences. I am using the word social here in a sense which includes the work of architects, engineers, and builders.

HUMAN NEEDS: BIOLOGICAL AND PSYCHOLOGICAL

In speaking of human needs generally, I would divide them into biological needs such as the need for air and preferably unpolluted air; for food and prefererably fresh and not too expensive food; for water—and need I say unpolluted water and easily available water; for temperature control; for sleep undisturbed by noise, alarms, movement and the like; for bathing; for clothes storing (I am including this as a biological need); for exercise of various kinds; for excretory convenience and privacy. For all of these I know architects try to provide.

To these more classical biological needs I would add the psychological needs. Of these the most important are for maintaining contacts of different degrees of intensity and intermittency with other human beings, i.e., very intimate (as in the family), moderately intimate (as with friends) and less intimate (as with acquaintances of different groupings.) There is also a need to have some privacy and retreat from all of these.

The long childhood in the human species requires special provisions for the proper nurture, protection and training of the baby, little child, older child and teenager. These may be considered psychological needs considering our state of cultural development. They require certain places in the home, places in the neighborhood to play and to go to school and, ideally, a place in the neighborhood to do some kind of work.

Still another psychological need is for the maintenance of contact with nonhuman nature. The simplest way, perhaps, is through pets, which every child should have if he wants them, and let's hope he does. Add the somewhat artificial but pleasant provisions in an accessible and properly maintained park—trees, flowers, shrubs, lawns, lakes and streams. In my opinion we must add to this a proximity to larger nonurban areas of farm or wilderness or near-wilderness as essential to the mental health of both child and adult.

The final extension of this reach into the universe is represented by the need for some kind of relation to whatever—to all the whatevers—that are considered divine. I mean the need for a place to worship.

FREUD CALLED THEM DRIVES

In his famous book entitled "What Men Live By," Dr. Richard Cabot proposed that our essential needs, other than biological ones, were for work, play, love and worship. Without realizing it he was saying about what Freud put into more scientific language. Freud spoke of drives rather than of needs, classifying them into the creative, constructive, positive drives; the negative destructive, hurtful impulses; and the combinations of these two. The combinations may be slanted toward greater or less constructiveness and social usefulness. Thus if sabotage be construed as sheer destructiveness, the same energy may be combined with some admixture of constructive impulses and guidance to appear in various forms of aggressive play—football, for example.

Sometimes the fusion is less successful; the aggressive drive is modified but the combination still leans toward the destructive side—dangerous speeding, for example, which is perhaps a little better than outright manslaughter. I also consider hunting an example of this, because I don't like hunting or trapping and other forms of killing for pleasure. But many people condone these who do not approve of, let us say, bullfighting (in this country), or dog racing. These are too undisguisedly cruel, aggressive and destructive.

Everyone agrees, however, that there are some forms of the fusion of the instinctive impulses which are free from any criticism—innocent play of various kinds, camping, dancing, singing, painting, playing music, and, indeed, most kinds of work. Work, too, is disguised and neutralized aggression.

CONTROL IS A PART OF LIVING

I have led you into a point of view which may pique your curiosity or arouse your interest, because it is not, I think, a part of the usual considerations of architects and city planners. It is a piece of theory which—I hasten to add—some of my colleagues still reject (although I think they will come to it, if I may speak most arrogantly). I refer to my proposition that destructiveness is intrinsic in us, and has to be controlled, guided and provided for constantly, incessantly, forever. Life consists, indeed, in effecting and maintaining this control. At first glance this may seem to exculpate society, including architects and city planners, from any responsibility for the juvenile delinquency, divorce, crime, and mental illness of the community, requiring them to think only of provision for the failures.

But not so. The control of destructiveness is an internal, individual process, true; but it is influenced and facilitated (or the reverse) by social attitudes and structures. The environment and the individual are both involved in the adjustment process; both have needs—some of them mutual needs, i.e., which only the other can gratify. To a considerable extent each man makes his own outer environment, the environment with

[1] Dr. Menninger is chief of staff of the Menninger Foundation in Topeka, Kans. He is the author of "The Human Mind," "Man Against Himself," "Love Against Hate," and many other books and papers. This paper is based on an address given at the National Construction Industry Conference, December 1, 1958, in Chicago.

which he is constantly engaging in a running transaction called life. His constructiveness finds its opportunities, his destructiveness its targets—or its proper control and deflection.

CITIES: MIRRORS OF A DUALITY

Our cities as they are, good and bad, our villages and hamlets (ugly as most of them are), our beautiful homes and our unsightly slums all mirror man's instinctual duality and emotional ambiguity. We cannot blink the essential aggressiveness, destructiveness, and disorderliness which the human being seems impelled to express, but we may not overlook the evidence of constant battle against these, and the slow extension of more order, more creativity, more beauty. The ugliness of human habitations on the roadside, the dreary areas in the city, the devastation of the soil, the greedy destruction of the forests, the murderous butchery of the wildlife—all are evidences of the predaceousness of the human species. But correspondingly, a neat little farm, a continuously yielding forest, a terraced hillside, a gracious home, an ample park, an inspiring church building, an ingeniously planned suburb or office building or automobile or library or hospital or school—all these bespeak and spell out man's constructive gifts and their ceaseless battle against the enemy within.

It is pleasant thus to think of the structures man builds in which to live as reflections of the laws of beauty within him, and we should fully indulge ourselves in this pleasure. But we should also always remember that disorder and cruelty and meanness and ugliness are also projections of tendencies, not of a few villains, but of mankind. This fact, I think, the architect and builder and city planner must take into consideration.

"HOW?" YOU WILL ASK PERTINENTLY

If it were merely a matter of human needs and drives about which I have told you a little, and mechanical facilities, parks, pavements, and shopping centers, I am sure we could get together quickly and evolve a perfect architecture and a perfect city planning. But we have to deal with three other factors.

MORE PEOPLE, OLDER PEOPLE, MORE LEISURE

One of these is that medical and surgical development, especially public health measures, have effected a change in the average span of life such that we now have a larger percentage of older people whose usefulness has somewhat diminished but whose human value may be greater than ever. They require somewhat different housing facilities, neighborhood opportunities and general planning than do the younger segments of the population. They are increasing.

In the second place, a number of factors which I shall not try to analyze have resulted in the rapid increase in world population. Adequate measures of birth control seem slow to develop or to be accepted in the places where they are most needed. Food producers are fewer, even though their efficiency has increased. Available arable land is approaching the marginal limit.

One final thing: Work, which has always been the most useful device for harnessing the aggressive impulses of human beings, is progressively diminishing. No one works as hard as he used to. No one works as long hours as he used to. The development of automation suggests the likelihood of still a greater reduction. Consequently, there is an increasing amount of leisure available, at least to most American citizens. This leisure can be occupied, theoretically, in five ways:

1. In some kind of creative activity which is not considered work.

2. In various definitely self-restorative or self-cultivating activities such as reading, contemplating, and so forth.

3. In active recreation which affords some sublimation of aggressive tendencies.

4. In dawdling, loafing, sleeping, and passive recreation—considered by some people to be restorative.

5. In various forms of more or less overt aggressiveness—the mischief that Satan still finds for idle hands to do.

DESIGN FOR BETTER LEISURE-TIME USE

Now we have a perfect right to set up our own value systems for this list, and even within some of the topics there will be still further subdivisions and value system hierarchies. My own value system, based on many observations of human derailments, would be to put at the top of these activities those which are most individually or socially constructive. And my point now is this: We know that the more constructive and socially useful the form of energy direction selected for excess leisure time, the more difficult it is to sustain it and the more help is required. Constructive and creative endeavors need encouragement, example, direction, facilitation. Perhaps this is the most important thing I have to say to architects and the building field. The aggressive needs of mankind need to be provided for, and they need to be provided for now more than ever, because there are more people, there are more old people, there is less work, and there is more leisure. Most people don't know what to do with their leisure—or, rather, they don't do with their leisure what it would be best for them and for society for them to do with at least some of that leisure. And a part of this failure is a lack of vision on the part of their predecessors. They didn't see that we would need 10 times as many national parks as we have. They waited until now to establish wilderness areas such as Senator NEUBERGER's and Senator MURRAY's wonderful bill provides for. They failed to give us one-tenth the area of city parks that we need. They forgot that privacy was just as important as social contact for each individual.

Why should country clubs be an extravagant privilege of the prosperous? Why shouldn't everyone in the community who wants to, belong to a country club? Of course, I should hope that they would become something besides golf clubs and eating places, valuable as these two functions are. Why shouldn't everyone in the community have a restorational recreational group membership also? Why should a relatively few people be permitted to kill off the wildlife we all like to see? If people must knock down something, why not more bowling alleys and shooting galleries?

To some extent structure determines custom, as well as custom structure. Why did the Northern Italians suddenly begin to paint in the Renaissance? Why did the Germans suddenly begin to compose music in the 18th century? Who knows what devices and facilities and opportunities spread these things? As Gardner Murphy beautifully and bravely says: "Sandlot baseball, sidewalk hopscotch, and radio mysteries can all give something to the growth of boy and girl; but it is not clear that they necessarily give more to the fulfillment of human nature than many other satisfactions which cover the face of the earth and which have, as a matter of fact, grown like mushrooms when once encouraged." Let me repeat that—"When once encouraged." What would happen if everyone in the community had easy access to a place in which to paint? What if the community would have the courage to believe that it could prevent more crime with youth centers than with jails? What if a city—any city—was to spend one tenth as much on its recreational program as it spends on its police system? Indeed, what if policemen were suddenly to be transformed into guides of public recreation?

I know what you will say: "We are helpless in the face of television. Professional sports have taken away opportunities for athletic play. The parks are ruined by vandals. The community won't support concerts."

And you would be quite right, of course. But these very discouragements are the evidences of a need for something better. And a part of that something better will depend upon the vision of the men who plan the places in which we live and sleep and go to school and shop and work and play. It would be presumptuous, indeed, for me to attempt to give you a specific vision. I can only suggest that you accept the theory of human drives and needs that I have offered, hoping from it that you will be confirmed in a conviction that more provision must be made for the best use of an increasing surplus of leisure time.

U.S. RELATIONSHIPS WITH THE SOVIET UNION

Mr. CAPEHART. Mr. President, history will record, in my opinion, that the year 1959 was perhaps one of the most important, if not the most important, year in the diplomatic history of our Nation.

We are taking broad and important steps. In some respects we are taking new and uncharted courses seeking again a solution of our problems with Russia.

It will not be my purpose here, Mr. President, to appraise the merits of these new approaches. I do not believe the man lives who is qualified to say whether they are right or whether they are wrong.

I am convinced, however, that it is time for the Members of the Congress, the people of the United States, and the people of the free world to reflect seriously on the happenings of the day.

The danger is, Mr. President, in my opinion, that we may again be "taken in" by the Russians. I am afraid that is the very thing that is happening at this moment. We all recognize that upon the results of what we are doing might well hinge permanent peace or, God forbid, horrible war.

Surely there is not a Senator—surely there is not a citizen—who has studied and who knows the history of our relationship with the Soviet Union since 1933, who believes Russian diplomacy can be trusted.

We were led into the recognition of Russia in 1933 by false promises. At the end of World War II we made concessions to Russia on the basis of promises and agreements which were not kept. There were those who liked "Uncle Joe" and who went along with him on promises which were not kept. Communist guns boomed in Korea shortly thereafter.

Nations which were our traditional allies and which in all probability would be our allies today are now under Russian control and domination because those promises and agreements were not kept. Except for their value as guideposts for the present and future negotiations, discussions of these unfortunate events in our diplomatic history with Russia would serve no useful purpose at the moment. They are, as we say, water over the dam.

The important thing now, Mr. President, is that we do not again fall victim to sweetness and light attitudes, back-patting-on-the-surface-maneuvers and diplomatic trickery which could well be leading us so deep into the morass of international relations that we could not

extricate ourselves short of a war of doubtful outcome.

I have been encouraged by the increasing travel of our people to Russia. I am also convinced that there is merit in the increasing numbers of Russians who have visited this country.

I am happy, Mr. President, that more Members of the Congress have been visiting Russia. I am one of them. I am glad that Russian officials are visiting us. Such exchanges can lead to nothing but good.

At the same time, Mr. President, I feel very strongly that we should stop to remind ourselves and the American people about the history of Russian diplomatic attitudes and performances. They have not been good in the past and I for one can see nothing to indicate that they are any better today.

This Nation and its free allies still face the same threats of Communist competition which have beset us since 1933. In some of its phases, that competition is more severe, more threatening than it has ever been before.

Russia's military strength is increasing. Russia's industrial potential is increasing by leaps and bounds. Russia's foreign trade competition is increasing and will continue to do so. Russia's propaganda machine expands and expands in the battle for the minds of men. Russian domination of its captive countries increases. There are signs of Russian influence, Russian support, if not worse in trouble spots of the world, including some in our own hemisphere.

There is nothing to indicate that Russia has relented one iota in its determination to see to it that our grandchildren will live under the Communist system. Russian communism has not relented one iota. The character of Russian communism has not changed. Neither has its goal of world domination. We have made concession after concession to try to solve this most dangerous diplomatic tussle in all of the history of the world.

Russia has made no concessions. She is not now making any concessions. Certainly she has made no concessions, for example, in the Berlin situation. She has not withdrawn her troops or her influences from the captive nations.

The threat of Russian communism is, in my opinion, greater today throughout the world than it has ever been before. I thank God that we have been able to keep to a minimum Communist subversion in this country. It is still with us, however, to the extent that it demands our constant vigilance.

I hope with all of my heart, Mr. President, that we shall never again face the stark reality of war. The way to prevent that, of course, is through careful, but not soft, diplomacy. The situation demands firm diplomacy. There is ever present here the danger that emotion will overcome good judgment. Let's not be taken in again. That, in my opinion, Mr. President, is the danger of "fanfare" diplomacy.

I hope that history will prove that we were not again taken in.

ORDER OF BUSINESS

Mr. JOHNSON of Texas. Mr. President, is morning business concluded?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

TRAVEL ALLOWANCES TO ESCORTS OF DEPENDENTS OF MEMBERS OF THE ARMED FORCES

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 579, H.R. 3322, notwithstanding the order previously entered.

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

The LEGISLATIVE CLERK. A bill (H.R. 3322) to amend title 10, United States Code, and certain other laws to authorize the payment of transportation and travel allowances to escorts of dependents of members of the uniformed services under certain conditions, and for other purposes.

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

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

Mr. JOHNSON of Texas. Mr. President, this bill would—

First. Authorize the payment of transportation and travel allowances for escorts of military dependents authorized to travel at Government expense who would otherwise be required to travel unaccompanied under unusual and extraordinary circumstances.

Second. Authorize such payments to persons who have acted as escorts under these circumstances since January 1, 1950, if they have not received reimbursement.

Third. Validate payments previously made for this purpose where the travel was directed and performed.

Fourth. Relieve disbursing officers from responsibility for payments for this purpose that have already been made.

EXPLANATION

On rare occasions dependents of military personnel must be moved from one location to another in circumstances where they require accompaniment but their military sponsor or parent is unable to accompany them. An instance of this type occurred in 1958 when an Air Force sergeant and his wife were killed in an automobile accident in Turkey. Two children, one aged 6 years and one aged 6 months, were injured. One of the children sustained a broken leg and required extensive hospitalization. The other child was less seriously injured and, after a short period of hospitalization, was placed in the care of friends of the deceased parents. The Air Force had the problem of seeing that the children were returned to the United States and delivered into the custody of members of the family who could be responsible for them.

This bill contemplates authorization of the travel allowances of a person to be designated as an escort in such circumstances.

For several years the military departments have designated escorts for such a purpose. As early as 1951, the General Accounting Office noticed, but did not take exception to, occasional vouchers representing reimbursement for travel by persons acting in an escort capacity. Although the authority for such practice was not explicit, the military departments considered that such authority existed and that the departments had a responsibility to both a member and to the public to provide escorts for dependents in these unusual instances.

In 1956, the Comptroller General ruled that in the absence of specific statutory authority the payment of travel and transportation allowances for escorts in these circumstances could not be allowed.

PROVISIONS OF THE BILL

The bill provides that under regulations to be prescribed by the appropriate Secretaries and approved by the Secretary of Defense, round-trip transportation and travel allowances may be paid to any person for travel under competent orders as an escort for dependents of a member of the Armed Forces if the travel is performed no later than 1 year after the member dies, is missing, or is otherwise unable to accompany his dependents. For such allowances to be payable, it also must be determined that travel by the dependents is necessary and that they are incapable of traveling alone because of age, mental or physical incapacity, or other extraordinary circumstances.

The bill validates those travel and transportation allowances paid before the effective date of the bill if the allowances are otherwise authorized under section 1 of the bill. Persons who have performed such travel since January 1, 1950, and who have not been paid for it, or those who have been required to repay to the United States amounts paid to them for this purpose, would be entitled to receive payments for this purpose. Appropriate provision is also made for relieving disbursing officers from responsibility for erroneous payments to escorts before the effective date of this measure.

COST

The Department of Defense estimates that the cost of this authority would be negligible and that it can be absorbed within available appropriations. The retroactive cost of the bill is estimated at about $1,600.

The PRESIDING OFFICER. The bill is open to amendment. If there be no

amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 3322) was ordered to a third reading, read the third time, and passed.

Mr. JOHNSON of Texas. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. CAPEHART. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Indiana to lay on the table the motion of the Senator from Texas to reconsider the vote by which the bill was passed.

The motion to lay on the table was agreed to.

ESTABLISHMENT OF BUREAU OF NAVAL WEAPONS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 580, H.R. 7508.

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

The LEGISLATIVE CLERK. A bill (H.R. 7508) to amend title 10, United States Code, to establish a Bureau of Naval Weapons in the Department of the Navy and to abolish the Bureaus of Aeronautics and Ordnance.

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

There being no objection, the Senate proceeded to consider the bill (H.R. 7508) to amend title 10, United States Code, to establish a Bureau of Naval Weapons in the Department of the Navy and to abolish the Bureaus of Aeronautics and Ordnance, which had been reported from the Committee on Armed Services, with amendments, on page 2, line 7, after the word "Navy", to insert "or the Marine Corps"; in line 10, after the word "Navy", to insert "or the Marine Corps", and on page 3, after line 3, to strike out:

(A) by striking out the second sentence in subsection (a); and

(B) by striking out, in subsection (b), the words "or major general, as appropriate, and with retired pay based on that grade".

And, in lieu thereof, to insert:

(A) by striking out in the second sentence of subsection (a) the words "Bureau of Aeronautics" and inserting in lieu thereof the words "Bureau of Naval Weapons".

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none; and, without objection, the committee amendments are agreed to en bloc.

PURPOSE OF THE BILL

Mr. JOHNSON of Texas. Mr. President, this measure would authorize the establishment of a Bureau of Naval Weapons within the Navy Department by consolidating the existing Bureaus of Ordnance and Aeronautics.

EXPLANATION OF THE BILL—FUNCTION OF BUREAUS

Under the organization of the Department of the Navy, the Chief of Naval Operations and the Commandant of the Marine Corps, under the Secretary of the Navy, have responsibility for all matters relating to military command, while the Under Secretary, the Assistant Secretaries, and the chiefs of the bureaus have responsibility for all matters relating to business administration.

The Chief of Naval Operations and the Commandant of the Marine Corps are considered as representing the "consumers." The bureaus and their shore activities under the direction of the Under Secretary and the Assistant Secretaries are considered as representing the "producers." The bureau system is the foundation of the Navy's "producer" origination. The Department of the Navy now has the following bureaus: First, Aeronautics; second, Medicine and Surgery; third, Personnel; fourth, Ordnance; fifth, Ships; sixth, Supplies and Accounts; and seventh, Yards and Docks.

PROBLEM THIS BILL IS INTENDED TO MEET

Before the development of advanced aircraft and missiles with increasing technical advances in electronics and similar fields, ships, aircraft, and other advanced weapons were of such a nature that they could be designed, developed, and produced within the existing bureau structure without serious problems of jurisdiction and responsibility. The principal points of coordination were in the adaptation of a ship or aircraft to accommodate a different torpedo tube gun mount, bomb rack, or rocket launcher.

The characteristics of aircraft and missiles, together with the necessary controlling and launching equipment, have become so complex and interrelated that they must be designed and developed as complete systems. Components of these advanced weapons systems may govern both the aircraft and the weapon, with the result that neither the airframe nor the weapon itself can be designed and developed independently. Consequently, the weapons systems development functions of the Bureau of Ordnance and the Bureau of Aeronautics have become so intermingled that problems of mixed responsibility, coordination, and funding have developed and will increase.

The division of responsibility between the Bureau of Aeronautics and the Bureau of Ordnance results in the responsibility for weapons systems development being divided, with the Bureau of Ordnance being responsible for warheads, explosives, fuses, and rocket motors for all missiles, and the Bureau of Aeronautics having the responsibility for the final testing and evaluation of certain missiles.

The division of responsibility mentioned in the preceding paragraph creates problems of coordination. Each point of the division requires coordination if the whole weapons system is to be developed successfully. One of the solutions has been for the bureaus to draw up a formal agreement on the division of responsibility for a specific weapons system and to establish a coordination committee composed of representatives of each bureau.

Another problem exists in connection with funding. Under the present appropriations procedure, all the funds for a complete weapons system are not provided to a single bureau. There frequently is difficulty in the funding processes for each missile. A temporary solution has been found in the case of the Polaris system by establishing a management fund, but the Navy considers that such an arrangement is impractical for every system under development.

ORIGIN OF RECOMMENDATION FOR NEW BUREAU

The then Secretary of the Navy appointed a Committee on Organization in August of 1958. This Committee, the Chairman of which was the present Secretary of the Navy, Hon. W. B. Franke, was charged with evaluating the responsiveness of the Department of the Navy to recent advances in science and technology and to the Department of Defense Reorganization Act of 1958. The formal report of the Committee on Organization was submitted to the Secretary of the Navy on January 31, 1959.

The Committee concluded that most of the troublesome areas of splintered responsibilities and split cognizance are between the Bureau of Ordnance and the Bureau of Aeronautics. The Committee recommended that the consolidation of these two bureaus would result in the following advantages: First, it would place approximately two-thirds of the total development effort of the Department under the direct authority and control of a single executive in the producer organization; second, it would bring within the cognizance of a single bureau most of the present areas of split cognizance in weapons systems development; third, it would coordinate and simplify funding of major weapons systerms; fourth, it would expedite the timely development and procurement of all components of a weapons system; and fifth, it would promote economy through improved coordination and supervision and through more effective use of facilities and laboratories.

WHY LEGISLATION IS NECESSARY

The bureaus are statutory organizations but their duties and responsibilities are determined by the Secretary of the Navy under the authority of section 5132, title 10, United States Code. The Secretary does not have the authority to establish a new bureau or to abolish an existing bureau.

TIMING OF CHANGE

The Department of the Navy plans to complete the organizational structure of the Bureau of Naval Weapons in time to establish this new Bureau on September 1, 1959. It is anticipated that the Bureau of Naval Weapons can assume the responsibilities of the Bureaus of Ordnance and Aeronautics in time to permit

the disestablishment of these bureaus on January 1, 1960.

EFFECT OF PERSONNEL

The Department of the Navy estimates that substantially all of the personnel included in the existing Bureaus of Ordnance and Aeronautics will be required in the functioning of the Bureau of Naval Weapons. The Bureau of Aeronautics now employs 431 military personnel and 2,179 civilians. The Bureau of Ordnance has 206 military personnel and 1,442 civilians.

COST OF THE LEGISLATION

The Department of the Navy candidly states that it does not forecast monetary savings as a result of the consolidation contemplated by this bill. Although some savings may result, the authority is sought in an attempt to shorten lead-time in the development of new weapons systems by placing them under single direction and control.

COMMITTEE RECOMMENDATION

The committee recommends this legislation as being a progressive step. At the same time, the increasing relative importance of the submarine and the antisubmarine warfare functions of the Navy make it obviously desirable that the organization of the Navy include provision for these functions commensurate to such importance. The report of the Committee on Organization of the Navy is not entirely clear that the Navy organization reflects appropriate recognition of the relative importance of fleet ballistic missile submarines and antisubmarine warfare. The committee urges the Navy to give continued consideration to this subject.

DEPARTMENTAL POSITION

The Department of the Navy strongly urges the enactment of this legislation. It is a part of the Department of Defense legislative program for 1959, and the Bureau of the Budget has advised there is no objection to the enactment of this legislation.

The PRESIDING OFFICER. If there be no further amendments to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 7508) was read the third time, and passed.

Mr. JOHNSON of Texas. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. CAPEHART. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Indiana to lay on the table the motion of the Senator from Texas to reconsider the vote by which the bill was passed.

The motion to lay on the table was agreed to.

POSTAL POWERBOAT SERVICE IN ALASKA

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 589, Senate bill 1849.

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

The LEGISLATIVE CLERK. A bill (S. 1849) to amend the act of August 10, 1939, authorizing the Postmaster General to contract for certain powerboat service in Alaska.

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

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

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a brief statement of the purpose of the bill.

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

PURPOSE

The purpose of this bill is to amend existing law under which the Postmaster General is authorized to contract for the transportation of mail by steamboat between Seward (on the mainland of Alaska) and Nikolski (in the Aleutian chain, on Umnak Island). The steamboat also touches a number of intermediate Alaskan ports between Seward and Nikolski.

This bill would prohibit the Postmaster General from entering into any contract for an extension of the route to include other ports, such as Seattle, which are clearly not on the Seward-Nikolski route. However, the bill does not in any way restrict or otherwise affect the stops which the boat now makes, or may in the future make, along the route between Seward and Nikolski. Its intent is to prevent a lengthening of the route through the addition of distant ports.

JUSTIFICATION

The legislation that S. 1849 would amend was intended to provide adequate postal service for the inhabitants of the remote Alaskan communities between Seward and Nikolski, and including Seward and Nikolski. This bill would restrict the mail boat to the Seward-Nikolski route, but would not affect the stops along that route, thus assuring that area of reasonably frequent mail delivery.

This bill is needed for the above purpose, because current law would not prevent the awarding of a mail-transportation contract to carriers whose routes could be extended to include ports such as Seattle which are remote from the Seward-Nikolski route. Distant ports, such as Seattle, are so far removed from the area required by law to receive the special mail delivery that the mail service to these Alaskan communities would suffer because it would be less frequent.

If the route were extended to Seattle, for example, the time required to make the voyage would be increased by approximately 2 weeks. Furthermore, if the route for mail carriers obtaining contracts under current law were not limited, as by this bill, the result would be a subsidy to the carrier engaged in operations between Seward and Seattle. A subsidized carrier would be in direct competition with other unsubsidized carriers operating along the Seattle-Seward route.

AGENCY VIEWS

Following is a letter from the Post Office Department expressing approval of the legislation:

OFFICE OF THE POSTMASTER GENERAL,
Washington, D.C., June 15, 1959.

Hon. OLIN D. JOHNSTON,
Chairman, Committee on Post Office and Civil Service, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Reference is made to your request for a report on S. 1849, a bill to amend the act of August 10, 1939, authorizing the Postmaster General to contract for certain powerboat service in Alaska.

Under the existing law (39 U.S.C. 487a) the Postmaster General contracts for the transportation of mail by steamboat between Seward and Nikolski, Alaska, and several intermediate points. Service is required to be performed on a once-a-month frequency, using a safe and seaworthy boat of sufficient size to provide adequate space for mail, passengers, and freight.

This proposal would make it mandatory that any vessel employed in the performance of mail service on this route shall not be operated between points other than those specified in the contract.

The proposed amendment would not impair the Postmaster General's authority to arrange for service which, in his discretion, he may deem necessary between points on the route specified in the act of August 10, 1939, as amended. The schedules and conditions prescribed by the Department for current operations and those in the foreseeable future would not be adversely affected by the limitation provided by this bill.

In view of the foregoing, this Department will interpose no objections to the enactment of the measure.

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

Sincerely yours,

E. O. SESSIONS.
Deputy Postmaster General.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to authorize the Postmaster General to contract for certain powerboat service in Alaska, and for other purposes", approved August 10, 1939, as amended (39 U.S.C. 487a), is amended by inserting before the period at the end thereof a colon and the following: *"Provided,* That any steamboat or other powerboat employed in the performance of such contract shall be operated exclusively on the route described in this Act".

Mr. JOHNSON of Texas. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. JAVITS. Mr. President, I move to lay that motion on the table.

The motion to reconsider was laid on the table.

RELIEF OF GOVERNMENT OF THE REPUBLIC OF ICELAND

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 590, Senate bill 1590.

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

The LEGISLATIVE CLERK. A bill (S. 1590) for the relief of the Government of the Republic of Iceland.

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

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

Mr. RUSSELL. Mr. President, may we have a brief explanation of the bill?

Mr. JOHNSON of Texas. The bill would dispose of claims involving the Governments of the United States and Iceland, one against the other. The claims arose from accidents involving U.S. armed services personnel stationed in Iceland during the period 1941–47, under the terms of an agreement between the two countries that covered this period.

BACKGROUND AND COMMITTEE ACTION

Under the agreement, dated July 1, 1941, the United States agreed to "undertake defense of the country without expense to Iceland," and promised "compensation for all damage occasioned to the inhabitants by their military activities." The agreement was similar to several others that were concluded with governments in which the United States had stationed military personnel.

In all, there are 374 accident claims against the United States held by two Icelandic insurance companies. They amount to 144,994 kronur. U.S. counterclaims against these same companies amount to 56,994 kronur, a difference of 88,000, which, at the rate of exchange 16.36 kronur to $1, amounts to $5,378.98, the sum agreed upon and recommended in this bill.

In 1953, the Department of the Army notified the Department of State that it had no funds under existing claims statutes with which to settle the obligations with the two insurance companies, and asked the State Department to negotiate final settlement with Iceland. This was done, and the agreement was signed in November 1956. The bill under consideration would implement that agreement.

On July 23, Maj. Noel F. Cipriano, of the Army, provided some of the background for this bill as he testified before the committee in executive session.

COMMITTEE RECOMMENDATIONS

The Foreign Relations Committee is confident that the bill represents an equitable settlement of the claims that arose from the wartime agreement between the United States and Iceland.

Mr. RUSSELL. Does the bill state how much is involved?

Mr. JOHNSON of Texas. At the prevailing rate of exchange, it is the equivalent of approximately $5,380.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury shall pay, out of any money in the Treasury not otherwise appropriated, to the Government of the Republic of Iceland, the sum of $5,378.98, and such additional sum due to increases in rates of exchange as may be necessary to pay this claim in foreign currency, in full satisfaction and final settlement of its claim against the United States in the amount of 88,000 Icelandic kronur, arising out of accidents involving United States Armed Forces during their presence in Iceland from July 7, 1941, to April 5, 1947, under the terms of the agreements between the Government of the United States of America and the Government of the Republic of Iceland, respecting the defense of Iceland, dated July 1, 1941 (55 Stat. 1547), and regarding the settlement of claims of Icelandic insurance companies, dated November 23, 1956.

Mr. JOHNSON of Texas. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. JAVITS. Mr. President, I move to lay that motion on the table.

The motion to reconsider was laid on the table.

ATOMIC ENERGY COMMISSION APPROPRIATIONS, 1960

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 595, House bill 8283, the Atomic Energy Commission appropriation bill.

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

The LEGISLATIVE CLERK. A bill (H.R. 8283) making appropriations for the Atomic Energy Commission for the fiscal year ending June 30, 1960, and for other purposes.

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

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

The PRESIDING OFFICER. For the information of the Senate, the Chair will read the unanimous-consent agreement which is in effect with relation to the pending bill.

UNANIMOUS-CONSENT AGREEMENT

Ordered, That, effective during the consideration of the bill (H.R. 8283) making appropriations for the Atomic Energy Commission for the fiscal year ending June 30, 1960, and for other purposes, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 20 minutes, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided,* That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further,* That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 1 hour, to be equally divided and controlled, respectively, by the majority and minority leaders: Provided, That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

Mr. JOHNSON of Texas. Mr. President, I yield 5 minutes to the Senator from Arizona [Mr. HAYDEN].

Mr. HAYDEN. Mr. President, this bill, H.R. 8283, appropriates $2,680,414,000 for the Atomic Energy Commission for fiscal year 1960. This amount is an increase of $51,300,000 over the House allowance, but is under the revised estimates for 1960 by $6,886,000.

For operating expenses the committee recommends restorations totaling $36,300,000, which includes a transfer of $2 million to the National Science Foundation, and for plant acquisition and construction the committee recommends restoration of $15 million.

In an appropriation of this size there are many technical considerations involved, but the committee has been fortunate to have the advice and counsel of Senators who are also on the Joint Committee on Atomic Energy.

I should like first to have the amendments agreed to en bloc and then I should like to call upon the Senator from New Mexico [Mr. ANDERSON], the chairman of the Joint Committee on Atomic Energy, for a statement on the bill.

Mr. President, I ask unanimous consent that the committee amendments to the bill be considered and agreed to en bloc and that the bill thus amended be regarded for the purpose of amendment as original text; provided that no point of order be considered to have been waived by reason of agreement to this order.

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

The amendments agreed to en bloc are as follows:

Under the heading "Atomic Energy Commission—Operating Expenses," on page 2, line 15, after the word "vehicles", to strike out "$2,374,114,000" and insert "$2,410,414,000", and on page 3, line 8, after the word "transferred", to insert a colon and the following proviso: "*Provided further,* That of the funds appropriated herein, $2,000,000 shall be transferred to and merged with funds appropriated to the National Science Foundation".

Under the subhead "Plant Acquisition and Construction", on page 4, line 13, after the word "vehicles", to strike out "$255,000,000" and insert "$270,000,000".

Mr. HAYDEN. Mr. President, the Senator from Alabama [Mr. HILL] was chairman of the subcommittee which considered the bill. I first call upon the chairman of the Joint Committee on Atomic Energy for a statement.

Mr. JOHNSON of Texas. Mr. President, I yield to the Senator from New Mexico such time as he may desire.

Mr. ANDERSON. Mr. President, this bill is a difficult one to cover item by item. The subcommittee headed by the able Senator from Alabama [Mr. HILL] went into the question very carefully. I wish the able Senator from Louisiana [Mr. ELLENDER] were in the Chamber, because I thought his questions were as informative as they could be. He was very desirous of reducing the amount of the bill, as he usually is. I thought he asked some very pertinent questions, in order to give the committee the benefit of his experience.

In the full committee the able Senator from Arizona [Mr. HAYDEN] presided. The committee went through the bill very carefully.

Some of the House figures were changed. I believe the Senate figures are very much in accordance with what the Congress should do. Of course, the

final figures will be in conference between the House and the Senate.

Many of the items are extremely difficult to break down. It is very difficult to explain why the exact figure used by the Senate should be adopted, as against the House figure.

The Atomic Energy Commission must have certain amounts for raw materials. It has contracts with producers for the production of uranium. Sometime the contracts are not carried out in full. As a result, the Commission may have a carryover running into millions of dollars. This year I believe the carryover was nearly $100 million. That does not mean that the Commission did not need to have the money appropriated, nor does it mean that it foolishly spent the money after it was appropriated.

The same thing applies to the items for special nuclear materials and the weapons program. The Atomic Energy Commission must take the weapons program given it by the military, and try to estimate how much it will cost to carry out the program. In this instance there has been a complete change in the emphasis on programs, from the very large bombs which would give a multimegaton yield, to the smaller tactical weapons, the production of which is now receiving a great deal of interest and encouragement.

For that reason the weapons program is difficult to calculate in advance. At certain times weapons which are expected to be put into production are not quite ready, and changes are therefore made.

Taking the items one by one, under the head of "special nuclear materials" the committee recommends the restoration of $2 million in the special nuclear materials program. However, the committee agrees with the House that none of the reduction made in this program is applicable to the funds justified for the process development activity, in the amount of $36,900,000.

In the reactor development program, there was an item of $10 million, representing a restoration of that amount. I believe that program is probably the best investment we make in this field. The House inserted some restrictions which struck the Senate committee as being unwise. I am glad that the Senate members of the Appropriations Committee decided to eliminate those restrictions. The wisest investment is to develop reactors in experimental devices first, and then have an opportunity to put them on the line, rather than to construct large reactors and face the possibility that they may cost a great deal more money than anticipated.

The program is a sensible one, which has been very carefully developed by the Atomic Energy Commission, in conjunction with the Joint Committee on Atomic Energy. I believe that the relationship between the Atomic Energy Commission and the Joint Committee has been exceptionally favorable. This year there has been a good deal of give-and-take on both sides. The bill, as finally recommended, we believe, will provide a reasonable amount for reactor development.

In connection with physical research, the committee did not restore all the money which originally was considered wise by the Commission or by the Joint Committee, but I believe it has recommended the restoration of enough so that the program can be properly carried forward.

In connection with training, education, and information, some reduction in the money for that item was restored, but not all of it.

In the field of civilian applications of isotopes and nuclear explosives, restoration of $5,100,000 was recommended by the committee, to provide the full budget estimate of $14,100,000. I see no way to cut down on the isotope figures.

I believe the Senate committee has done a fine job. I tried to cooperate with the committee by suggesting one or two places where I thought reductions could safely be made. Such reductions have been made.

I think the figure to be taken to conference is a proper one and that the cost of this very important part of the Government will be adequately met.

Mr. ANDERSON subsequently said: Earlier in the afternoon the able majority leader and the Senator from Arizona yielded to the Senator from New Mexico to make a statement with reference to the atomic energy appropriation bill. I ask unanimous consent that a prepared statement on the restoration of cuts in operating funds for physical research program may appear at the conclusion of that statement.

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

STATEMENT BY SENATOR ANDERSON ON RESTORATION OF CUT IN OPERATING FUNDS FOR PHYSICAL RESEARCH PROGRAM

I believe it is important that the recommendation of the Senate Appropriations Committee to restore $8 million in operating funds for the so-called offsite or university program be approved by the Senate. As noted in the staff memorandum to me, reproduced on page 55 of the Senate Appropriations Committee hearings, the reduction of $10,280,000 by the House in the offsite or university program would have serious effects on the effectiveness of the overall program because a large part of available funds are already mortgaged to take care of increased operating costs of the accelerator program. (See table 2, p. 56, Senate appropriations hearings.)

Let me quote a few sentences from the memonandum:

"If the cut made by the House is allowed to stand, little if any new work can be initiated this coming year. In fact, there is a strong probability that existing research programs may actually have to be cut back or eliminated.

"The fixed costs of accelerators, referred to above, together with the language of the Appropriations Committee report, may create several imbalances in the program, particularly with regard to chemistry and metallurgy which apparently will have to absorb a disproportionate share of the reduction.

"The cut of $10,280,000 in the offsite program, as specified by the House committee, could cause a severe cutback in university research work which is one of the backbones of the physical research program. If such severe cuts are to be made, this is one of the worst places to make them in terms of the effectiveness of the overall program."

Then down at the bottom of page 55 it says:

"The general consensus of the Joint Committee would appear to require consideration of the following:

"(a) Restore the operating fund level for physical research for fiscal year 1960 to a minimum of $114 million, and preferably to the level of $120 or $125 million originally requested by AEC and recommended by the Joint Committee. (Exclusive of Sherwood.)

"(b) Permit AEC flexibility to apply its funds within the physical research program to achieve maximum savings and to provide for a well-balanced research program aimed at obtaining the best overall results."

I think that the whole question of a well-balanced program is something which we must face up to not only this year but in years to come. We must be sure that with the increasing funds we are providing for operation of high energy accelerators, we do not cut back in support of the other important areas of physical research; namely, chemistry and metallurgy. Restoration of $8 out of the $10 million cut by the House in the university program should be considered a bare minimum to support present research activities, with no stepup in effort. Even here there may have to be some trimming of existing university projects.

I would personally prefer to see the whole $10,280,000 restored to the offsite program, because of pressing needs in the program, but I think that as a minimum, the $8 million restoration recommended by the Senate Appropriations Committee should be approved.

SUPPLEMENTAL APPROPRIATIONS, 1960

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 594, H.R. 7978.

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

The LEGISLATIVE CLERK. A bill (H.R. 7978) making supplemental appropriations for the fiscal year ending June 30, 1960, and for other purposes.

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

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

Mr. JOHNSON of Texas. Mr. President, I yield to the distinguished Senator from Arizona, the chairman of the Committee on Appropriations, as much time as he may desire.

Mr. HAYDEN. Mr. President, the supplemental appropriation bill for 1960, as reported to the Senate, makes appropriations of $1,076,000,000, which is an increase of $466 million over the bill as it passed the House, but is still $141,900,000 under the budget estimate.

The major increases which the Senate committee made over the House include $280 million for the Inter-American Development Bank. The estimate for this item was submitted to the Senate after the appropriation bill had passed the House of Representatives. The committee has also increased the House bill by $68 million for the National Aeronautics and Space Administration. Testimony before the committee indicated that these additional funds were absolutely

necessary if the space program were to continue in an efficient manner.

Although there was no budget estimate, the committee has included in the bill $27 million for the Forest Service. These funds were not in the House bill, and are designed to implement the program for the national forests which was submitted to the Congress by the Secretary of Agriculture on March 24, 1959. There is a detailed explanation of this increase on page 9 of the committee report.

The committee has also included in the bill, over the House figure and over the budget estimate, an item of $30 million for the Air Force to modernize MATS, and to provide five million dollars for development of an advanced powerplant for MATS. The remaining increases over the House bill and the reductions under the budget estimate are itemized in detail in the Senate report.

Mr. President, I ask unanimous consent that the committee amendments to the bill be agreed to en bloc, and that the bill thus amended be regarded for the purpose of amendment as original text; provided, that no point of order be considered to have been waived by reason of agreement to this order.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona? The Chair hears none, and the committee amendments are agreed to en bloc.

The amendments agreed to en bloc are as follows:

On page 2, line 13, after "(50 U.S.C. app. 2092, 2093)", to strike out "$100,000,000" and insert "$116,000,000."

On page 2, after line 15, to insert:

"EXECUTIVE OFFICE OF THE PRESIDENT

"Office of Civil and Defense Mobilization

"Salaries and Expenses

"For an additional amount for 'Salaries and Expenses,' to be allocated for expenses necessary to discharge such civil defense and defense mobilization functions performed by other Federal Agencies as may be designated by the Office of Civil and Defense Mobilization, $3,650,000."

At the top of page 3, to insert:

"Construction of Facilities

"For expenses necessary for the design, construction, and equipment of a protected regional facility for the Office of Civil and Defense Mobilization, $2,700,000, to remain available until expended."

On page 3, after line 6 to insert:

"Alaska International Rail and Highway Commission

"Salaries and Expenses

"Funds available under this heading shall remain available until June 30, 1961."

On page 3, after line 11, to insert:

"Boston National Historic Sites Commission

"For expenses necessary to carry out the provisions of the Act of June 16, 1955 (60 Stat. 136), as amended, $20,000."

On page 4, line 5, after the word "airport", to strike out "$22,470,000" and insert "$27,500,000", and in line 7, after the word "exceed", to strike out "$400,000" and insert "$500,000."

On page 4, line 20, after the word "exceed", to strike out "$2,885,000" and insert "$3,181,000", and in line 23, after "(5 U.S.C. 2131)", to strike out "$91,400,000" and insert "$94,430,000."

On page 5, after line 1, to insert:

"For an additional amount for 'Research and Development', as authorized by Public Law 86-12, $20,750,000, to remain available until expended."

On page 5, line 7, after the word "equipment", to insert "and for other items of a capital nature as authorized by law"; in line 11, after the word "Administration", to insert "including not to exceed $9,000 for representation allowance overseas and official entertainment expenses, to be expended upon the approval or authority of the Administrator;"; in line 15, after the word "of", to strike out "thirty-two" and insert "sixty-five"; in line 16, after the word "which", to strike out "nineteen" and insert "thirty-eight"; in line 17, after the word "only", to strike out "$318,675,000" and insert "$333,070,000"; at the beginning of line 19, to strike out "That no art of the foregoing appropriation shall be available for other items of a capital nature which exceed $250,000 until fourteen days have elapsed after notification as required by law to the Committee on Science and Astronautics of the House of Representatives and the Committee on Aeronautical and Space Sciences of the Senate: ", and in line 24, after the amendment just above stated, to strike out *"Provided further,"*.

On page 6, after line 4, to insert:

"For an additional amount for 'Construction and equipment', as authorized by Public Law 86-12, $24,250,000, to remain available until expended."

On page 6, line 10, after the word "property", to strike out "at Cleveland, Ohio,"; in line 11, after the word "law", to strike out "$52,000,000" and insert "$57,800,000", and in line 12, after the word "expended", to strike out the colon and *"Provided,* That no part of the foregoing appropriation shall be available for purposes authorized by section 3 of Public Law 86-45 until fourteen days have elapsed after notification as required by law to the Committee on Science and Astronautics of the House of Representatives and the Committee on Aeronautical and Space Sciences of the Senate."

On page 7, line 23, after "(5 U.S.C. 55a)", to strike out "$666,000" and insert "$740,000."

On page 8, line 6, after "(5 U.S.C. 55a)", to strike out "$720,000" and insert "$800,000."

On page 8, after line 11, to insert a new heading, as follows:

"DEPARTMENT OF AGRICULTURE"

On page 8, after line 12, to insert:

"Forest Service

"Forest Protection and Utilization

"For an additional amount for 'Forest protection and utilization', as follows:

" 'Forest land management', $15,000,000; of which $1,000,000 for insect and disease control shall be apportioned for use, pursuant to section 3679 of the Revised Statutes, as amended, to the extent necessary under the then existing conditions, and 'Forest research', $4,500,000; of which $2,500,000 for construction of research facilities shall remain available until expended."

On page 8, after line 23, to insert:

"Forest Roads and Trails

"For an additional amount for 'Forest roads and trails', $2,000,000, to remain available until expended."

At the top of page 9, to insert:

"Access Roads

"For acquiring by condemnation or otherwise additional roads needed for access to national-forest lands in carrying out the Act of June 4, 1897, as amended (16 U.S.C. 471, 472, 475, 476, 551), $5,000,000 to remain available until expended."

On page 9, after line 6, to insert:

"Acquisition of Lands for Superior National Forest

"For the acquisition of forest land within the Superior National Forest, Minnesota, under the provisions of the Act of June 22, 1948 (62 Stat. 570; 16 U.S.C. 577c-577h), as amended, $500,000, to remain available until expended: *Provided,* That no part of this appropriation shall be used for the acquisition of any land without the approval of the local government concerned."

On page 9, after line 14, to strike out:

"DEPARTMENT OF COMMERCE

"Bureau of the Census

"Salaries and Expenses"

On page 9, after line 17, to insert a new heading, as follows:

"DEPARTMENT OF COMMERCE"

On page 9, after line 18, to insert:

"Business and Defense Services Administration

"Salaries and Expenses

"For an additional amount for 'Salaries and expenses', $200,000, to be derived by transfer from the appropriation for '1958 Censuses of Business, Manufactures, and Mineral Industries' for fiscal year 1960: *Provided,* That during the current fiscal year the Bureau of the Census may collect statistics relating to the textile industry upon the request of the Business and Defense Services Administration."

On page 10, after line 5, to insert:

"National Bureau of Standards

"Plant and Facilities

"For an additional amount for 'Plant and facilities', including purchase and improvement of a radio propagation field site, without regard to the monetary limitation in the Act of September 2, 1958 (15 U.S.C. 278d), acquisition of rights-of-way and construction of necessary access roads, and expenses of relocating equipment to such site, $500,000, to remain available until expended."

On page 10, after line 15, to insert:

"DEPARTMENT OF DEFENSE—CIVIL FUNCTIONS

"Department of the Army

"Rivers and Harbors and Flood Control Construction, General

"For 'Construction, general,' an additional amount of $200,000, to remain available until expended, for Fort Randall Reservoir, South Dakota, to complete riprap protection of the Saint Joseph Indian School property located along the pool."

At the top of page 11, to insert:

"DEPARTMENT OF DEFENSE—MILITARY FUNCTIONS

"Aircraft procurement, Air Force

"Solely for modernization of the Military Air Transport Service fleet including $5,000,000 for the development of an advanced powerplant, as the Secretary of the Air Force may determine to be necessary for the accomplishment of that purpose, $30,000,000, to remain available until expended."

On page 11, after line 8, to insert a new heading, as follows:

"DISTRICT OF COLUMBIA"

On page 11, after line 9, to insert:

"District of Columbia funds

"Metropolitan Police

"For an additional amount for 'Metropolitan Police', $70,000."

On page 11, after line 13, to insert:

"Miscellaneous

"Settlement of Claims and Suits

"For the payment of claims in excess of $250, approved by the Commissioners in accordance with the provisions of the Act of February 11, 1929, as amended (45 Stat. 1160; 46 Stat. 500; 65 Stat. 131), $10,602."

On page 11, after line 19, to insert:

"Division of Expenses

"The sums appropriated in this Act for the District of Columbia shall, unless otherwise specifically provided for, be paid out of the general fund of the District of Columbia,

as defined in the District of Columbia Appropriations Acts for the fiscal years involved."

On page 12, after line 5, to insert:

"Assistance to States, General

"For an additional amount for 'Assistance to States, general', $2,026,000; and the purposes for which appropriations under this head are available during the fiscal year 1960 shall include traineeships pursuant to section 306 of the Public Health Service Act, as amended."

On page 12, after line 11, to insert:

"Communicable Disease Activities

"For an additional amount for 'Communicable disease activities', $100,000."

On page 12, after line 18, to insert:

"Hospitals and medical care

"For an additional amount for 'Hospitals and medical care', $6,089,500; and the purposes for which appropriations under this head are available during the fiscal year 1960 shall include traineeships pursuant to section 307 of the Public Health Service Act, as amended."

On page 13, after line 2, to insert:

"Office of saline water

"Salaries and Expenses

"For an additional amount for 'Salaries and Expenses', $400,000."

On page 13, after line 6, insert:

"Construction

"For an additional amount for 'Construction', $2,550,000, to remain available until September 3, 1965."

On page 13, line 17, after the word "resources", to strike out "$425,000" and insert "$775,000."

On page 13, after line 17, to insert:

"Bureau of Indian Affairs

"Education and Welfare Services

"For an additional amount for 'Education and Welfare Services', $2,225,000."

At the top of page 14, to insert:

"Bureau of Reclamation

"Loan Program

"For an additional amount for 'loan program, $5,147,000, to remain available until expended: *Provided,* That any contract under the Act of July 4, 1956 (69 Stat. 244), as amended, not yet executed by the Secretary which calls for the making of loans beyond the fiscal year in which the contract is entered into shall be made only on the same conditions as those prescribed in section 12 of the Act of August 4, 1939 (53 Stat. 1187, 1197)."

On page 14, after line 10, to insert:

"Virgin Islands Corporation

"Loans to Operating Fund

"The Virgin Islands Corporation may borrow not to exceed $1,235,000 from the Treasury of the United States for the construction of salt water distillation facilities in Saint Thomas, Virgin Islands, as authorized by section 3 of the Act of September 2, 1958 (72 Stat. 1760)."

On page 14, after line 17, to insert:

"Revolving Fund

"For an additional amount for the revolving fund established under this head in the Supplemental Appropriation Act, 1950, for advances to the Virgin Islands Corporation, as authorized by law (63 Stat. 350; 72 Stat. 1760), $1,240,000."

At the top of page 15, to insert a new heading, as follows:

"THE JUDICIARY"

On page 15, after line 1, to insert:

"Supreme Court of the United States

"Miscellaneous Expenses

"Not more than $5,000 of the appropriation under this head in the Judiciary Appropriation Act, 1959, shall remain available for obligation during the fiscal year 1960 for the purchase of a portrait of the late Chief Justice Vinson as provided for by Public Law 85-20, approved April 20, 1957."

On page 15, after line 9, to insert:

"Customs Court

"Salaries and Expenses

"For an additional amount for 'Salaries and expenses', $18,000."

On page 15, after line 13, to insert:

"DEPARTMENT OF JUSTICE

"Bureau of Prisons

"Salaries and Expenses

"There may be transferred from the appropriation to the Department of Defense for 'Operation and maintenance, Army,' fiscal year 1960, an amount, to be determined by the Bureau of the Budget, but not to exceed $1,500,000, to the appropriation for the current fiscal year for 'Salaries and expenses, Bureau of Prisons'."

At the top of page 16, to insert:

"DEPARTMENT OF LABOR

"Bureau of Labor Statistics

"Salaries and Expenses

"For an additional amount for 'Salaries and expenses', $1,050,000."

On page 16, after line 5, to insert a new heading, as follows:

"LEGISLATIVE BRANCH, SENATE"

On page 16, after line 7, to insert:

"Contingent expenses of the Senate

"Furniture

"For an additional amount for 'Furniture', fiscal year 1959, $12,500."

On page 16, after line 11, to insert:

"Inquiries and Investigations

"For an additional amount for 'Inquiries and investigations', fiscal year 1959, $450,000."

On page 16, after line 14, to insert:

"Miscellaneous Items

"For an additional amount for 'Miscellaneous Items', fiscal year 1959, $222,500."

On page 16, after line 17, to insert:

"North Atlantic Treaty Parliamentary Conference for 1959

"For salaries and expenses necessary for the annual meeting of the North Atlantic Treaty Parliamentary Conference for 1959 to be held in Washintgon, District of Columbia, as authorized by section 604 of the Mutual Security Act of 1959, $100,000, to be disbursed by the Secretary of the Senate, who hereby is authorized to advance to the Chairman of the Senate delegation such sums within the appropriation as may be necessary to defray incidental expenses, sums so advanced to be accounted for in the same manner as provided by law for Senate committees."

On page 17, after line 5, to insert:

"Administrative Provisions

"The Secretary of the Senate may hereafter fix the compensation of the assistant parliamentarian, the legislative clerk, and the journal clerk at not to exceed $7,620 basic per annum each."

On page 17, after line 10, to insert:

"(a) The second proviso in the paragraph relating to the authority of Senators to rearrange the basic salaries of employees in their respective offices which appears in the Legislative Branch Appropriation Act, 1947, as amended (2 U.S.C. 60f), is amended to read as follows: '*Provided further,* That no salary shall be fixed under this section at a basic rate of more than $5,100 per annum, except that (1) the salary of one employee may be fixed at a basic rate of not more than $8,040 per annum, (2) the salary of one employee may be fixed at a basic rate of not more than $8,460 per annum, and (3) the salary of one employee may be fixed at a basic rate of not more than $8,880 per annum'."

On page 17, after line 22, to insert:

"(b) Such paragraph is further amended by adding at the end thereof a new sentence as follows: 'A Senator may establish such titles for positions in his office as he may desire to designate, by written notification to the disbursing office of the Senate.'"

On page 18, after line 3, to insert:

"(c) The first paragraph under the heading 'Administrative Provisions' in the appropriations for the Senate in the Legislative Branch Appropriation Act, 1957 (2 U.S.C. 60f-1) is repealed."

On page 18, after line 7, to insert:

"POST OFFICE DEPARTMENT

"(Out of Postal Fund)

"Transportation

"For an additional amount for 'Transportation', $7,200,000."

On page 18, line 24, after the word "expended", to strike out "$2,500,000" and insert "$3,500,000."

On page 19, after line 1, to insert:

"Contributions to international organizations

"For an additional amount for 'Contributions to international organizations' for the expenses of the Secretariat of the Interparliamentary Union, $3,000."

On page 19, line 14, after word "maintenance", to strike out "$450,000" and insert "$500,000."

On page 19, line 16, after the word "Construction", to strike out "$125,000" and insert "$450,000."

On page 19, after line 17, to insert a new heading, as follows:

"TREASURY DEPARTMENT"

On page 19, after line 18, to insert:

"Office of the Secretary

"Investment in Inter-American Development Bank

"To finance the participation of the United States in the Inter-American Development Bank, to remain available until expended, $280,000,000, of which $230,000,000 is for the purchase of capital stock in said bank (including $200,000,000 for callable capital stock and $30,000,000 for the first installment on the paid-in capital stock) and $50,000,000 is for payment of the first installment of the subscription of the United States to the fund for special operations of said bank: *Provided,* That this paragraph shall be effective only upon enactment into law, during the first session of the Eighty-sixth Congress, of H.R. 7072 or similar legislation."

On page 20, after line 7, to insert:

"Bureau of Accounts

"Salaries and Expenses

"For additional amount for 'Salaries and expenses', $25,000."

On page 20, after line 11, to insert:

"U.S. Coast Guard

"Operating Expenses

"For an additional amount for 'Operating expenses', $800,000."

On page 20, line 20, after the word "in", to insert "Senate Document Numbered 42 and", and in line 22, after the word "Congress", to strike out "$198,675" and insert "$443,438."

Mr. CASE of South Dakota. Mr. President, will the Senator from Arizona yield?

Mr. HAYDEN. I yield.

Mr. CASE of South Dakota. I note with interest that the committee is reporting an item of $2,550,000 for the Office of Saline Water and $400,000 for salaries and expenses. From reading the report, I note it is contemplated that this appropriation will provide the

money to start the first of the saline water plants, will provide the money for the design of a brackish water plant, and will also provide $1 million for construction on plants Nos. 2 and 3.

The chairman and the other members of the Committee on Appropriations are to be commended for the interest they have taken in getting the saline water program into the action stage. The Senator from Arizona will recall that a few years ago it was difficult to get adequate funds for the research program. But that research has paid off, and we are getting some practical suggestions. It is my confident belief that any money which has been spent for research in the past several years will show greater values for the economic progress of the country and in meeting the water problems of the various areas where there is a serious water shortage.

May I ask the distinguished Senator if my review is substantially correct: Namely, that the $2,550,000 for construction is to provide $1,500,000 for the first saline water conversion plant?

Mr. HAYDEN. That is to be located at Freeport, Tex.

Mr. CASE of South Dakota. And $50,000 is to be spent for the engineering design of a brackish waterplant.

Mr. HAYDEN. The location of that plant is yet to be determined.

Mr. CASE of South Dakota. By reading the testimony presented to the committee, it would appear that the special advisory committee on that subject may make a decision in September. Was the committee hopeful that it might be done as soon as that?

Mr. HAYDEN. We were assured that a decision would probably be made in September.

Mr. CASE of South Dakota. If that is done, I think the committee was wise to provide a million dollars for the acceleration of the construction of the second and third plants. I hope this item will be agreed to without a dissenting vote.

Mr. HAYDEN. The truth is that the American people everywhere are aroused by the fact that water is the scarcest of our natural resources. There is an increasing awareness of this fact in all sections of the United States. We used to think that water shortages were confined to the arid regions, where water was needed for irrigation and potable purposes. That is no longer true. The demand for water is increasing all the time. The demand for manufacturing purposes is increasing. Greater supplies of water are needed for the increasing populations of the great cities. All these things have combined to make it necessary to try to remove the salt from sea water and thus to produce potable water. I think remarkable progress has been made.

I remember, as does the Senator from South Dakota, when we had difficulty in obtaining the original appropriation. I at one time asked a very eminent scientist from the Massachusetts Institute of Technology, who was testifying before our committee, how he thought we could arrive at a solution of this problem. He said it would be the result of American inventiveness; that some "nuts" would find a way to do it. Well, the "nuts" have been at work.

Mr. CASE of South Dakota. It appears that we have reached the place where practicable results are obtainable.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Arizona yield?

Mr. HAYDEN. I yield.

Mr. JOHNSON of Texas. I congratulate the Senator from South Dakota for his long-time interest in this very important field. I think rapid progress has been made. The committee has made an excellent recommendation which has met with the approval of all concerned. I commend the Secretary of the Interior for his leadership in this field. I hope that progress will continue to be made.

Mr. CASE of South Dakota. I thank the Senator from Texas for his generous comments. He well commends the Secretary of the Interior for the interest he has taken in this matter. I believe that even as of today he scarcely makes a speech when he does not refer to the saline water program as one of the outstanding programs to which the energies of his Department have been devoted.

In the same connection, Dr. A. L. Miller, a former Member of the House, is now Director of the Office of Saline Water. He, too, has given the program a great deal of "push." Also, Mr. Jenkins, who has been with the program for a long time, is entitled to much of the credit for the progress which has been made.

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

Mr. HAYDEN. I yield.

Mr. LAUSCHE. Can the Senator from Arizona state the position of the Director of the Federal Aviation Agency with respect to the $2,450,000 which is appropriated for the construction of a sewer system to serve the Chantilly Airport?

Mr. HAYDEN. My recollection is that General Quesada was very much in favor of it. He testified strongly in favor of it.

Mr. LAUSCHE. Was there any opposition expressed to it by any of the governmental agencies?

Mr. HAYDEN. The only comment on it, was, on the part of some individuals who wanted to connect their sewage disposal with the system, but our idea was that the system proposed would connect up with the disposal of sewage in the District on its own, and that private persons would have to find other ways of disposing of their sewage.

Mr. LAUSCHE. It is my understanding that the item was rejected by the House, because originally in planning the airport sewage disposal plant, they felt that a $750,000 expenditure would be adequate to take care of the sewage at the airport.

Mr. HAYDEN. But it was determined that there was no presently feasible way adequately to take care of the sewage by the method proposed at that time, and that this was the only feasible way to do it. So General Quesada recommended this change.

Mr. LAUSCHE. I thank the Senator very much.

Mr. NEUBERGER. Mr. President, I should like to speak just a few words of commendation for the action taken by the Committee on Appropriations on this supplemental bill.

The committee has acted wisely in providing funds for our national forests. On the surface the increases may look large, but in reality they are not. The increase for forest land management is approximately $5 million above the 1959 level. This will permit some acceleration in every major national forest activity.

In forest research, the increase is approximately $2 million above the 1959 level. This will permit the construction of essential laboratory facilities throughout the Nation. The laboratories include every type of needed study, and, of course, the findings of one laboratory in one region, will be useful in other parts of the country. I am most gratified that an Insect and Disease Regional Laboratory is scheduled for Corvallis, Oreg. We have an outstanding school of higher education there, with one of the finest deans in the profession. The plant site and facilities are adequate and there will be a great opportunity for cooperative work with the Oregon State College of Forestry.

I am especially pleased to see that the committee has included funds for access roads. The $2 million added here will permit the program to proceed at the full authorized level. As the senior Senator from Arizona knows, the authorization in 1959 was $32 million, and we provided enough money to fulfill it. This year's authorization is only $30 million and these added funds will permit full scale operations. The committee has also wisely provided an additional $5 million to permit the Forest Service to acquire non-Federal roads needed to provide access to national forest timber. By this action alone, revenue will be enhanced by $19 million. This certainly is a good investment, and one which will help balance the budget.

To my way of thinking, the language of the Secretary of Agriculture which is quoted by the committee provides a complete justification for the action taken. The Secretary said:

> 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 committee deserves warm congratulations for its decision to move promptly to meet this challenge.

I would like to close, making brief mention of two other actions by the committee. The full request of the administration for the O. & C. forestry program in the Bureau of Land Management has been allowed. This $525,000 will permit the sale of 1 billion board feet, an increase of 163 million board feet over that planned originally. This is practical because the allowable cut for sustained yield has been increased. This additional timber will bring an estimated $2½ million into the Treasury.

I am also delighted that the committee has provided the funds needed for the Outdoor Recreation Resources Review Commission. As a member of that

Commission, I can assure the senior Senator from Arizona [Mr. HAYDEN] and the members of his committee that we will spend the funds wisely and carefully. Finally, I would like to mention the valuable service that the staff members of the Appropriations Committee provide. The excellence of this bill and the many other bills that we have considered reflects to a large extent the dedicated work of fellows like Bill Woodruff on our side and Mr. Gene Wilhelm on the staff in the other body.

As the junior Senator from one of our leading lumber-producing States, I wish to say that we are aware that the senior Senator from Arizona knows our problem and does his very best to meet and solve it, and I express my gratitude to him.

Mr. HAYDEN. I thank the Senator from Oregon. I yield to the Senator from North Carolina.

Mr. JORDAN. Mr. President, I strongly recommend that the Senate approve H.R. 7978, the supplemental appropriations bill for fiscal 1960.

I am particularly interested in that section of the bill dealing with the expansion of our forestry research program.

The approval of the funds that would increase our forestry research program is long overdue.

The importance of forestry to our economy cannot be overemphasized. For many years, we have neglected our forests, and unless drastic measures are taken we will be in grave trouble in the near future. The best estimates show clearly that if the per capita use of timber products continues to increase at its present rate, wood consumption will double in the next 40 years. This fact alone paints a serious picture for the future when we give consideration to the fact that our expanding population is reducing the total number of acres available for woodland.

Even with present-day production as high as it is, we are still importing a considerable amount of wood products, mainly pulpwood, woodpulp, and paper.

Because of increased consumption and a growing population, we have reached the point where we must depend on research and sound management of our forestry resources for the answers. It is not a simple matter of planting more trees. Additional forest land is one of the answers, but only one, and in fact a minor one over the long haul.

The most serious need today is the finding of ways and means to utilize wisely the timberland we have as well as land which is being reforested. In order to do this, we must control insects and diseases and at the same time encourage in every way possible sound management practices.

A recent study by the Forest Service gives a good illustration of the importance of controlling insects and diseases. The study shows that in 1952, which was a typical year, insects killed seven times as much saw timber as fire, and disease killed three times as much. These facts speak for themselves, and they show clearly that we are losing the productivity of more timberland because of insects and disease than because of the fearful forest fire.

According to the Forest Service, the immediate requirements—the short-term needs—call for an annual sustained yield of 11 billion board feet of saw timber from the national forests. Only 6.4 billion feet were cut in 1958. These facts speak for themselves and clearly indicate the emergency nature of the problem we face in getting our house in order.

The need for the programs which would be supported under this bill is great. There is no doubt about that.

The total appropriation for forestry items would be $22 million under this bill. The largest category is forest land management projects, which would receive $15 million. A total of $4.5 million would be used for expanded research, including $2.5 million for the construction of research facilities. Another $2.5 million would be used for the acquisition of lands and forest roads and trails.

In the long run, I feel the need for additional research facilities is the greatest single need. In the interest of time, I will not discuss the merits of each of the proposed research facilities for which funds are included in the bill.

I would, however, like to mention specifically the need for a regional laboratory in North Carolina, which will require about $775,000 to construct.

In North Carolina we produce in commercial quantities practically every type of timber common to the eastern half of the United States. We take pride not only in the large volume of our production, but in the variety of our production as well.

We also take pride in the fact that we are the Nation's leading State in the production of wood furniture. Furniture is one of our top industries, and it is of utmost importance to our overall economy.

Through the years, we in North Carolina have been keenly aware of the importance of forestry not only to our State, but to the Nation as a whole. As a result of this awareness, we have in North Carolina two of the world's finest schools of forestry—one at North Carolina State College in Raleigh, and one at Duke University in Durham.

In addition to these two outstanding schools of forestry, we have for a number of years carried on important, but a necessarily limited amount of forestry research at the Forestry Research Station, State College in Raleigh.

Our greatest need at the moment is to increase the volume of basic research in order to bring it up to a realistic level.

The location of a regional laboratory in the Raleigh-Durham-Chapel Hill area, which we in North Carolina refer to as the research triangle, would be a natural.

In the research triangle scientists and technicians would have access to three of the most outstanding research and educational centers in the entire Nation. In addition to the facilities of the State-operated forestry research station at State College in Raleigh, and the schools of forestry at State College and Duke University in Durham, the University of North Carolina at Chapel Hill would also make valuable contributions.

Just as important, a regional laboratory in the Raleigh-Durham-Chapel Hill area would be located in an area that is capable of producing an unusually wide variety of timber and wood products.

Thus far, basic research in forestry has been meager. But even with the modest amount of work now going on, the immediate outlook is unusually bright. Already, work is being done to develop fast-growing hybrid trees and trees which are resistant to insects and diseases.

The possibilities are unlimited, and we in North Carolina sincerely feel that we can make a positive contribution not only to the future development of our own State, but of the entire Nation.

I want to emphasize that while we are fortunate in having two fine schools of forestry in North Carolina, the proposed forestry research regional laboratory would serve not only North Carolina, but the entire Southeast as well as all those areas in the eastern half of the United States with problems common to those in the Southeast. We have all of the basic ingredients, and we are eager to put them to work.

I hope the Senate will approve the bill without delay in order for badly needed work to get under way in the near future.

Mr. HAYDEN. I yield to the senior Senator from Montana.

Mr. MURRAY. Mr. President, an appropriation bill never comes before the Senate but that I marvel at the effort the senior Senator from Arizona [Mr. HAYDEN], and his committee members have made to bring the best possible bill before us.

I am exceptionally pleased, and I know that I can express the warm appreciation of every conservationist both in Montana and across this Nation, when I commend the decision to provide $27 million of additional money for our national forest system. We have been alerted that a tremendous conservation effort must be made in the next 10 years if the resource needs of our people are going to be met in the future. We have a diminishing natural resource base and an expanding population. The only solution is to develop, conserve, and wisely use our renewable resources.

I am proud to have worked to help bring about this substantial increase in Forest Service programs. The Senator from Arizona has done a remarkable job of providing vitally needed funds for each and every essential national forest need.

I recall to the attention of the Senate that this $27 million increase is far less than we spend on foreign aid in many countries where this program operates. I do not believe that we can deny the needs of our people at home while we continue to pour billions of dollars abroad. If we are to help the other nations of the world, and I think we must, our first responsibility is to keep ourselves strong. No one can look objectively at the condition of our national forest resources and say that we can delay as much as 1 year the revitalization and conservation of these great federally owned forests.

I commend the committee for its timely action and for the consideration it has given to all of us in the Senate who have been urging this course of action. It is my hope that the administration will promptly advise the conferees that it favors the decision of the Senate, and that it recognizes that conservation of our natural resources has complete and strong bipartisan support.

Mr. MANSFIELD. Mr. President, I wish to join my distinguishd senior colleague from Montana in commending and complimenting the distinguished Senator from Arizona and chairman of the Appropriations Committee for the consideration he has shown toward the Forest Service in the supplemental appropriation bill now before us.

Mr. President, I should like to speak for a moment about the gratifying action taken by the Senate Appropriations Committee in providing $27 million in new funds for the Forest Service for fiscal year 1960. The Senator from Arizona [Mr. HAYDEN] and the other members of the committee have acted in their usual thorough and conscientious manner. We all recall that when the regular bill for the Forest Service was before the Senate the chairman said that he would consider adding funds in the supplemental bill. At that time he indicated that the Bureau of the Budget and the Secretary of Agriculture would be asked to submit a request for funds. Twenty Senators representing all parts of the country then asked the Director of the Bureau of the Budget and the Secretary of Agriculture to comply quickly with the committee's desire. We were later advised by these administration spokesmen that funds would not be sought until fiscal year 1961. Following this, 15 Senators joined with me in requesting that the Appropriations Committee consider adding the necessary funds. In that letter we said:

> We believe the Congress has made enough savings in the overall budget to demonstrate to the people that implementation of the forest program now is sound. We also believe we can make a good case that by taking positive action on a conservation program with widespread interest we are doing a job that our people expect and want done.

I know of no man who has given greater service to conservation than the senior Senator from Arizona [Mr. HAYDEN]. This is not because he comes from the West, but because he understands the role that resource conservation plays in having a strong and vigorous Nation. He understands the responsibility we have as elected representatives to promote the general welfare of our people. The action his committee has taken is another of many demonstrations of his understanding and his wisdom.

Our national forests are valuable assets which benefit all our people. They are a prime source of water. They supply the greatest opportunities for healthful outdoor recreation. They contribute significantly to our forest products industry and to our livestock industry. Hunters and fishermen know that forest lands are important to them. The research which the Forest Service conducts is essential to a sound conservation program. The money this bill provides will advance each and every one of these activities. I find it difficult to single out any one program and indicate a preference for it, because each of them is a part of the overall need. The most significant action, however, which I think the committee has taken is in the money added for roads and trails, recreation, reforestation and range improvement, and insect and disease control. In the report submitted earlier this year by Secretary Benson these were among the activities which were lagging farthest behind. In order that the action by the committee can be gaged against the total needs which are known to us at this time, I ask unanimous consent that there be printed in the RECORD at the conclusion of my remarks a table setting this forth.

I thank the Senator from Arizona and all the members of the committee for the excellent and constructive work they have done in providing badly needed funds for our forests.

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

National forest short-term program, national total

Item and project	Recurrent work maximum annual level	Nonrecurrent work short-term program total	Funds provided by Senate for fiscal year 1960 [1]	Work needed
Forest protection and management:	*Thousands*	*Thousands*	*Thousands*	
Timber resource management:				
Sales administration and management	$25,200		$1,700	Develop plans for 8,500,000 acres. Keep plans current. Cut 11,000,000,000 board feet.
Reforestation and stand improvement		$375,160	1,000	10,600,000 acres of cultural treatment. Plant 3,900,000 acres (including reinforcement and recent burn planting).
Recreation-public use	16,300			National Forest Outdoor Recreation Resources Review. Complete management and development plans. Maintenance, sanitation, and cleanup of existing facilities.
		122,880	6,000	Construct 102,000 family units.
Wildlife habitat management	2,980			Management and administration of wildlife resources.
		33,600	400	Improve 1,900,000 acres habitat, 7,000 miles stream, 56,000 acres lakes, 2,000 small watering facilities for wildlife. Rodent control 11,200,000 acres.
Range resource management:				
Management	4,191			Management and administration of range resources.
		11,561	200	Complete analysis and plans for 10,000 allotments.
Revegetation		30,772	300	Revegetate 4,400,000 acres.
Improvements	1,605			Maintain existing improvements.
		26,067	200	Construct 18,000 miles fence and 9,500 water developments.
Soil and water management	1,345			Management and administration of soil and water resources.
		83,320	500	Watershed rehabilitation on 1,300,000 acres, and 22,000 miles of gullies, roads, and streams. 160 pollution control structures and 420 flood prevention projects. Soil surveys on 33,000,000 acres. Initiate inventories and water yield studies.
Mineral claims, leases, and other land uses (including land classification and ownership adjustments).	4,896			Examine mining claims. Administer mineral leases and special uses. 5,000 miles of property line maintenance. Administer land exchange.
		53,595	1,000	Prepare new status records system. Accelerate cadastral surveys. 133,000 miles property line surveys and posting. 224,000 square miles topographic mapping.
Land purchase		1,515	500	Boundary canoe waters, Superior National Forest, Minn., 9,000 acres. Small tracts within Cache National Forest, Utah, 1,000 acres.
Ranger district management	11,277			General supervision and management of ranger districts.
Land utilization projects	2,110	10,420	200	Management and development of timber, recreation, range, wildlife, and water resources on 4,600,000 acres of land utilization lands.
Forest fire protection	19,313			Intensified protection, including increased manpower and equipment, approximately 2½ times present level.
		73,200	1,000	Fuel reduction on 4,200,000 acres and 12,000 miles of firebreaks. Construct 1,800 heliports and spots.
Structural improvements for fire and general purpose.	7,600			Maintenance of all existing improvements, including radio replacements.
		98,600	1,500	Construct 2,700 housing units and related improvements; 3,200 service buildings, lookouts, and special structures; betterment of existing structures; 2,000 new radio installations; replace 3,000 miles of telephone lines; construct and reconstruct 62 landing fields.
Insect and disease control	9,000		1,000	Intensified and accelerated detection, prevention and control of forest insects and diseases to reduce current timber losses.
Total, protection and management	105,817	920,690	15,000	

[1] 1960 funds not segregated between recurrent and nonrecurrent items.

National forest short-term program, national total—Continued

Item and project	Recurrent work maximum annual level	Nonrecurrent work short-term program total	Funds provided by Senate for fiscal year 1960	Work needed
Forest research:				
Forest and range management research:	*Thousands*	*Thousands*	*Thousands*	
Forest genetics and planting	$2,510			
Silviculture	3,125			
Timber growth and yield	810			
Watershed management	3,485			
Range management	1,450			
Recreation and wildlife	2,455			
Forest protection research:				
Forest fire	2,200			
Forest insects	2,210		$2,000	The amounts shown are for recurrent research program of broad regional or national character that relate to national forest problems.
Forest disease	1,440			
Forest products utilization research:				
Forest products	5,636			
Forest engineering	1,700			
Forest resources research:				
Forest surveys	470			
Forest economics	850			
Marketing	1,000			
Construction, research facilities		$34,354	2,500	Construction of 5 experiment station headquarter office-laboratories, 17 specialized laboratories, and 25 research center office-laboratories, minor field laboratories, utility buildings, related facilities and minor structures on about 100 experimental forests and ranges.
Total, research program	29,341	34,354		
Forest roads and trails:				
Construction		[2] 719,600	7,000	Construction and reconstruction of 46,000 miles of roads, 8,000 miles of trails, and assistance in construction of roads by timber purchasers.
Maintenance	[3] 20,500			Maintenance of existing roads and trails.
Grand total	155,638	1,674,644	27,000	

[2] Timber purchasers will construct an additional 44,000 miles of road costing approximately $564,000,000 as the purchasers' share.

[3] Timber purchasers will maintain existing purchaser-constructed roads at an estimated annual cost of $4,500,000.

Mr. ANDERSON. Mr. President, in the foreword of "Timber Resources for America's Future," published in January 1958, Dr. Richard McArdle, Chief of the Forest Service stated that "tomorrow the Nation's need for timber will be strikingly greater than today or at any time in the past." That in essence is the finding in the Forest Service appraisal of the timber situation in the United States.

I have found in this Forest Service report much valuable information in regard to our timber resources. It will be helpful to all of us in dealing with our problems on the national forests. We cannot, however, limit our interest to timber and timber products. The forests have many other values and when we speak of forest resources it has a much broader meaning than sawtimber for lumber.

We hear much talk these days about critical and strategic materials and needs. Timber is a critical material either during a war or in peacetime, but in speaking of things critical and strategic in this connection, we must take a look at the other values in our national forests. There is nothing more critical to the arid West than water. This commodity is fast becoming a concern of many of the cities of the East also. The manner in which our forests are managed to a great degree controls the water supply of the entire country.

Not only are our forests important to all of us for the water and timber products, but they are especially significant to the people of the West in contributing a great deal to the production of beef and wool. As we all know, both of these critical items greatly affect the economy of hundreds of communities.

Last but not least in importance are the recreation resources of our forests. The facilities and accommodations in the forests are already inadequate to care for the increasing number of people visiting the forests each year. The expansion and improvement of the recreation areas is essential to the health and well-being of our population.

We have been falling behind in our schedule for protection and development of our national timber lands. I was therefore happy to see the Department of Agriculture in March of this year submit its "Program for the National Forests." I did regret, however, that this was not accompanied by a request for funds to implement the program. I therefore joined with 19 of my colleagues in the Senate endorsing the recommendation of the Senate Committee on Appropriations to the Department of Agriculture, that a budget request be submitted to Congress during the present session so that this program could be gotten under way. I was disappointed when the Department advised that it did not intend to request funds until budget time for 1961. I, along with many of my colleagues in the Congress, have felt for some time that this type of accelerated program on the forest is urgent. Each year we have gone before the Appropriations Committee urging more funds, but we have had little cooperation from the Bureau of the Budget.

Much of the proposal of the Department is an expansion or extension of some of the very fine programs now in effect, but which have never been fully implemented. I have been before the Appropriations Committee a number of times urging that such programs as the Anderson-Mansfield reforestation and revegetation program, Operation Outdoors, and our research programs be put on schedule. I have urged increase of funds for insect and disease control and eradication as well as funds for research; therefore, I am happy to lend my support to this stepped-up program and to urge that the funds suggested by the Appropriations Committee be made available now.

There is a great deal of discussion going on all over the country and in Congress about balancing the budget and holding down inflation. I am receiving a good many letters about this problem from my State, but never a word against this sort of a program. In fact, I have received letters each year urging that funds be made available to improve our forest programs. We have made some cuts in the budget where it appeared in the interest of the country. We should make further cuts in items that neither bring a return on the investment nor enhance the prestige of this country in the eyes of the world, or with the people at home.

What we propose in the way of funds for this program is a mere pittance compared to our overall budget and the amount of technical aid and other help given foreign countries, much of which brings no return in any manner. I know our forest program will return manifold both in tangible and intangible benefits.

Our forests are revenue-producing property. A good businessman does not willingly allow such property to deteriorate and become unproductive. Failure to provide and carry out the type of program that will adequately protect our watersheds, that will provide lumber and forest products, that will provide for the recreation needs of our people, now and in the future, means we will go out of business in those particular products unless we invest to protect these resources.

The schedules we have been following are putting us a little farther behind each year. It is the height of folly to close our eyes to the needs of the coun-

try in this area. We are doing just that and I give you one or two examples:

In the matter of infestation by insects and diseases, the loss is appalling. It is even far greater than destruction by fire. For the United States as a whole, the loss from destructive causes is estimated to be 92 percent of net sawtimber growth. Of this total, insects and disease make up 65 percent. This loss should and can be cut down by additional funds to do the job. Yet, we see this loss each year without doing very much about it.

In the case of recreation, the use of forests is increasing by leaps and bounds. In 1945 the visits to the forests were near 38 million. The number of visits in 1958 was 68.5 million and it is estimated that by 1969 recreational use of the national forests system will reach 130 million. This would put into trade channels a total of nearly a billion dollars. It is impossible with the funds available to even maintain in good condition the facilities we have, let alone provide for the increased need.

We know there will be a continued fast growth of the population and along with this growth we must have a continued expansion of our economy. Timber and forest products, water, beef, wool and recreation are some of the important factors in any expanding and firm economy. We must not have a famine in these items. This will surely occur if we do not take steps today to provide for the future. Timber does not grow in a year or a few years. It takes 25 to 100 years. The proposed program is needed to take care of this situation. It must be started now and it must be kept on schedule. I urge that the Senate stand behind and support the recommendations of the Appropriations Committee and approve the funds for this purpose in this bill.

Mr. DWORSHAK. Mr. President, I also should like to commend the distinguished chairman of the Committee on Appropriations for his vigorous support of the program submitted by Secretary Benson and the Forest Service to accelerate the development of our public forests.

In this regard it should be emphasized that there was almost if not completely unanimous support within the Appropriations Committee on a bipartisan basis. The members of the committee recognized that in the conservation and expanded use of our forest areas for recreational development, for watershed protection, and access roads to market timber, this is a very constructive and worthwhile program. Insofar as finances are concerned, the investment of small sums now will accelerate the marketing of overripe timber and result in increased revenues to the Federal Treasury.

It is most encouraging to me, coming from a western State which has 20 million acres of U.S. forest lands, to note that there is such excellent cooperation between the Forest Service in the executive department and the Members of Congress in stimulating and promoting this very fine program. I hope these funds will be retained in the conference report on this bill.

Mr. DIRKSEN. Mr. President, I doubt whether there is any labor quite so tedious at times as the business of shepherding a supplemental appropriation bill through the Senate Appropriations Committee. It contains many items, small, some large, and its consideration is a test of fidelity and devotion. I know from my own experiences on that committee that the chairman was always there. Other members could absent themselves, but the chairman was always in his place.

So, Mr. President, I salute the chairman and I salute the staff, Bill Woodruff, Thomas Scott, Harold Merrick, Bill Kennedy, and all the others who have been so helpful.

Particularly I wish to say that I thought the Senator from Arizona did an excellent job on the Aeronautics and Space Administration item. I intend to ask consent to have printed in the RECORD a little fact sheet and also some pointed editorials on the matter.

I am glad the bill has been reported precisely as it is. There is a timetable involved between us and other countries, and so money is important in narrowing any gap which may exist and to take us out in front.

So I salute the Appropriations Committee for a job well done.

Mr. President, I ask unanimous consent in connection with my observations to have printed in the RECORD the fact sheet and editorials.

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

FACT SHEET

1. The National Aeronautics and Space Administration was created by Public Law 85-568 and approved in the 2d session of the 85th Congress. The NASA officially was in operation October 1, 1958.

2. In the 1st session of the 86th Congress, two budget requests for funds (a 1959 supplemental item and regular fiscal year 1960) were submitted to the Congress.

3. House action:

Year	Amount requested	Appropriation Committee action	House action	Final reduction
				Percent
1959 supplemental	$45,000,000	$41,400,000	$18,675,000	59
1960 regular	485,300,000	443,400,000	443,400,000	9
Total	530,300,000	484,800,000	462,075,000	13
Net cut		−45,500,000	−68,225,000	

Several technical points of order by GROSS (Iowa) were sustained on the House floor so that the Appropriations Committee recommended reductions were actually increased.

Senate action: The Senate Appropriations Committee has recommended full restoration of budget amounts for NASA for 1959 supplemental and fiscal year 1960 operations.

4. Effect of any reductions in NASA's budget requests: The NASA is faced with a critical money situation due to the fact that much of its research and development funds must be allocated to obtaining space engines to place larger payloads into orbit. In addition, the NASA must obtain competent scientific and technical personnel to manage its programs and must acquire modern research and tracking facilities to carry on the Nation's aeronautical and space programs. In view of the considerable lead enjoyed by the Soviet Union in the space field, prior to organization of the NASA, a reduction in operating funds when the Nation is beginning its space efforts can only increase this time differential. No reasons were assigned in the House Appropriations Committee report for the reduction in funds. In view of the modest increase in personnel and funds requested by the NASA, a cut in its appropriations must be absorbed by reducing the pace on research and development for space engines and vehicle systems now planned to put this country on an equal basis with the Soviet Union.

[From the Cleveland Press, July 17, 1959]

"WHY THE COMPLACENCY?" SPACE BOSS GLENNAN ASKS

A year ago this month, Congress passed the National Aeronautics and Space Act: unanimously in the House, overwhelmingly in the Senate.

One of the chief mandates laid down in the legislation was: "The preservation of the role of the United States as a leader in aeronautical and space science and technology."

What has happened since then to give anyone a sense of complacency?

Have we—who started serious work in the space field 6 or 7 years after the Soviets were pouring unlimited funds and their best brains into the drive to dominance in space—suddenly achieved some enormous advantage?

If so, I would like to know about it. I would sleep better at night.

If Congress slices an already-lean NASA budget at a time when this Nation has barely begun its space effort, the world will conclude that the United States is having second thoughts about facing the Communist challenge in this field.

Realistically, a research and development program of the complexity and magnitude of this one cannot be turned on and off at a moment's notice. Having made the decision to enter the race, we must pursue with vigor an imaginative, well-planned program.

Our agency became operative on Oct. 1, 1958—one year after sputnik began beeping ominously overhead. From the outset both Houses of Congress have given us the strongest possible support.

Consequently, I am unable to grasp the reason for the House cut.

As administrator, I have resisted the temptation to indulge in Sunday supplement speculation about the coming wonders of space exploration.

At the same time I have tried to convey my deep conviction that space research holds the promise that it may soon be paying for itself many times over in tangible economic benefits.

We have every right to count on developments in satellite meteorology, communications, navigation and geodetics that will dramatically affect the lives of all of us.

Here, in brief, is what the reduction could mean to our national space program in terms of time and progress:

Development of the Vega rocket propulsion system might have to be drastically cut back.

It will be one of the first space vehicles capable of making extensive television surveys of the moon's surface.

We might have to retard Centaur which should be capable of soft-landing a 730-pound scientific payload on the moon.

We would have to eliminate or drastically reduce the $30 million needed for the 1,500,000-pound-thrust, single-chamber engine. Only with this vehicle will it be possible to carry our manned expeditions to the moon and back.

Even our top priority Project Mercury, the manned satellite project, would certainly be affected.

Let me assure you that I am not crying wolf.

The decision in this Nation's space exploration is up to Congress. Whatever decision you make, we will attempt to carry it out with diligence and devoted effort.

[From the Washington Evening Star, July 1, 1959]

MONEY FOR SPACE

Not many months ago, after the Kremlin had successfully launched the first man-made moon in history, our Congress rang with eloquent and even hysterical speeches calling for bold and imaginative action (without a moment's delay, and hang the expense) to insure that our country would be second to none in space.

Then, in a series of unusually swift hearings and admirable moves, the House and Senate agreed upon the establishment of the National Aeronautics and Space Administration. As proclaimed at its birth, this civilian agency—headed by Dr. T. Keith Glennan—was brought into being to establish American leadership on the pathway to the stars. To that end, as soon as it began to operate, it drafted a far-ranging program of satellite launchings, lunar probes, and such other fantastic ventures as Project Mercury—a project in which the United States has committed itself to try orbiting a man around the earth before the Soviet Union does.

All this, despite the great and inescapable expense implicit in it, won the enthusiastic approval of Congress. It did so as a program deemed essential both to the prestige and security of our country. Yet, strangely enough, with an inconsistency which even big minds ought to view as a hobgoblin, the House has just voted to slash more than $68 million from the $530 million requested by President Eisenhower for NASA's operations during the coming fiscal year. This economizing action, moreover, has been taken in the teeth of an administration warning, as voiced by Dr. Glennan, that the Agency's original budget, because of rising costs in the meantime, "has become tighter and tighter until there is less than any slack in it."

What does it mean to take $68 million out of such a budget? Because of the nature of the work involved, precise answers are difficult, but this much may be viewed as a certainty: The House cut, if it prevails, will require a sharp curtailment (more than 10 per cent) of planned research and development regarded as of vital importance to our national effort to attain leadership in space. Further, again if it prevails, the cut will slow down Project Mercury in a way that will increase the possibility, if not the probability, that a Russian will be the first man into orbit safely around the earth. This is a point that speaks for itself, and Congress and the country at large can ill afford to shrug it off.

In these circumstances, the Senate ought to restore to the NASA all of the funds that the House has taken away. Senator JOHNSON, the majority leader, has been one of the most eloquent advocates of American supremacy in space, and we hope he will use his powerful influence to see to it that the people who are supposed to lead us along that line are given enough money to do it.

[From the Washington Star]

MISTAKE IN SPACE

Dr. T. Keith Glennan, head of the National Aeronautics and Space Administration, has pulled no punches in his appearance before the Senate Appropriations Committee. Speaking in somber and urgent tones, he has flatly declared that the House, in recently voting to cut $68 million from his agency's budget for the current fiscal year, has taken a step that threatens to result in "disastrous consequences," and there is no reason to doubt the soundness of his warning.

The sum sought by NASA, with the strong and unqualified backing of President Eisenhower, is $530 million. As Dr. Glennan has said, this represents a tight budget with "less than any slack in it." In other words, it is the rockbottom minimum needed to give our country, for the sake of both its prestige and its security in a dangerous world, a fighting chance to catch up with the Soviet Union in space, and to go on from there to achieve genuine leadership in the field—an unchallengeable second-to-none position.

This is the objective that the American people want to see attained with the least possible delay. It is why Congress not many months ago, after the Russians had successfully orbited the world's first earth satellite, acted with extraordinary speed and unanimity in bringing NASA into being and in recommending that no expense be spared to establish our country's supremacy in space. Yet with massive inconsistency and a certain measure of recklessness, the House now has slashed a great chunk out of the money the President has requested to do the job that must be done if such supremacy is ever to be realized.

Why such economizing? In Dr. Glennan's words, "What has happened * * * to give anyone a sense of complacency? * * * Have we—who started serious work in the space field 6 or 7 years after the Soviets were pouring unlimited funds and their best brains into the drive to dominate space—suddenly achieved some enormous advantage?" Of course we haven't. Actually, we still lag behind in several vital respects, and so we can ill afford to pinch pennies in dealing with a situation in which "the United States must bend every effort to achieve a position of leadership. * * * And we are all agreed that leadership in a race where there are only two participants cannot conceivably mean running second."

In saying this, and in admonishing that there will be "disastrous consequences" if the House cut is sustained, Dr. Glennan has backed himself up with a chapter-and-verse documentation of what is likely to happen unless Congress restores the money that has been taken away. Among others, the consequences will involve a slowing down, a curtailment or a shelving of key projects—including the one aimed at sending an American into orbit in 1961—designed to make us look reasonably impressive in our spatial competition with the Russians.

Accordingly, it is good to know that space-minded Senator JOHNSON, the majority leader, is in agreement with all this. As he put it, it would be "a great mistake" not to provide NASA with every penny it has asked for. We hope that Congress as a whole, when the issue is finally decided, will act in keeping with the warning that he and Dr. Glennan have both sounded.

[From the Washington Daily News, July 23, 1959]

CAPITAL CIRCUS

(By Jerry Greene)

WASHINGTON, July 22.—It may well be that Russian rocket successes with animal space flights have become so common, and U.S. missile failures so usual that the public has lost much of its earlier interest in the regions between here and the moon.

Certainly there is considerable evidence in Congress that this is true and as a result probably the most perplexed official in the Capital is Dr. T. Keith Glennan, Chief of the National Aeronautics and Space Administration.

He is being told by one congressional committee he isn't spending enough and asked why he can't get along faster with his work in space. Then when he asks for the dough, he is blasted for extravagance, his budget is mercilessly slashed and he is sternly instructed to quit wasting the taxpayers' money.

Only last night in a little noted speech here, Dr. Glennan declared that Russia's head start in the space race represents a real threat to our security.

"We are given the choice," said Glennan, "of competing with Russia in the new realm of space research, or else resigning ourselves to the role of onlooker in the most inspiring enterprise of our time."

Obviously, there is a big rash of confusion spreading over the entire issue and today the alarmed Representative OVERTON BROOKS, Democrat, of Louisiana, decided to take action. As chairman of the House Space Committee, BROOKS called for extended hearings to begin next Tuesday to find out how badly we have bogged down and why.

On the surface, BROOKS wants to study the five recent successive failures of the Atlas intercontinental ballistic missile. At present, the Atlas is intended to be the launching vehicle for Project Mercury, which is to put the first American into orbit 2 or 3 years from now. (Washington is buzzing with reports that the Russians will make this big attempt by October of this year.)

But BROOK: is going a lot further than a study of the Atlas and will try to give the people a solid picture of the situation and some reassurance, if there is any to be found.

THE ROOT OF ALL WASHINGTON TROUBLE

As is usual here when trouble creeps over the horizon, the cause can be traced to money, rightfully or wrongfully. Few can be found who will say that Glennan's NASA has not done a remarkable job in getting started in just 12 months. But those same Congressmen who had been screaming in near hysteria about Russia running faster toward the stars, just a few days ago cut $68.2 million from NASA requests.

NASA had asked that another $45 million be added to this year's budget of $385 million, and a 1960 appropriation of $485.3 million. The total House cut in both requests of $68.2 million was taken over the vigorous opposition of BROOKS and a number of his worried colleagues.

The House Space Committee, after long hearings, had approved the full amounts NASA wanted.

Now the measures are under consideration by the Senate Appropriations Committee, which is expected to report in about 2 weeks.

WHAT HAS HAPPENED? ASKS THE DOCTOR

Less than 10 days ago, Dr. Glennan went before the Senators to plead his case.

"Wholesale expression of congressional support for NASA was evident until very recently," Glennan testified. "Today, the situation is strangely changed. NASA is faced, not with having to decline a plethora of funds, but with the prospect that vital projects will have to be curtailed or even put on the shelf because funds for them are being denied."

Last year, he recalled, NASA got every dime it asked.

"What has happened since then to give anyone a sense of complacency?" he asked.

In danger of elimination or facing long delay should the reductions stand, as out-

lined by Glennan, were half a dozen major space projects now under way.

Best known of these, of course, is Project Mercury, the man-in-space operation, when and if the Air Force can get the kinks out of the Atlas and give the first astronaut at least a better than 50-50 chance of getting off the ground.

THESE SPACE VEHICLES LISTED FOR THE AX

Then there would be drastic cuts in development of the VEGA rocket propulsion system. If this gadget works, it is expected to put a 5,000-pound payload in orbit, and be one of the first vehicles capable of making TV surveys of the moon.

VEGA, the NASA chief said, "will be our first which is capable of matching the payload lofting capability of the Soviets."

Then on the danger list is Centaur, designed to put 8,000 pounds in a 300-mile orbit and should be able to land a 750-pound package on the moon safely.

Facing elimination entirely for the time being is the cash needed for continuing work on the million and a half pound thrust rocket engine which is intended to supply power to send the first manned expedition to the moon—and back. They figured it would take at least 6 years to build.

BROOKS, hurt and baffled by the refusal of the House to go along with the wholehearted recommendations of his Space Committee, is not unmindful that his hearings next week might help light a fire under the Senators and some of his reluctant House colleagues when the appropriations bill goes to conference, as it surely will.

If not, and the United States falls further behind in the drive beyond the skies, first blame must rest squarely on the Congress itself.

EXCERPTS FROM EDITORIAL IN THE PHILADELPHIA INQUIRER OF JULY 22, 1959

Originally, a model of the capsule that was to carry the first U.S. airman into space was to have been launched this month by an Atlas.

Whether that can now be done is doubtful, but the sooner the space capsule experiment can be successfully concluded the better it will be for U.S. prestige and security.

EXCERPTS FROM EDITORIAL IN THE PHILADELPHIA INQUIRER OF JULY 8, 1959

Ever since the Russians put the dog Laika into orbit aboard Sputnik II late in 1957 there has been no letup in their experiments with animals in space. * * * The Soviet goal, of course, is to be first in space with a man.

Despite U.S. progress the odds probably favor Russia getting a man in space first because the Moscow masters would not hesitate to jeopardize a man's life in the interests of achieving a great propaganda victory over the United States. This country should put a man in space as soon as it can be done with reasonable safety.

The payload of the American rocket that carried two monkeys into space was only one-eighth the weight carried in the latest Soviet experiment. Russian satellites put in orbit around the earth have been from the very beginning much heavier than U.S. satellites.

Moscow radio commentators, in describing the missile that launched the two dogs and a rabbit said the projectile was powered by engines "much stronger than anything the Americans have."

Security of this Nation and the entire free world requires full speed ahead in our space and missile program. * * * The Russians are not resting on the laurels of past achievements and neither should we.

EXCERPTS FROM EDITORIAL IN THE MEMPHIS COMMERCIAL APPEAL, MEMPHIS, TENN., JULY 20, 1959

The blame can be laid on public lethargy—the unconcern which preceded the sputnik scare and which has persistently crept back since the flurry of activity immediately following sputnik.

Of even more concern than the mere fact that textbooks lag and teachers are far behind the times is the speed with which Russia is systematically moving ahead of America in the science field.

The lethargic American asks: "What good is all this expensive research in things that have nothing to do with my life?"

The answer has been urgently underlined by the Rand Development Corp., a private advisory agency. The Rand Corp. has reported:

"The technical pace of modern life does not permit a society here—in the United States of America—to operate at a leisurely pace. We stand being outstripped economically, militarily, and even philosophically (by the Russians) if we do not act with speed and thoroughness."

SPACE MENAGERIE FROM THE LOS ANGELES EXAMINER, JULY 11, 1959

The Noah's Arknik, a catchy term of the London Daily Mail for the Soviet achievement in putting up a rocket with two dogs and a rabbit and bringing them back safely, is impressive. Particularly so is the announced overall weight of the missile as more than 2 tons. The maximum height was not stated, but it seems probable it was no more and perhaps less than our feat of rocketing two monkeys and recovering them after a trip that reached 300 miles up and extended 1,500 miles over the Atlantic.

For our side the Russian accomplishment is more warning to keep on our toes.

[From Space Business Daily, Apr. 14, 1959]

America still is not awake to the peril of Communist dominance in outer space, is the view of Dr. Wernher von Braun, expressed during one of his latest public statements. Dr. von Braun said "the peril is so grave it cannot be overstated—and we must understand the total implications to our future welfare if the Soviets succeed in their drive to achieve a dominant position in outer space." Dr. von Braun listed four conclusions drawn from known facts of the Soviet program: 1. That the Russian space program parallels much of the current and planned space programs of this country. 2. That a substantial part of the Soviet effort is directed toward manned space flight and the eventual exploration of the moon and nearer planets by human crews. 3. That Soviet scientists and technicians are exclusively concerned with their work and pay little heed to any possible competition from another quarter. 4. That there is an ominous absence of any reference to possible military implications—"The great mass of their work is shrouded in secrecy." The Russians appear so sure of their technological leadership and their ability to retain the initiative that they do not even consider the possibility someone else might beat them to the moon, Dr. von Braun stated. "Frankly, I do not know who could," he added.

[From Space Business Daily, Mar. 19, 1959]

The U.S.S.R. has the means to build large solid propellant cases. W. H. Zim, president of General Nuclear Engineering Corp., in surveying Soviet atomic progress reported recently to the United States Joint Committee on Atomic Energy that the Reds are producing very large pressure vessels. Mr. Zim noted that one installattion was producing cases up to 14 feet in diameter which could take pressures of 900 psi. By a strange coincidence, 900 psi appears to be a standard working pressure for liquids and solids. Should these connections be true, it would mean that the Russians are already producing test vehicles for an all-solid ICBM and booster rockets for various liquid and manned rocket planes plus manned space stations. Conservative estimates place this activity in casing work about two years back—so that testing of truly large solid rockets in the Soviet Union may be expected this year. This would mean that the Russians are about 1 or 2 years ahead of us in the application of large solid propellant weapons and space systems.

[From Missiles and Rockets, July 13, 1959]

NASA BRACES TO FIGHT CUTS

(By Paul Means)

WASHINGTON.—Two Russian dogs named Snowflake and Daring, and an unnamed Russian rabbit could be NASA's best bet to rejuvenate Congress' flagging interest in space research.

The latest Soviet space experiment came after the House lopped off $68 million from NASA's supplemental fiscal year 1959 and fiscal year 1960 budgets, and just before the Senate began its deliberations.

Congress leaped into action after the Russians orbited Sputnik I in October of 1957, claiming that the administration had been stingy with space research money. NASA hopes that the latest Russian experiment will similarly shake Congress out of its present lethargy.

WHAT COULD HAPPEN

If the space agency has to make do with $68 million less it may mean that the whole NASA schedule for space research, including Project Mercury's attempt to orbit the first man in space, will have to be revised.

Schedules for the big space boosters, such as Vega, Centaur, Nova and Saturn, will have to be lengthened so that they do not run out of money. First firings of Vega, expected in late 1960, may have to be delayed.

The cut will also mean less space research, without the insurance in some cases of backup shots in case the first experiment fails.

ONE-TWO PUNCH

The House's about-face on money for space research culminated last week when the House Appropriations Committee voted to cut the NASA budgets by $45,500,000. Committee member Representative ALBERT THOMAS, Democrat of Texas, defended the cuts by stating that NASA had more money than it could spend wisely.

Adding to space agency's woes was a technical point of order raised by Representative H. R. GROSS, Republican, of Iowa, which eliminated what was left of the $48,354,000 in the NASA fiscal year 1959 supplemental. Representative GROSS pointed out that a recently passed law forbids the House to appropriate money for NASA not hereafter authorized by the House Committee on Sciences and Astronautics. The committee had authorized the supplemental before the passage of the law (Public Law 8645) not "hereafter" as the language of the law requires.

The House then salvaged $18 million of Project Mercury research and development funds in the supplemental by tacking them onto fiscal year 1960 budget. Lost was $22-725,000 for construction and equipment, bringing the total loss to the NASA budget to $68 million.

NASA officials are confident that the House space committee will either reauthorize the funds kicked out by Representative GROSS' technicality, or amend Public Law 8645 so that the words "hereafter" do not apply to their earlier authorization of this money.

THE REAL DANGER

What they are worried about is the $45,-500,000 cut, which NASA Administrator Dr. Glennan warns will cripple efforts to establish U.S. leadership in space research.

NASA spokesmen point out that the $35,-145,000 cut in research and development funding would severely cut into the funds available for the development of advanced systems, such as Vega, Centaur, Nova, and

Saturn. They point out that $310 million of the $354 million NASA asked for in research and development money goes for fixed costs required to continue contractual obligations started in 1959, and to pay for operational costs of already ordered items.

To cut $35,145,000 out of the research and development budget—as the House has done—leaves NASA with only $8,305,500 for development of advanced systems. In order to rebalance the program, NASA scientists say they will have to delete scheduled space flights, slow down procurement of equipment for these flights, and delay important elements of the NASA flight program.

Such delays could have international repercussions as well as denying NASA scientists needed knowledge. The cut in Project Mercury research and development funds in the fiscal year 1959 supplemental by 10 percent will mean according to NASA spokesmen, a slowing down of the program, thereby jeopardizing the United States chance of being the first nation to place man in orbital space flight.

Other important programs, such as the meteorological and communications satellite programs, and nuclear engine research under Project Rover, may have to be delayed.

TRACKING THREATENED

Another cut NASA officials say the program cannot sustain is the $7,325,000 slash in the construction and equipment allocation. If the funds trimmed out by Representative GROSS's technicality are included, NASA's construction and equipment budget would be cut by $30,050,000.

Much of this money is needed for the Project Mercury tracking range, without which the astronauts cannot take their first ride into space. The importance of the new tracking facilities was underlined recently when NASA attempted to award the contract for construction and integration of the range by July 1.

The House cut also reduced the NASA proposed salaries and expenses budget by $3,030,000, which will deny the use of 100 new employees to the space agency. Many of the new NASA employees were to man the expanded worldwide tracking and observation installations.

ROCK BOTTOM

NASA had pretty well wrung its budget dry before submitting it to Congress. In fact, some observers had felt that the NASA budget was too small, and that the space agency would have to ask for more funds later in the year. (See Missiles and Rockets Apr. 20, p. 24.) Dr. Glennan admitted as much in criticizing the House cut, stating that the space agency had learned that money for certain projects did not go as far as it had originally seemed it would.

NASA hopes for restorations of the House cuts rest first with the Senate Appropriations Committee, chairmaned by Senator CARL HAYDEN, Democrat, of Arizona. If the space agency gets by this hurdle, then action by the Senate as a whole and the Senate-House conference will decide the budget's fate.

FRIEND IN POWER

A strong ally on the side of the space agency should be Senate Democratic Leader LYNDON JOHNSON, of Texas, chairman of the Senate Aeronautical and Space Sciences Committee, which has already authorized the NASA budget in total, and an advocate of space research since the launching of Sputnik I.

If the majority leader can swing the support of his party, then prospects are good that the NASA budget cuts will be restored. In the House, the Republicans in general favored the total NASA budget and the Democrats favored the cuts.

[From Missiles and Rockets, July 13, 1959]

BOSTON—"HUB" OF SPACE RESEARCH

(By William E. Howard)

BOSTON.—Few cities physically show the Nation's explosive growth in missile/space manufacturing and research more than Boston—a culturally endowed community which long ago laid claim to being the "hub of the universe," and where industry today is in the process of making this extravagant boast come true.

The entire metropolitan area is rapidly emerging as the country's leading research center. Scientists in hundreds of laboratories are conceiving and putting together the sophisticated offensive and defensive weapons of tomorrow. And they are responsible for much of the brainwork going into astronautic systems which one day will enable man to explore space.

Nowhere is the magnitude of this fast-expanding activity more eye arrestingly apparent than along a 65-mile stretch of superhighway skirting the city from north to south in a great arc. Down the length of this busy artery there already are more than 200 modern plants employing more than 30,000 persons.

This is Route 128—Boston's "golden industrial semicircle." Less than 10 years ago, it did not exist. Route 128 was only a country road meandering through meadows and woods, and connecting suburbs.

Where there were pig farms only a few years ago, today industrial parks are springing up. Once quiet towns are the scene of more development. Industrial brick and mortar investment alone is estimated at $140 million. The entire complex, including business and home development, is valued at more than $500 million, and the figure is increasing.

Land values have shot up from $1,000 an acre to as much as $26,000, with plenty of takers. All segments of industry are represented in this booming new area. But electronics is far and away the most predominant.

KEY TO GROWTH

Originally, conversion of Route 128 into an expressway was conceived primarily as a way to divert traffic around Boston's congested streets. But by the time it was opened in 1951, developers were already making plans to attract new industry. Electronics manufacturers just beginning to open a vast new market were the first to see its advantages for locating efficient one-story plants, with the highway affording quick transportation and the historic old towns offering pleasant living.

Gravitation to Route 128 was slow at first. Then research took over, mushrooming the growth of the electronics industry and forcing the construction of new plant facilities. Concurrently, in the early fifties, came the development of missiles with their heavy electronic requirements.

One after the other, Raytheon Manufacturing Co., CBS Electronics, Sylvania Electric, Avco, and other well-known companies moved out to the new highway.

Paving the way for the migration were such real estate developers as the Boston firms of Cabot, Cabot & Forbes and R. M. Bradley & Co. They were the ones that launched the industrial park plan, offering in one package a ready-prepared site, well-located, and engineering facilities to design any type of plan for purchase or lease. Both firms are credited with contributing greatly to the orderly development of Route 128.

Thirteen industrial parks are either completed or in final construction stages and three more are being started. These parks are absorbing, too, an ever-mounting number of new firms spawned in the dawning of the space age.

Illustrative of what is happening is the case of Itek Corp. Founded about 2 years ago by 4 Boston University engineers, Itek now has more than 700 employees engaged in classified reconnaissance satellite and other space work. In quick order it bought one plant on 128, leased 65,000 square feet of the Waltham Watch Co. works, and is planning to build a laboratory on a 43-acre site in Lexington near the "Golden Semicircle." Incidentally, Itek also has a new west coast installation.

Another spectacular example is Transitron. Founded 6 years ago with 8 employees, it now has 3,000—and is the second-largest semiconductor producer in the nation.

In the past 2 years more than $52 million has been poured into new plants along Route 128—and developers feel there is room to double the present total. Visibly supporting their optimism, the fabulous expansion pace keeps on accelerating.

AIR FORCE MILLIONS

Perhaps the biggest single contributor to the amazing boom—not only along 128—but elsewhere in the metropolitan area, is the Cambridge Research Center of the Air Force's Air Research and Development Command. CRC has been and still is funneling millions of dollars into research.

As of May 31, CRC has outstanding 1,199 contracts totaling $320 million. Millions more in contracts—production and research—are being poured into the area by the AMC, NASA, ARPA, the Army and Navy, and private industry as well.

[From Missiles and Rockets, Aug. 13, 1959]

NASA BUDGET CUT IS DANGEROUS ECONOMY

(By Clarke Newton)

If some pollster were to query the 436 Members of the House of Representatives with a question which would read like this:

"Do you want the United States to have a space program commensurate to her place in the world of nations and second to no other country on earth?"

The replies undoubtedly would add up to virtually a unanimous "Yes."

Why then did the House cut $68 million from the budget of the National Aeronautics and Space Administration early this month before sending it to the Senate? In the words of NASA Administrator T. Keith Glennan:

"During the hearings on our fiscal 1959 budget request, some Members of Congress raised serious questions about our not having requested far greater sums than we felt, after careful study, that we needed to organize NASA and initiate the (space) program.

"What has happened since then to give anyone a sense of complacency? For I can only interpret the action of the House as an indication of a lessening in the sense of urgency which has been expressed so often on the floor and in committee.

"Have we—who started serious work in the space field 6 or 7 years after the Soviets were pouring unlimited funds and their best brains into the drive to dominance in space—suddenly achieved some enormous advantage?

"If so, I would like to know about it. I would sleep better at night."

NASA is requesting a fiscal 1960 budget of $485,300,000. In addition NASA has requested $45 million in supplementary funds for 1959.

The House Committee on Appropriations cut the combined requests by $45.5 million.

The House itself, on points of order, further reduced both requests by $22,725,000—a reduction of $68,225,000 in all.

What could these cuts means to NASA? In the words of the Administrator and his qualified associates:

Vega: Drastically cut back. Vega is a modified three-stage Atlas capable of putting a 5,800-pound satellite in orbit to make

television surveys of the moon, among other things. It is an essential preliminary for moon flight. Budget funding: $42.5 million.

Centaur: Retarded. Centaur is similar but more powerful than Vega, designed to put 8,000 pounds in orbit or to soft-land a 730-pound scientific load on the moon. Budget funding: $41 million.

Nova: Eliminate or drastically reduce. Nova is the 1½-million-pound-thrust, single-chamber engine, producing in time a 6 million-pound-thrust cluster necessary to carry manned expeditions to the moon. Budget funding: $30.2 million.

Rover: Reduce. Rover is the nuclear rocket for space travel.

Mercury: Probably slowdown. Mercury is the manned satellite project.

Tracking and data acquisition networks—delayed. As necessary to space probes as precinct support to a Congressman.

New personnel—reduced by 15 percent. People are skills and training and competence. Without them no project can be accomplished.

What is likely to happen in the Senate or in Senate and House compromise?

The $22,725,000 lost on the points of order technicality will probably be restored. But the $45.5 million cut by the House Appropriations Committee will probably be lost entirely or at best partially restored. And, in the words of one high NASA official, the loss of even $20 million would affect the projects listed above.

The NASA budget request seems to us more than ordinarily reasonable. Some $100 million of it goes to support NASA research centers. Less than $375 million is new money for the space field. Compare this to a $40-plus billion defense budget in these days of a cold war where Russia uses her space exploits as an instrument of power politics; when she has convinced much of world opinion that success—or failure—in the space field is a measure of a nation's scientific progress.

At the risk of stepping on Pentagon toes, we would say—and earnestly—that the value of the United States of placing a man in space first, or of making a landing on the moon first—that either of these things is of more value to this Nation in the cold war than a squadron of intercontinental missiles—which costs just about $100 million.

We believe that Administrator Glennan and his associates at NASA are doing a good and conscientious job. They don't pretend to have a magic formula for space exploration. If someone has such a formula they would like to see it.

Furthermore, we believe the NASA budget is honestly and tightly prepared. If for no other reason—and there are other reasons—the budget is too small to be otherwise.

[From Aviation Week, July 20, 1959]

SPACE PROGRAM IN DANGER

(By Robert Holtz)

The national space exploration and research program has been placed in serious danger by two thoughtless and irresponsible votes in the House of Representatives. The first was a secret vote by the House Appropriations Committee slicing both the regular fiscal 1960 budget request and the fiscal 1959 supplemental budget request of the National Aeronautics and Space Administration by $46 million below what both House and Senate had previously authorized. The second was a voice vote by the House upholding a nit-picking legal technicality that deprived NASA of another $22 million for its current fiscal year's program.

The actions by the House Members, who only a few months ago were criticizing NASA officials for not seeking more funds and hysterically demanding that the U.S. space program outreach the Russians immediately if not sooner, were punctuated by a pair of Soviet announcements of successful experimental space research rocket shots in which various types of animals were recovered. The character, frequency and recovery results of the Soviet animal space shots carry the unmistakable warning of a new stage of advance in their space exploration progress and a strong hint of something even more spectacular to follow soon. In view of all the chest thumping, outraged indignation, and demands for U.S. action in this field that has come from Capitol Hill since Sputnik I went into orbit, it is utterly inconceivable to understand the mental processes by which these supposedly responsible legislators bilthely slashed $68 million from a program that has barely begun technically.

CONGRESSIONAL MANDATE

As we have pointed out before (AW June 22, p. 69), NASA has done a remarkable job in getting underway since last July when Congress passed the National Aeronautics and Space Act by unanimous vote in the House and an overwhelming majority in the Senate. At that time the Congress demanded: "The preservation of the role of the United States as a leader in aeronautical and space science and technology."

This was then and still is a worthy purpose.

The initial NASA budget request has been modest considering the magnitude of the task it has shouldered. It requested $485 million for fiscal 1960 and followed with an additional $45 million supplementary request for fiscal 1959 to bolster key development areas where progress was promising. Its leaders have been remarkably frank with Congress in warning that this is a bare beginning sufficient only for the organizational and early research phase. They have stated clearly that as the program gathers momentum and produces results it will require as much as $2 billion annually to maintain the pace of leadership demanded by the President, the Congress, and the American people. Keith Glennan, NASA Administrator, who has a reputation as a hard-headed, able Administrator and certainly cannot be confused with the wildly imaginative space cadet type, has made a cold, detailed analysis of how these budget cuts which are relatively small in dollars will undermine the pace of the key programs aimed at laying a sound foundation for future space exploration and capturing the lead in this endeavor, now unquestionably claimed by the Soviet Union. Mr. Glennan's analysis is reported in detail on page 26 of this issue. He is strongly supported in his position by Senate Majority Leader LYNDON JOHNSON, Democrat, of Texas.

WAVERING SUPPORT

The current mood of the House in capriciously whittling "across the board" percentage cuts from almost every phase of NASA operations and nit-picking over the wording of a legal clause is all too typical of the wavering support of technical programs in both military and civil research that has put this country in the unenviable position of losing leadership in some critical fields and watching the gap close in others with alarming rapidity. It is the type of muddle-headed action that dooms long term technical programs to inevitable financial and administrative frustration because of a series of short term "whim of the moment" decisions by responsible Government agencies both in the executive and legislative branch of Government. It is there, and not with our scientific and industrial leaders, that any responsibility should be firmly fixed.

How indeed can a Congressman who has voted for these piddling dollarwise but technically critical NASA budget cuts look squarely into the eyes of a Project Mercury space capsule pilot who has unhesitatingly volunteered to risk his life facing the uncharted dangers of the unknown for the benefit of his country and all mankind? We wish to exempt from this charge of irresponsibility the members of the Senate and House Science and Space Committees who have worked so hard and effectively to establish and support a national space program.

SENATE DECISION

Now the decision is up to the Senate where the NASA fiscal bills are being considered by the Senate Appropriations Committee. We hope this group will take a more thoughtful and responsible approach to the problem and restore all of the House-inflicted cuts. This will not only enable NASA to continue a brisk pace in its key projects but will also serve as adequate notice to the thousands of young scientists and engineers who might be attracted to this program that the Congress of the United States means what it says and that they can look forward to reasonable support if they devote their technical lives to this fascinating endeavor.

If the Senate and a joint conference do not take this vital action, the national space program will be in serious danger and the full blame for this country's failure to wrest leadership in this field from the Soviet Union must be placed squarely where it belongs—on the legislators who voted against it.

Mr. MORSE. Mr. President, will the Senator from Arizona yield to me?

The PRESIDING OFFICER (Mr. LAUSCHE in the chair). Does the Senator from Arizona yield to the Senator from Oregon?

Mr. HAYDEN. I yield.

Mr. MORSE. Mr. President, I wish to join my colleagues in commending the Senator from Arizona for his accomplishments in connection with this bill.

The Committee on Appropriations has again shown its leadership and its sound judgment by providing additional funds for national forest programs. When I appeared before the committee earlier this year, I pointed out that this year's budget was deficient in two respects; it had not provided for carrying out programs at needed levels, and it permitted substantial revenue losses. Since that time, I have been alternately pleased and dismayed. I was pleased when the committee decided to provide funds later, as it is doing now; and I was dismayed that the administration expressed a reluctance to make a budget request for the additional funds.

In looking over the committee action, I think it is significant to note that while the actual increase over 1960 funds is $27 million, the increase over the 1959 funds amounts to only about $12,500,000. This will permit us to start on the program for the national forest submitted by Secretary Benson. I consider the action by the committee wise and forward-looking. It represents the positive philosophy that I outlined in my testimony before the committee.

The Senator from Arizona and the members of his committee are using the scales that we should use. They are balancing national resource development and the needs and aspirations of our people. If this Nation is going to continue to spend billions of dollars abroad on foreign aid, we are going to have to do the things at home that we know must be done to keep our Nation strong. The amount provided here is a

mere pittance, when weighed against the billions we are spending on foreign-aid programs. The 180 million acres in the national forests are underdeveloped, areas in our own economic framework. We cannot afford to do less for these lands than for any other underdeveloped lands; and we must do more, for they are our own. I commend the excellent work of the committee and its staff, and I hope that the committee conferees will be successful in persuading our good friends in the other body that the action of the Senate is reasonable and in the public interest.

I call attention to the concept of multiple use which applies to our forests. Multiple use includes multiple benefits—tangible and intangible. For example, for our hard-pressed counties—for local government—the payment in lieu of taxes that is present only when there is revenue from a national forest is an important element we must recognize. The committee estimates that its action on access roads providing $5 million will bring in $19 million in revenue. The counties will receive one-fourth of this for local schools and roads. This tangible benefit will strengthen local government. It represents the type of cooperation between the United States and subdivisions of our States that we should foster and encourage at every opportunity.

I ask unanimous consent to have printed at this point in the RECORD a release on this general subject which I issued Saturday, August 1, 1959.

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

MORSE LAUDS SENATE APPROPRIATIONS COMMITTEE FOR $27 MILLION FORESTRY APPROPRIATIONS

In a statement issued today, Senator WAYNE MORSE praised the Senate Appropriations Committee and its chairman, Senator HAYDEN, for recommending a $27 million program for development, management, and improvement of our great Federal forest resources.

Referring to the supplemental appropriations bill, H.R. 7978, just reported by the Senate Appropriations Committee, MORSE said:

"The Senate Appropriations Committee, agreeing with requests I have made repeatedly, along with other western Democratic Senators, for appropriations to implement the administration's program for the national forest, has approved $22 million to be applied to items such as timber resource management, recreation development, range management, fire protection, and forest research.

"The committee's action on forest research included a recommendation of $2.5 million for construction of nine research facilities, including a regional laboratory on insects and diseases at Corvallis, Oreg.

"The administration has talked much about its program for the national forest, but has shied away from asking for funds to put the program into operation," said MORSE.

The action taken by Senator HAYDEN'S committee in recommending these sizable supplemental appropriations will give us a real opportunity to learn whether the administration will now do something about its much-heralded forestry program. The Hayden committee is to be congratulated for giving us action instead of talk.

The senior Oregon Senator said that he was particularly pleased over the committee's recommendation of $5 million to acquire private access roads to national timber. "This action would free thousands of acres of Federal timber now becoming overripe and disease-infected due to our present inability to get access to these vast resources over certain roads. If acquired, these roads will bring huge returns to the Federal Treasury," said MORSE.

The supplemental appropriations will be acted upon in the Senate early in the coming week and will then go to a Senate-House conference.

"I shall give strong support to this appropriation in the Senate and will do everything possible to assure that the $27 million increase is held in the conference with the House," the Oregon Senator stated.

Mr. COTTON. Mr. President, I have prepared a brief statement on the action of the Appropriations Committee in recommending that $200,000 be made available for the textile industry program of the Department of Commerce. I ask unanimous consent that my statement be printed at this point in the RECORD.

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

STATEMENT BY SENATOR COTTON ON THE TEXTILE INDUSTRY PROGRAM OF THE DEPARTMENT OF COMMERCE

I want to express my approval of the action of the Appropriations Committee in recommending that $200,000 be made available for the textile industry program of the Department of Commerce. I hope the Senate will approve this item.

The committee deserves special thanks, in my opinion, because it has provided these funds for the textile program by transferring them from another appropriation, thus avoiding an increase in the total appropriations.

The funds will be used to carry out the recommendations of the Special Textile Subcommittee of the Senate Committee on Interstate and Foreign Commerce. As a member of that subcommittee, and as the author of the Senate resolution which created it, I believe this appropriation is fully justified. It can produce substantial benefits to the industry and to the Nation as a whole.

There is no need for me to go into great detail regarding the findings and recommendations which our special subcommittee made after a careful investigation into the problems of the domestic textile industry. It is enough to note that we found the domestic industry to be confronted with a number of serious problems, which must be solved if the industry is to continue to meet the requirements which our national economy and our national security demand of it.

The textile industry is aggressively price competitive. It is composed of many firms and most of them are small. Textile plants tend to operate as close to capacity as possible in order to reduce the overhead cost per unit of production. This leads to periodic floodings of the market, and a constant downward pressure on prices. When the textile market becomes glutted with production prices fall, some mills are forced into liquidation, and others attempt to compensate for the falling prices by still greater production. At some point the market will absorb no more and there is a general cutback in production. The mills go on short hours until the surpluses are cleared away and the market gets back to normal. Then a new upward trend begins. Experience has shown that this cycle in the textile industry may only take about 2 years.

Our committee found that one factor contributing to these periodic fluctuations in the industry is the lack of adequate current information about production, inventories, and similar data which would enable the industry to gage its situation at any given moment.

The purpose of this appropriation is to secure improved statistical information to fill these gaps. The fluctuations in production, which are so disruptive of employment, wages, and stability in the industry, could be smoothed out, at least to some extent, if more timely information were available. Statistics to be collected under this program would permit production to be regulated by the industry to more nearly meet the current state of demand for textile production.

At the present time, the textile industry, fortunately, is in an upward swing. I hope this appropriation can be put to work fast enough and effectively enough to prevent, or at least reduce, the downward swing which in the past has regularly followed the upturn.

The items merits the full approval of the Senate and the Congress.

Mr. ELLENDER. Mr. President, will the Senator from Arizona yield to me?

Mr. HAYDEN. I yield.

Mr. ELLENDER. I wish to join the many Senators who have complimented and thanked the chairman of the Appropriations Committee [Mr. HAYDEN] for his excellent leadership in seeing that the Congress provides necessary funds for forest protection and utilization.

I should also like to extend the congratulations of the Senator from Mississippi [Mr. STENNIS], to the chairman of the Appropriations Committee for his efforts on behalf of our forest industry.

Unfortunately the Senator from Mississippi is today in his home State, participating in the primary election. However, before he left, he and I discussed the pressing need for funds to implement the program for the national forests.

We were both in agreement that an early start on this much-needed program to preserve and conserve this Nation's forests is a dire necessity. We must preserve one of this Nation's most precious natural resources—our forests—for the millions of Americans yet unborn.

It will be recalled that many of us attempted to include in the regular appropriation bill an item to inaugurate this program. At that time the distinguished Senator from Arizona promised that he would make every effort to obtain a budget authorization for the item, and that if he failed in that effort, when the supplemental appropriation bill came along he would incorporate such an item in it. He has done so.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an excerpt from the committee's report, beginning at the bottom of page 10, with the title "Forest Protection and Utilization," down to the bottom of page 11, where we find listed some of the projects which are being cared for by means of this appropriation.

There being no objection, the excerpt from the report (No. 597) was ordered to be printed in the RECORD, as follows:

FOREST PROTECTION AND UTILIZATION

Forest land management

Appropriation, 1959	$87,661,400
Appropriation, 1960	77,815,800
Supplemental estimate	None
House allowance	None
Committee recommendation	15,000,000

The committee recommends an appropriation of $15 million for "Forest land management" for implementing projects proposed in the "Program for the National Forest" that are financed from this appropriation.

The funds recommended are for the following projects:

Timber resources management:	
Sales administration and management	$1,700,000
Reforestation and stand improvement	1,000,000
Recreation—public use	6,000,000
Wildlife habitat management	400,000
Range resource management:	
Management	200,000
Revegetation	300,000
Improvements	200,000
Soil and water management	500,000
Minerals claims, leases, and other land uses	1,000,000
Land utilization projects	200,000
Forest fire protection	1,000,000
Structural improvements for fire and general purposes (construction and maintenance)	1,500,000
Insect and disease control	1,000,000
Total	15,000,000

Forest research

Appropriation, 1959	$16,681,400
Appropriation, 1960	14,026,400
Supplemental estimate	None
House allowance	None
Committee recommendation	4,500,000

The committee recommends the allowance of $4,500,000 to implement the various research programs included in the "Program for the National Forests." Of the sum recommended, $2 million is to strengthen forest research programs throughout the country. While no part of the funds has been allocated to specific projects, the committee directs the officials of the Forest Service to review the requests made to the House and Senate Committees on Appropriations for increases in various projects and allocate reasonable sums to those requests that are in accord with the projects included in the program.

The balance of the recommendation—$2,500,000—is for the construction of research facilities at the following locations:

Wenatchee, Wash.: Watershed management regional laboratory.

Corvallis, Oreg.: Insects and diseases regional laboratory.

Flagstaff, Ariz.: Office and laboratory, regional research center for forest range management.

Boise, Idaho: Range timber management regional laboratory.

Bottineau, N. Dak.: Shelter belt planting regional laboratory.

Stoneville, Miss.: Hardwood regional research laboratory.

Durham-Raleigh, N.C.: Insects and diseases regional laboratory.

Warren, Pa.: Recreation and wildlife habitat regional laboratory.

West Thornton, N.H.: Watershed regional laboratory.

Mr. SCOTT. Mr. President, will the Senator from Arizona yield to me?

Mr. HAYDEN. I yield.

Mr. SCOTT. Mr. President, I am very glad that this supplemental appropriation bill includes the additional $2,500,000 for forest research construction, and, in particular, that that item includes an item of $75,000 for the Wildlife Habitat Laboratory at Warren, Pa. These provisions of the bills are in accord with the general program for conservation which is in the interest of the entire Nation; and I am very happy to be able to support this bill.

Mr. CARROLL. Mr. President, will the Senator from Arizona yield to me?

Mr. HAYDEN. I yield.

Mr. CARROLL. I desire to associate myself with the remarks of the senior Senator from Louisiana [Mr. ELLENDER] in congratulating the Senator from Arizona for his splendid work on this appropriation bill.

I ask unanimous consent to have printed in the RECORD a statement by me in regard to the Forest Service.

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

STATEMENT BY SENATOR CARROLL

PROGRAM FOR THE NATIONAL FORESTS—1960 SUPPLEMENTAL APPROPRIATION

I strongly endorse the action of the Senate committee in recommending an appropriation of $22 million to implement the special program for the national forests.

In my opinion, the amount requested is modest. If we can spend billions of dollars on foreign aid, we can certainly afford this essential program of resource development which will yield great constructive returns to the American people.

My own State of Colorado is vitally affected by this program in that about one-third of Colorado's total area, or 19,900,000 acres, is forest. Eleven national forests lie wholly, and one partially, within Colorado. The total income from use and sale of forest resources of the national forests in Colorado amounted to $1,042,994 during the fiscal year ending June 30, 1957.

The proposed increase in research funds will be helpful in stepping up the basic research program to improve management, protection, and use of forest, range, and watershed resources being conducted at field research centers in Colorado.

The primary values in much of Colorado's mountainous terrain are in forest, range, and watershed—most important of these forest resources is water.

The State of Colorado yields more than 16 million acre-feet of water annually with most of the water coming from the high mountainous country, the greater portion of which is in national forests.

Within the State's boundaries are headwaters of four important rivers: The Colorado, Rio Grande, Arkansas, and Missouri.

Through the years, Colorado's forests have been subjected to devastating insect attacks and the control job is expensive and difficult. The largest insect epidemic known in recent forest history—the spruce bark beetle—occurred in Colorado forests. This insect has killed an estimated 5 billion board feet of spruce and some lodgepole pine. Continuing threats, too, are the Black Hills bark beetles as well as the spruce bud worm which is also doing material damage in many other sections of the United States and Canada.

Big fires in the national forests in Colorado continue to be a major problem. Following is data on fire damage in Colorado for the period 1952 through 1956:

Total fires, 2,747.

National forest area burned over, 7,700 acres.

State and private land burned over, 22,288 acres.

Use of Colorado's national forests for recreation is an important factor in attracting tourists and serving as a source of diversion for Colorado residents and visitors. During a typical year, more than 6½ million visits were made to the forest areas and facilities.

Mr. CARROLL. Mr. President, I am happy to join the senior Senator from Arizona [Mr. HAYDEN] and the junior Senator from Mississippi [Mr. STENNIS] in support of these vital appropriations for the special national forest program.

Mr. HAYDEN. Mr. President, I ask unanimous consent to have printed in the RECORD a statement made by the junior Senator from Mississippi [Mr. STENNIS] before the Appropriation Committee in support of the appropriation items to implement and expand the program for the national forests.

Mr. President, the Senator from Mississippi has made an extensive study of our forestry problems, especially in the field of research. His advice and counsel has greatly benefited the committee in its consideration of funds for the programs of the National Forest Service.

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

STATEMENT BY SENATOR STENNIS BEFORE SENATE APPROPRIATIONS COMMITTEE IN SUPPORT OF EXPANDED FORESTRY PROGRAM

Mr. Chairman, this supplemental appropriation bill includes $22 million to strengthen our program of improving and managing the national forests. I wish to commend the distinguished Senator from Arizona, Mr. HAYDEN, and his committee for their foresightedness in adding this important item. I firmly believe that favorable action on this proposed increase will be an important step toward assuring that our forest lands will better provide the products and services needed by present and future generations.

The program for the national forests presented in March to the Congress by the Secretary of Agriculture outlines both long-range objectives and short-range proposals for the protection, development, and utilization of our vital national forest resources. The short-term proposals would increase the annual harvest of sawtimber from the national forests to 11 billion board feet by intensifying sustained-yield management of present timber stands, growing more and better trees, reducing disease, insect, and fire losses, and improving forest land utilization. Forested lands that contain the headwaters of our most important rivers would be better protected and managed to improve yields of silt-free water so vital to all parts of our country. National forest rangelands would be improved and more intensively managed to provide increased forage for domestic livestock. The tremendous upsurge in recreational use of the national forests, a sevenfold increase since World War II, would be provided for by improving and increasing sites and facilities for picnicking, camping, hiking, boating, and improving fish and wildlife habitats. Highly important is the provision for increased protection of these forests from the destructive impact of fire, insects, and disease. The net sawtimber growth in 1952 could have been nearly doubled and the income to the Treasury correspondingly increased were it not for the effect of these severe and costly losses.

I would like to point particularly to the provision in the proposed appropriation for strengthening the program of forestry research. I deem this of paramount importance because advances in protection, management, and utilization techniques can be realized only as rapidly as research shows the way. Those charged with the responsibility of protecting and managing our natural resources must look to the scientists to decipher the laws of nature and provide the information needed as a basis for sound forestry operations and management. In the "Program for the National Forests" research needs are set forth as an integral part of the program. On the basis of my experience, and this is supported by the views of many others who have been in touch with

me, I am convinced that we should start now to provide for an orderly expansion in the forestry research program and to construct the laboratories and other facilities that will speed the research along. One of the soundest investments we can make is in basic research which leads to discoveries of better forestry methods and provides the knowledge to guide forestry practices along progressive lines.

An expanded research program should be aimed at determining improved methods of regenerating and managing timber stands, of stabilizing soils and improving water yields, improving wildlife habitats, developing better grazing practices, and increasing recreational opportunities. Also needed is increased research on biological control of forest insects and diseases to prevent disastrous epidemics, and development of improved control methods for pests. Forest fire research should be strengthened to provide better guides for fire prevention and control. Utilization and marketing research needs expansion to obtain better and fuller use of harvested timber; to find increased uses for poorer quality trees, species that at present are little used; and to discover new uses for timber residues on the national forests.

I have observed repeatedly that the forestry research scientists are severely hampered in doing the most efficient work because of the lack of adequate, modern laboratories and related research facilities. Tremendous advances in other research fields have been made possible through modern equipment, techniques, and well-equipped laboratories. Our forestry scientists cannot make progress without these vital aids. We are making real progress, but many forestry research teams must still use makeshift quarters. This bill includes $2.5 million to continue this so necessary program of construction of modern laboratories and related facilities necessary for an adequate program of basic research.

The advances in the total forestry program that would be made possible by the $22 million increase would be of tremendous value to all parts of the country. The need for action at this time is due to the fact that acceleration of the program during the next few years will largely determine whether these highly important forest lands will contribute their fair share to this country's future economic growth and well-being.

Mr. JOHNSON of Texas. Mr. President, the President, on June 23, 1959, recommended that a prototype regional defense center be constructed at Denton, Tex., at a cost of $2,700,000. This center would serve as a guide for later construction of seven similar regional facilities throughout the Nation.

Important in the selection of Denton was the fact that it has been previously designated in the national plan for civil and defense mobilization as the first alternate relocation site of the Federal Government.

As an alternate Federal relocation center it would be available to the President, Cabinet officers, and the Director of OCDM, if such use became necessary under the impact of nuclear attack.

Protected regional centers—such as that proposed for construction at Denton—bear a strong relationship to national survival.

Test exercises conducted by the OCDM have demonstrated the necessity of strengthening the capability of the Federal Government to operate at the regional level under emergency conditions.

Additionally, these exercises have shown that under the initial impact of nuclear attack, there would be islands of survival throughout the United States which must have the capability of independent action.

The Denton project is designed to meet this need. But it should be stressed that this facility would be used not only in the event of attack, but in the day-to-day operations of the OCDM region 5 headquarters.

In addition to offering protection in the event of a national emergency, this underground facility would replace rented quarters now occupied at Denton by the OCDM.

Planning has taken into consideration the fact that there are now employed in the Dallas-Fort Worth area—about 35 miles away—more than 16,000 Federal employees.

The structure is designed to house 200 employees on a day-to-day basis, and 500 in an emergency.

There would be two underground levels. The upper level embraces the operations room, communications center, decontamination chamber, and office space. The lower level would contain emergency sleeping areas, much of the mechanical equipment, and additional office space.

In addition to providing 30 pounds per square inch blast protection, the proposed prototype will incorporate a filter system against radioactive particles and biological and chemical hazards.

I am advised that after thorough testing of the Denton structure, construction of other regional centers will be recommended in the 1962 budget.

I congratulate the committee on its wisdom in including the full amount proposed in the supplemental estimate—$2,700,000—for the construction of a prototype center.

I regard this project as basic to the defense of the Nation, and respectfully urge my colleagues to support it.

Mr. THURMOND. Mr. President, will the Senator from Arizona yield to me?

Mr. HAYDEN. I yield.

Mr. THURMOND. I should like to congratulate the distinguished chairman of the Appropriations Committee and the other members of the committee for the item in regard to the Department of Commerce, to transfer $200,000 from the Bureau of the Census, as requested in Senate Document No. 43, for the expenses of the Interagency Textile Committee, established in accordance with the President's letter of May 18, 1959, to the Secretary of Commerce. The amount thus provided will be for the collection of statistics and the preparation of economic analyses of the textile industry. These statistics and the analyses are very greatly needed. I am very glad, indeed, that the committee has seen fit to include this item; and I desire to express my appreciation to the able chairman of the committee.

Mr. HOLLAND. Mr. President, will the Senator from Arizona yield to me?

Mr. HAYDEN. I yield.

Mr. HOLLAND. I should like to refer briefly to the matter mentioned by the distinguished Senator from South Carolina [Mr. THURMOND]. The Senate had included in the annual appropriation bill for the Department of Commerce the $200,000 which has been referred to by the Senator from South Carolina; but in conference the Senate conferees could not retain the money in that bill, because there was no budget estimate for it.

In the meantime we have obtained the budget estimate, which the committee thought was particularly well placed, because these funds would come from an appropriation of $6 million already made for the censuses of business, manufacturers, and mineral industries for this year. The use of $200,000 from that item for this purpose will allow the entire activity to proceed, and the only impact of it would be to increase slightly the appropriation required next year, in order to complete the very necessary work.

I wish to say that the full committee felt that it should back strongly the request of the legislative committee, headed by the Senator from Washington [Mr. MAGNUSON], and that of his able subcommittee, headed by the Senator from Rhode Island [Mr. PASTORE], to "get on the road" a special effort to aid the textile industry. We hope that will be successful.

Let me also refer briefly to the item at the top of page 4 of the report, relating to the Office of Civil and Defense Mobilization. Senators will note that the supplemental estimate which had reached the Senate was for $12 million, but that the committee recommends only $3,650,000. We did so because of the feeling that this was not the time to go into any new activities which were proposed to be commenced with the $12 million; and we found that $3,650,000 was required to continue actual activities which have been underway during the fiscal year 1959, and which are very important, and would suffer if an appropriation for them were not made. In fact, some of them would be destroyed entirely, and others would be destroyed in part, if the $3,650,000 appropriation were not made available.

So I thank the distinguished Senator from Arizona; and I wish to supplement what has previously been said, by stating, as a member of the committee, that I have never known any other Senator to work so hard, so faithfully, so unremittingly, and so conscientiously as has our distinguished chairman, the senior Senator from Arizona [Mr. HAYDEN]. In fact, in connection with this supplemental appropriation bill, I believe he outdid himself.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

Mr. CHURCH. Mr. President, when the Forest Service budget was in the Appropriations Committee, I submitted a statement pointing out that it was false economy to hold back our forest service programs by delaying the construction of roads, timber marketing,

and other development operations. In this area of activity, the wise spending of money returns monetary benefits greatly exceeding the outlay. On two occasions recently I have joined with other Members of the Senate in urging the very action which the Committee on Appropriations has taken in increasing the Forest Service appropriation by $22 million to implement a major part of the program for the national forests in the 1960 supplemental appropriation bill. With 19 other Senators, under the able leadership of the senior Senator from Montana, I urged the administration to support the Committee on Appropriations request for a supplemental budget submission for the Forest Service. I joined with 15 other Senators led by the distinguished junior Senator from Montana in suggesting that the Appropriations Committee proceed to add funds for the Forest Service budget despite the fact that the administration was reluctant to seek money.

The committee has restored some programs to the 1959 level, and has advanced other programs slightly above 1960 levels. It has paved the way for putting into full operation a real development program on our national forests in fiscal year 1961. It has made certain that the increases are reasonable so that there will be no waste or mismanagement of funds. They have paid particular attention to three programs that are of vital importance: Basic research, roads and trails, and recreational facilities. But at the same time they have not forgotten other programs which have long range and important benefits.

Congress adds funds to the budget submitted by any administration at the risk of having the money impounded. This risk should be taken here. I agree fully with the position taken by the senior Senator from Arizona on this matter. He, and the junior Senator from Mississippi, who has given this matter special study and leadership, are deserving of great credit.

Idaho has some 20 million acres of national forest. In the towns of my State that are dependent upon the forest and its resources, the program upon which the Appropriations Committee has embarked will have real and lasting value.

I commend the Senate Appropriations Committee for its action, and express the hope that its conclusions will find ready acceptance, and that these funds will be provided and made available.

Mr. JOHNSON of Texas. Mr. President, I want to commend the distinguished chairman of the Appropriations Committee, the illustrious Senator from Arizona, for the outstanding way in which he has handled and presented the supplemental appropriation bill. I believe the committee as a whole deserves the thanks of the Senate for the care and discretion that has been exercised in dealing with the large variety of programs and items covered by this bill.

As chairman of the Committee on Aeronautical and Space Sciences, I want to voice my wholehearted support for the action taken by the committee to restore the drastic cuts made by the House in the budget requests for the National Aeronautics and Space Administration. These cuts could well have crippled our Nation's space program.

We certainly should not hobble ourselves in the space race at the very time that our Vice President must publicly acknowledge that the Soviets are ahead of us in the thrust of their rockets.

Mr. President, the Space Committee held long and detailed hearings on NASA's supplemental request for fiscal year 1959 and the request for 1960. The subcommittee headed by the distinguished Senator from Mississippi [Mr. STENNIS] unanimously recommended approval of the full amounts requested—$45 million in supplemental 1959 appropriations and $485,300,000 in 1960 appropriations. These recommendations were endorsed unanimously by the full committee and the authorization bills were approved by overwhelming votes in both the House and Senate.

The House made several cuts in the NASA budget, reducing the $530,300,000 total by $68,225,000. Dr. Glennan, the able Administrator of NASA, has stated flatly that "to sustain these cuts or to compromise them will hamstring the U.S. space program."

I will not take time to enumerate the possible consequences of these cuts, since I am confident that the Senate will endorse the recommendation of the Appropriations Committee to grant the full amount of the NASA budget request. This is only half the battle, however, since we must make the record crystal clear as to our deep concern over the need to provide the funds required for our space programs.

I ask unanimous consent, Mr. President, to insert at this point in the RECORD a statement made by Dr. Glennan in testifying before the Senate Appropriations Committee.

Mr. President, last November the great nuclear physicist, Dr. Teller, was asked by a reporter what Americans might find on the moon. Dr. Teller's reply was brief: "Russians."

Even though our man-in-space program has been given the same high priority accorded the ballistic missile program, we are told that the Russians have the capability to put a man in space first.

While we must not sell ourselves short, it is clear that this is no time for complacency. We must continue to work harder and faster, for we must realize that the Soviets are not going to stop so that we can catch up with them. This, of course, applies not only to the field of space, but to most everything else we do.

We must show the world that in a free and independent society, democracies, based as they must be upon the coordinated efforts of men of good will, can produce successful unified results.

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

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

STATEMENT BY DR. T. KEITH GLENNAN, ADMINISTRATOR, NATIONAL AERONAUTICS AND SPACE ADMINISTRATION BEFORE THE SENATE APPROPRIATIONS COMMITTEE, JULY 13, 1959

Mr. Chairman and members of the committee, I welcome the opportunity to appear before this committee for the first time. I am here to discuss H.R. 7978, which is now before you. In particular, I want to discuss the crippling reductions in the budget requests of the National Aeronautics and Space Administration that are embodied in H.R. 7978. These cuts, if sustained, would have disastrous consequences, and I am impelled to point them out.

The degree of success or failure of the U.S. space effort, vis-a-vis that of the Russians, will be gravely influenced by what Congress decides in this crucial matter.

A year ago this month, the Congress passed the National Aeronautics and Space Act: unanimously in the House, overwhelmingly in the Senate. One of the chief mandates laid down in the legislation was: "The preservation of the role of the United States as a leader in aeronautical and space science and technology."

During later hearings on our fiscal 1959 budget request, some Members of Congress raised serious questions about our not having requested far greater sums than we felt, after careful study, that we needed to organize NASA and initiate its programs.

What has happened since then to give anyone a sense of complacency? For I can only interpret the action of the House as an indication of a lessening in the sense of urgency which has been expressed so often on the floor and in committee.

Have we—who started serious work in the space field 6 or 7 years after the Soviets were pouring unlimited funds and their best brains into the drive to dominance in space—suddenly achieved some enormous advantage?

If so, I would like to know about it. I would sleep better at night.

Or has it come about in some way that we know that the Soviet satellites and space probes, which our scientific devices have tracked and reported, were somehow gigantic hoaxes?

Gentlemen, tracking devices such as ours are not easily misled. We believe that the Russians have done exactly what they have announced they have done. And perhaps they have achieved much more that they have not revealed.

Wholesale expression of congressional support for NASA was evident until very recently. Today the situation is strangely changed. NASA is faced, not with having to decline a plethora of funds, but with the prospect that vital projects will have to be curtailed or even put on the shelf because funds for them are being denied.

I will not be challenged when I say that the United States must bend every effort to achieve a position of leadership in the space field. And we are all agreed that leadership in a race where there are only two participants cannot conceivably mean running second.

I do not have to tell you that we must have the facilities to exert that leadership. Also, we must have the men, we must have the money necessary to the task.

The goal all of us seek—U.S. supremacy in space—was set by Congress last year and reaffirmed this year when Congress authorized the full NASA budget request. This authorization reflected the awareness of Congress that we cannot win the race in which we are engaged during this turning point in history should we be deprived of the all-out support of our legislators.

Therefore, I request, with all the earnestness I can muster, that the cuts in the NASA budget be fully restored.

The reductions in the NASA budget total $68,225,000. They represent cuts both in the $45 million supplemental budget request for fiscal 1959 and from our $485,300,000 budget request for fiscal 1960. Actions in the House caused the reductions.

First, the House Committee on Appropriations cut the combined requests by a total of $45,500,000.

Second, technical points-of-order passed during debate in the House resulted in a further reduction of $22,725,000 in both requests.

I am urging the members of this committee to make full restoration because to sustain those cuts or to compromise them will hamstring the U.S. space program.

Moreover, if the Congress slices an already lean NASA budget at a time when this Nation has barely begun its space effort, the world will conclude that the United States is having second thoughts about facing the Communist challenge in this field. Realistically, a research and development program of the complexity and magnitude of this one cannot be turned on and off at a moment's notice. Having made the decision to enter the race, and for many other important reasons, we must pursue with vigor an imaginative, well-planned program.

Well aware of the implications of the Russian's commanding space lead, Congress created NASA last year around the nucleus of the highly respected National Advisory Committee for Aeronautics which had been serving the military services and the aircraft industry for 43 years. Our agency became operative on October 1, 1958—1 year after Sputnik I began beeping ominously overhead. With NASA personnel and facilities, we were off to a good—if late—start.

From the outset, both Houses of Congress have given us the strongest possible support. House and Senate Space Committees have devoted many weeks of hearings to our problems and programs. The House Committee on Science and Astronautics has heard 300 witnesses from NASA, the military services, and private industry during 70 days of hearings so far this year. The Senate Committee on Aeronautical and Space Sciences has devoted a great amount of its busy schedule to NASA's program and the Nation's space effort. In connection with our 1960 budget the committee has published technical hearings of NASA work which are the most comprehensive, understandable, and educational documents on the Federal Government's aeronautical and space activities that exist today.

Both Houses of Congress have this year overwhelming approved the requested authorizations for our 1959 supplemental and fiscal 1960 appropriations.

Consequently, I am unable to grasp the reasons for the House cut.

As Administrator, I have resisted the temptation to indulge in Sunday supplement speculation about the coming wonders of space exploration. I have been doing my utmost to see to it that the taxpayers' money is spent wisely as we venture into this new realm and reap its benefits. I have made it a point, however, to be explicit with the Congress about the inevitable costliness of space research. Repeatedly I have stressed during congressional hearings that NASA budgets will grow in the years ahead.

At the same time, I have tried to convey my deep conviction that space research holds the promise that it may soon be paying for itself many times over in tangible economic benefits. We have every right to count on developments in satellite meteorology, communications, navigation, and geodetics that will dramatically affect the lives of all of us.

Taking these considerations into account, last year we put together a budget for fiscal 1960 which we felt would get us well into space exploration. As has been said time and time again, inventions are not conceived on schedule, and vast sums of money, spent without adequate thought and planning, particularly in the early phases of a program, may hinder rather than facilitate projects.

Because space technology is an expensive, fluid affair, it requires continuous review. Since January, when the President submitted our fiscal 1960 budget request, we have found means to get considerable more space mileage per dollar in some areas than originally had seemed possible. We have also discovered that others of our programs will cost more than our original estimates.

When we prepared our first budget estimates back in November 1958, we based our space flight program upon Juno II and Thor-Able boosters. Our studies have taught us, however, that future reliance upon these vehicles would be uneconomical, in fact, that it is almost impossible to justify their use because of their limited load-carrying capacity and lack of versatility. We will, of course, use them for special purpose tasks in connection with particular projects already underway. However, building on the technology developed out of the missile program, we have initiated development of Thor-Deltas, Vega, and Centaurs which—within 2 years—will enable us to launch much larger scientific payloads far more efficiently and cheaply.

This decision required that we pare our funds for basic research and for other activities. Subsequent studies have also indicated the need for additional tracking and data reduction installations and for the immediate modernization of existing stations. To meet this need, we have again had to trim elsewhere in the budget.

Adjustments like these are by no means unusual in a research program, particularly as we work at the frontiers of a new technology. We must deal with a new order of complexity and cost. We need to build and manage systems that are more than global in scope. Organization of the myriad components into a working whole is a staggering task.

At one and the same time, we find that advances of science generate a flood of new proposals and an unprecedented rate of obsolescence, thus making appraisal, selection, and phasing more and more difficult and complex. Direction and control of technology has become one of today's most pressing and managerial challenges.

As I brought out earlier, our present budget has no slack whatsoever. As further evidence of our tight belts, I would like to state that we do not have a single "backup" vehicle for any of our scientific experiments. Each must be a "one-shot" affair, and if the booster malfunctions, we will simply have to lay the experiment aside.

Before spelling out for you just what this cut will mean to our program, I would like to point out that our research centers, which are deeply involved in aeronautical as well as space research, account for slightly more than $100 million of our 1960 request. Actual new money for the space field is somewhat less than $375 million. Some or all of the large budget, long lead-time items in our space program, would be affected by the House action, if sustained. Here, in brief, is what the reduction could mean to our national space program in terms of time and progress:

1. The development of the Vega rocket propulsion system might have to be drastically cut back. A key vehicle in our future plans, Vega will be capable of placing more than 5,000 pounds in an earth orbit. It will be one of the first space vehicles capable of making extensive television surveys on the moon's surface. It will also be used for communications satellite relay experiments and will have the capacity to launch two-man satellites. It will be our first which is capable of matching the payload lofting capability of the Soviets.

2. In addition to cutting back Vega, we might have to retard Centaur, another key space vehicle which will be able to place more than 8,000 pounds in a 300-mile orbit and should be capable of soft-landing a 730-pound scientific payload on the moon. The Department of Defense, as well as NASA, has a strong interest in this vehicle.

3. We would have to eliminate or drastically reduce the $30 million needed for the 1½-million-pound-thrust, single-chamber engine. This is a long lead-time project to provide in about 6 years time propulsion units capable of 6 million pounds thrust. Only with this vehicle will it be possible to carry our manned expeditions to the moon and back. The budget cut will set this back at least 1 year.

4. Among other long lead-time items on which we would have to reduce the pace is Project Rover which concerns the development of nuclear propulsion for space travel.

5. We would have to delay completing additions to our tracking and data acquisition networks.

6. Even our top-priority Project Mercury, the manned satellite project, would certainly be affected if we are to carry on with any semblance of a balanced program. This, of course, would increase the probability of the Soviets scoring still another beat in this aspect of space exploration.

Let me assure you that I am not crying wolf. While we have not had the time to evaluate in detail the effect of the proposed cuts, it is clear that the items enumerated would be those most likely to be affected.

A final, serious matter that I want to mention is the House action which reduced NASA's request for personnel increases and supporting costs. You will recall that when the National Advisory Committee for Aeronautics was absorbed by NASA, 7,699 employees were transferred to the new agency. Along with the transfer went NACA's heavy aeronautical research responsibilities. Since that time, only 1,269 employees have been added to carry the additional responsibilities.

Now, we have requested funds to employ an additional 1,027—a modest increase in view of NASA's mission. The House cut the number by 15 percent. These people are urgently needed to help make up the time that has already been lost. And the management—the sensible management—of a budget of the size under consideration is done by people in adequate numbers and of high quality. We have said that we propose to limit the size of our own staff in favor of contracting a substantial part of the space program. But we need men for planning, contracting and monitoring those contracts. And we must have a sufficiently large in-house operation to assure that we have people knowledgeable in the field to provide the technical judgments necessary to the development of a sound program. Without the men to do the job, we will break our stride and fall even further back.

The decision in this Nation's space exploration program is up to the Congress. Whatever the decision you make, we will attempt to carry it out with diligence and devoted effort.

The work we are now doing is an important instrument of international prestige. By utilizing their space exploits as an instrument of power politics, the Russians have convinced a large segment of world opinion that success or failure in these experiments is a valid measure of our scientific progress and general cultural status, as opposed to theirs. And there is no blinking the fact that the uncommitted nations are influenced by space achievement.

In conclusion I want to say that in my judgment, and in the judgment of the scientists and engineers who are with me here today, our 1959 supplemental and 1960 budgets as originally submitted are sound—and conservative. They cannot be reduced without placing in jeopardy some of our most important programs.

Mr. MARTIN. Mr. President, I heartily approve of the Senate's restoration of the funds requested by the National Aeronautics and Space Administration, in its 1959 and 1960 budget.

When the House cut $68,225,000 out of the appropriation for NASA in these

two highly crucial years—the first years of its existence—I was shocked. Of course, I recognize the vital need for overall economy in Government expenditures. But I had not expected that this commendable trend toward self-restraint in spending would extend to the already lean budget of NASA.

At the time of the first hearings on the supplemental request for 1959 and the proposed 1960 budget, last January, we were told that the President had already pared his estimated requirements for NASA to the barest minimum needed for its effective operation.

I remember that the Administrator, the Honorable T. Keith Glennan, was asked at that time whether he could speed up the fulfillment of the NASA program if more money were provided. In effect, we offered then to increase the budget for NASA beyond the amount requested by the President.

Dr. Glennan's answer was loyal to the planning of his Chief Executive; it was direct and to the point. He said that the sum requested was the amount which he and his advisers felt would get the program off to a good, solid start, and that—for reasons inherent to the nature of research activities—the provision of more money at that time would not necessarily make these important space experiments advance any faster.

Dr. Glennan said nothing about the possibility that less money might be provided, because it was then inconceivable to any of us that the funds for this program—which is of historic significance to our progress as a nation—might be cut. Our mood at that time was one of grim determination to accept the challenge of the Soviet Union in space, and to grasp the initiative. Our colleagues on the other side of the Capitol were equally resolute.

I cannot believe that our resolution to meet the Soviet challenge has weakened in only 7 months. If so, what can we expect in 2 or 3 more years? That our national space program will be cut back to impotence again? That we will resign to the Russians in the contest for mastery of space? I refuse to think that this is what the Congress intends.

How, then, has the situation changed? In the past few months, have we shown we can surpass the Russians with our existing space vehicles? On the contrary. Difficulties with the instrument package delayed our hoped-for shot toward Venus, early in June, until it was too late; and the chance will not come again for 18 months. Troubles with our most advanced booster vehicle—the Atlas—have set back the missile program for several months, and may cause postponement in the testing of this basic rocket powerplant for NASA.

Meanwhile, the Soviet Union has again demonstrated twice that it can send living creatures aloft into space, and bring them back unharmed. It may not be long before the Russians get ahead of us once more—this time by launching the first manned satellite.

I can only assume that a fleeting instant of confusion—brought about by the conflicting needs of thrift, on the one hand, and a discriminating liberality, on the other, caused the House of Representatives to vote to reduce the funds which it had previously authorized for NASA.

Respectfully—but with a sense of utmost urgency—I ask the Senate conferees who are members of the Appropriations Committee, when they meet with the House conferees on House bill 7978, to stress the vital necessity of retaining the $68,225,000 balance which the Senate has voted to restore in the 1959 and 1960 budget for NASA.

Mr. CASE of New Jersey. Mr. President, I ask unanimous consent that there may be printed in the RECORD a statement I have prepared.

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

STATEMENT BY SENATOR CASE OF NEW JERSEY

Less than a year ago, after exhaustive hearings on U.S. space operations, the Congress passed and sent to the President the National Aeronautics and Space Act.

The effect of the act was to detach space exploration and research, for nonmilitary purposes, from the Department of Defense, turning it over to the National Aeronautics and Space Administration which the legislation created.

Looking back on the reasons why this was done, I think you will agree that two were foremost in our minds. One was to separate the scientific aspects of space activities, with their possible benefits in weather surveillance, communications, and so on, from the purely military applications. The other was to make clear to the world that this country has no aggressive designs on its neighbors in the exploration of space.

By divorcing these two efforts, we also assumed a grave responsibility. It was to give strong support to the new civil agency which we had created so that it can carry out its far-reaching mission.

Before the adoption of this legislation, space research was carried on by the Department of Defense, as an extension of missile research. This arrangement had its drawbacks—among them the ones I have suggested, which we rectified in establishing NASA. But it also had certain advantages.

One was the fact that space projects with delayed or long-range benefits were closely associated with the immediate needs of national defense. Hence, it was comparatively easy to show the importance of supporting them.

Another advantage was that the Defense Department has an enormous budget, and a good deal of latitude in allotting funds to the development of obscure or exotic weapons of great potential effectiveness. Thus it was a fairly simple matter to include the cost of many space projects in the funding of larger missile projects with which they were connected.

In this way, for example, it was possible for the Army to have its Explorer satellites ready for launching less than 4 months after the first Russian sputnik, because they had been built as a byproduct of the Jupiter missile.

Similarly, the first experimental Pioneer space probes launched by the Air Force could be put together in a short time, because they were based on the existing Thor weapon system.

On the other hand, Vanguard was delayed until after the Russians had achieved their spectacular success, primarily because it was detached from the missile program, and was given an extremely limited budget for its development.

I raise this point to remind my colleagues in the Senate that we have now removed the entire program of nonmilitary space activities from the Defense Department program, with its impressive budget. We have done so for reasons that seem to us good and necessary. But we are also obligated to see that the end result is not to deprive NASA of the funds required to carry on its work.

I am glad to say that the Senate has recognized this obligation by restoring the $68,225,000 cut by the House of Representatives from NASA's 1959 and 1960 budget. The appropriation bill now awaits joint approval by the Senate and the House in conference.

I urge the members of the Senate committee to back the full appropriation for NASA with all its force. The alternative—if the drastic cut ordered by the House is allowed to stand—will be to establish the United States firmly in second place behind the Russians in space technology.

Mr. JOHNSON of Texas. Mr. President, I ask for the yeas and nays on the supplemental appropriation bill.

The yeas and nays were ordered.

Mr. ELLENDER. Mr. President, before the Senate proceeds to vote on the bill, I should like to call the attention of Senators to the item of $450,000 to pay the deficit for inquiries and investigations conducted during the past fiscal year. This $450,000, then, is in addition to what has already been spent for investigations, bringing the total expended for this purpose during fiscal 1959 to almost $3½ million.

Senators were very much surprised when they learned the total amount of money they have already approved for investigations this year by way of resolutions——

The PRESIDING OFFICER. Will the Senator desist for a moment, so the Chair may inquire on whose time he is speaking?

Mr. JOHNSON of Texas. Mr. President, I yield to the Senator from Louisiana such time as he may need.

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

Mr. JOHNSON of Texas. Mr. President, I ask the acting minority leader [Mr. JAVITS] to yield to the Senator from Louisiana such time as he may need.

Mr. JAVITS. Mr. President, I yield to the Senator from Louisiana such time as he may desire.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. ELLENDER. Mr. President, as I indicated, quite a number of Senators on the Appropriations Committee expressed surprise when they learned that expenditures for investigations during the present fiscal year could possibly aggregate around $5 million. As I have often pointed out on the floor of the Senate in my annual battles against this ever-growing trend, about 12 or 13 years ago the amount spent for investigations by Senate committees and subcommittees was in the neighborhood of from $140,000 to as much as $200,000.

This clearly shows the way that these investigations are growing. What we are doing is allowing the creation of little "kingdoms" here in the Senate while the taxpayer foots the bill. I predict that if this trend is allowed to continue unchecked, then expenditures for these so-called investigations could very well reach $5 million for the current fiscal year. Of course, the only way

to check such a trend is for Senators not to vote for the many resolutions authorizing these investigations, many of which are useless, that are presented to the Senate each year.

I hope that next January, when the time comes for the presentation of resolutions authorizing investigations for the next fiscal year, the Committee on Rules and Administration will examine carefully each request with an eye to reducing expenditures.

I also hope to see other Senators join with me to bring an end to many of these investigations, which have as their only purpose, the creation of well-paying jobs.

Mr. JAVITS. Mr. President, I yield 4 minutes to the Senator from West Virginia [Mr. BYRD].

Mr. BYRD of West Virginia. Mr. President, I thank the Senator from New York for his kindness in yielding to me.

Mr. President, in this bill there are moneys for the improvement of our national forests. The item includes $15 million for forest land management, $4.5 million for forest research, additional moneys for forest roads and trails, and one-half million dollars for the acquisition of lands for national forests.

It is my belief, Mr. President, that the program which would be made possible by this appropriation is one of singular import when viewed against our Nation's mushrooming national forest needs—and is deserving of our most serious attention. It is my sincere hope that the Senate will see fit to approve the appropriation of moneys for such a program, and that the House of Representatives will concur in its inclusion in the bill.

For the inclusion of this important appropriation in the bill, I would like to express my gratitude to Chairman HAYDEN and the Appropriations Committee. I commend the committee for its foresight and good judgment.

There are few programs, Mr. President, which I feel are as valuable to the long-range interests of our country as is the program for the development and maintenance of our national forests. The virtues—both for the immediate future and for the distant future—of an adequate national forest program have been repeated often in this Chamber, but I would like to again set forth some of the reasons for this vital undertaking.

The national forests of America are priceless national assets. In 39 States and Puerto Rico, there are 180 million acres of national forest land, contained in 148 national forests. One acre out of every 12 of the land area of the continental United States is in national forests. In the West, the ratio is nearly 1 acre in every 5. These Federal holdings—consisting of forest lands, range lands, and high mountain watersheds—are owned by all Americans. It could be stated that every man, woman, and child in America owns roughly one acre of national forest.

The immense worth of the national forests is becoming increasingly apparent to our Nation. The national forests are coming more and more to mean wholesome recreation for all families, stable water supplies for large regions, huge yields of timber and wood products, forage area for great herds of livestock, habitats for game and other wildlife, as well as sources of important mineral supplies and other resources. Western agriculture and industry depend heavily on water flowing from national forest watersheds. Timber grown in national forests provides jobs and incomes for hundreds of thousands of persons who process that timber. The number of livestock grazing in national forest ranges goes into the millions. And for millions of Americans, the national forests mean rest, relaxation, and spiritual uplift.

The estimated total monetary worth of our national forests—judged by purely physical standards, such as the value of land and improvements—has been appraised at more than $7 billion. Yet, the forests are not a costly millstone around the necks of the American taxpayers, for they are relatively inexpensive to maintain, and are, in part, self-sustaining. To illustrate that our national forests are indeed a responding investment, I should like to quote a few sentences from Miscellaneous Publication No. 794 of the Department of Agriculture, titled "Program for the National Forests."

On page 2, the publication states:

> 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 a billion dollars 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 make, substantially exceed the taxes that the national forests would pay if subjected to ordinary assessment and levy.

Then on page 3, the report says:

> Nearly half of all softwood sawtimber in the Nation and more than half of the commercial forestland in the West is found in the national forests. About one-fourth of the timber cut in the West comes from the national forests.

And on page 5, it states:

> In 1953, 5.2 billion board feet of timber, with a stumpage value of $70.6 million, were cut (in the national forests) * * * 8 billion board feet, with a stumpage value of more than $100 million, are expected to be cut in 1959.

And, finally, on page 7, it says:

> 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.

Thus, Mr. President, it is obvious that America's national forests are helping to pay their own way. While the appraised worth of the entire national forest system is only $7 billion, the forests already have repaid to the taxpayers more than one-seventh of their value in solid cash. Of this repayment, 25 percent has gone, and is going, directly to the counties in which the forests are located, to be used for improved schools, roads, and other facilities.

At this point, I should like to emphasize that the financial returns from the national forests—while very substantial in the past—are expected to rise rapidly in the near future, until they far overshadow the accomplishments of the past. I should like to quote a paragraph from a statement by Representative GAVIN, of Pennsylvania, in the CONGRESSIONAL RECORD of April 27, which very well sums up the matter of monetary return from the forests. He said:

> The national forests are an operating public enterprise. The timber, wildlife, recreation, water and other resources are not locked up or withheld from orderly public use. The total cash receipts from the sale of timber and related resources now exceed a billion dollars. The second billion dollars should be reached within the next 10 years.

Mr. President, I have been speaking primarily of the tangible, cash return from the forests. The many, many other benefits which cannot be listed in dollars and cents—such as recreation for millions of families, steady water supplies for cities and farms, preservation of land and wildlife—all add up to a much more impressive return on our investment in national forests.

Therefore, I feel it is imperative that we support this portion of the supplemental appropriation bill which would augment our national forest program.

If we approve these funds for increased national forest work, it will mean added advantages to be reaped from our valuable woodlands. It will mean expanded research to find still better ways to utilize the richness of nature. It will mean greater insurance against floods, erosion, forest fires, insect destruction, and wood diseases. It will mean the construction of still more and better recreational facilities for the millions who relax in and enjoy the forests. It will mean an improved system of forest roads and trails. It will mean the creation of a substantial number of forestry jobs, which will help the areas of our country still plagued by unemployment. And, finally, it will contribute toward the realization of the U.S. Forest Service's much-discussed long-range plan to make our national forests ready to meet the needs of our growing Nation as far into the future as A.D. 2000.

All these worthwhile goals will be served to some degree if we give approval to the supplemental funds for national forest work.

Mr. JAVITS. Mr. President, I yield 3 minutes to the Senator from West Virginia [Mr. RANDOLPH].

Mr. RANDOLPH. Mr. President, the Committee on Appropriations has again brought before this Senate an excellent bill. When the President submitted his so-called balanced budget last January we all knew that the Committee on Appropriations would give careful study to each and every item requested. We were aware the committee would be guided by opportunities to obtain real savings or improved operations amounting to $1.2 billion. The committee has recommended savings of $142 million and, at the same time, has provided

funds not requested by the administration. I am pleased that among these is an item of $27 million for the forest service. This money will be used to step up conservation work in every vital field, and, at the same time, it will provide urgently needed income.

One of the great problems we face in America is that our national forests usually lie in areas of low economic activity. In West Virginia they are lands purchased by the Federal Government after they have been partially stripped of their timber and the watershed denuded.

These are the underdeveloped regions of our Nation fully as deserving of consideration as is money we may spend abroad.

The committee has presented a domestic aid program which has as its purpose the maintenance of a strong and vigorous nation with natural resources developed to meet the need of a rapidly expanding population.

I commend action taken by the distinguished chairman and his colleagues of the Committee on Appropriations, and I recognize the warm cooperation and splendid achievements of my able colleague from West Virginia [Mr. BYRD]. He has just spoken in reference to the importance of the national forests of the United States and the imperative need for the conservation and development of this part of our national domain.

In the State of West Virginia we have two national forests, the Monongahela and the George Washington. When I addressed this forum on April 30, it was my privilege to call attention to this fact. Federal funds expended in forest productivity return real monetary benefits to our State and to our citizens.

Mr. JOHNSON of Texas. Mr. President, I yield back the remainder of my time.

Mr. JAVITS. Mr. President, I yield back the time remaining to me.

The PRESIDING OFFICER. All time for debate has been yielded back.

Mr. JOHNSON of Texas. Mr. President, as I understand the situation, all time has been yielded back on both bills.

Mr. President, I suggest the absence of a quorum; and at the conclusion of the call of the roll we will have a vote on both bills.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent to state for the RECORD at this point that the AEC appropriation bill is $6,886,000 under the budget estimate and the supplemental appropriation bill is $141,904,447 under the amount requested by the President in the budget estimate.

This is the result of the careful work of prudent men who are determined to effect economies rather than merely talk about them. I believe it is clear that at the conclusion of the session, the administration budget will have been cut substantially and without any "back door spending" which the President has not either requested or approved.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. The vote is on the passage of the supplemental appropriation bill, is it not?

The PRESIDING OFFICER. The Senator is correct.

The Chief Clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Pennsylvania [Mr. CLARK], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Rhode Island [Mr. GREEN], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Washington [Mr. MAGNUSON], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Utah [Mr. MOSS], the Senator from Maine [Mr. MUSKIE], the Senator from Virginia [Mr. ROBERTSON], the Senator from Florida [Mr. SMATHERS], and the Senator from Mississippi [Mr. STENNIS] are absent on official business.

The Senator from Connecticut [Mr. DODD] and the Senator from Wyoming [Mr. O'MAHONEY] are absent because of illness.

I further announce that, if present and voting, the Senator from Virginia [Mr. BYRD], the Senator from Pennsylvania [Mr. CLARK], the Senator from Connecticut [Mr. DODD], the Senator Arkansas [Mr. FULBRIGHT], the Senator from Rhode Island [Mr. GREEN], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Washington [Mr. MAGNUSON], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Utah [Mr. MOSS], the Senator from Maine [Mr. MUSKIE], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Virginia [Mr. ROBERTSON], the Senator from Florida [Mr. SMATHERS], and the Senator from Mississippi [Mr. STENNIS] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. BRIDGES], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Massachusetts [Mr. SALTONSTALL] are necessarily absent.

The Senator from North Dakota [Mr. LANGER] is absent because of illness in his family.

If present and voting, the Senator from New Hampshire [Mr. BRIDGES], the Senator from Arizona [Mr. GOLDWATER], the Senator from North Dakota [Mr. LANGER], and the Senator from Massachusetts [Mr. SALTONSTALL] would each vote "yea."

The result was announced—yeas 79, nays 0, as follows:

YEAS—79

Aiken	Bartlett	Bible
Allott	Beall	Bush
Anderson	Bennett	Butler
Byrd, W. Va.	Hayden	Morton
Cannon	Hennings	Mundt
Capehart	Hickenlooper	Murray
Carlson	Hill	Neuberger
Carroll	Holland	Pastore
Case, N.J.	Hruska	Prouty
Case, S. Dak.	Jackson	Proxmire
Chavez	Javits	Randolph
Church	Johnson, Tex.	Russell
Cooper	Johnston, S.C.	Schoeppel
Cotton	Jordan	Scott
Curtis	Keating	Smith
Dirksen	Kefauver	Sparkman
Douglas	Kerr	Symington
Dworshak	Kuchel	Talmadge
Eastland	Lausche	Thurmond
Ellender	Long	Wiley
Engle	McClellan	Williams, N.J.
Ervin	McGee	Williams, Del.
Frear	McNamara	Yarborough
Gore	Mansfield	Young, N. Dak.
Gruening	Martin	Young, Ohio
Hart	Monroney	
Hartke	Morse	

NAYS—0

NOT VOTING—19

Bridges	Humphrey	O'Mahoney
Byrd, Va.	Kennedy	Robertson
Clark	Langer	Saltonstall
Dodd	McCarthy	Smathers
Fulbright	Magnuson	Stennis
Goldwater	Moss	
Green	Muskie	

So the bill (H.R. 7978) was passed.

Mr. JOHNSON of Texas. Mr. President, I move that the vote by which the supplemental appropriation bill was passed be reconsidered.

Mr. HOLLAND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HAYDEN. Mr. President, I move that the Senate insist on its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. LAUSCHE in the chair) appointed Mr. HAYDEN, Mr. CHAVEZ, Mr. ELLENDER, Mr. HILL, Mr. MAGNUSON, Mr. HOLLAND, Mr. STENNIS, Mr. JOHNSON of Texas, Mr. BRIDGES, Mr. SALTONSTALL, Mr. YOUNG of North Dakota, Mr. MUNDT, Mrs. SMITH, and Mr. DWORSHAK conferees on the part of the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 577. An act to amend title 10, United States Code, section 2481, to authorize the United States Coast Guard to sell certain utilities in the immediate vicinity of a Coast Guard activity not available from local sources;

S. 906. An act to amend section 1622 of title 38 of the United States Code in order to clarify the meaning of the term "change of program of education or training" as used in such section;

S. 1110. An act to amend the act of August 4, 1955 (Public Law 237, 84th Cong.), to provide for conveyance of certain interests in the lands covered by such act;

S. 1367. An act to amend title 14, United States Code, entitled "Coast Guard", to authorize the Coast Guard to sell supplies and furnish services not available from local sources to vessels and other watercraft to meet the necessities of such vessels and watercraft;

S. 1694. An act to extend the existing authority to provide hospital and medical care

for veterans who are U.S. citizens temporarily residing abroad to include those with peacetime service-incurred disabilities;

S. 2153. An act to authorize the Coast Guard to accept, operate, and maintain a certain defense housing facility at Yorktown, Va., and for other purposes; and

S. 2183. An act granting the consent of Congress to interstate compacts for the development or operation of airport facilities.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H.R. 697) to authorize the Secretary of the Navy to acquire certain real property in the county of Solano, Calif., to transfer certain real property to the county of Solano, Calif., and for other purposes.

The message further announced that the House insisted upon its amendment to the bill (S. 994) to authorize the Secretary of the Interior to construct, operate, and maintain the Spokane Valley project, Washington and Idaho, under Federal reclamation laws, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ASPINALL, Mr. ROGERS of Texas, Mr. UDALL, Mr. WESTLAND, and Mr. HOSMER were appointed managers on the part of the House at the conference.

The message also announced that the House had passed a bill (H.R. 6940) to amend the Mineral Leasing Act of 1920 in order to increase certain acreage limitations with respect to the State of Alaska, in which it requested the concurrence of the Senate.

HOUSE BILL PLACED ON CALENDAR

The bill (H.R. 6940) to amend the Mineral Leasing Act of 1920 in order to increase certain acreage limitations with respect to the State of Alaska, was read twice by its title and placed on the calendar.

ATOMIC ENERGY COMMISSION APPROPRIATIONS, 1960

The Senate resumed the consideration of the bill (H.R. 8283) making appropriations for the Atomic Energy Commission for the fiscal year ending June 30, 1960, and for other purposes.

The PRESIDING OFFICER. The bill (H.R. 8283) having been read the third time, the question is, Shall it pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Pennsylvania [Mr. CLARK], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Rhode Island [Mr. GREEN], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Washington [Mr. MAGNUSON], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Utah [Mr. MOSS], the Senator from Maine [Mr. MUSKIE], the Senator from Virginia [Mr. ROBERTSON], the Senator from Florida [Mr. SMATHERS], and the Senator from Mississippi [Mr. STENNIS] are absent on official business.

The Senator from Connecticut [Mr. DODD] and the Senator from Wyoming [Mr. O'MAHONEY] are absent because of illness.

I further announce that, if present and voting, the Senator from Virginia [Mr. BYRD], the Senator from Pennsylvania [Mr. CLARK], the Senator from Connecticut [Mr. DODD], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Rhode Island [Mr. GREEN], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Washington [Mr. MAGNUSON], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Utah [Mr. MOSS], the Senator from Maine [Mr. MUSKIE], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Virginia [Mr. ROBERTSON], the Senator from Florida [Mr. SMATHERS], and the Senator from Mississippi [Mr. STENNIS] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. BRIDGES], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Massachusetts [Mr. SALTONSTALL] are necessarily absent.

The Senator from North Dakota [Mr. LANGER] is absent because of illness in his family.

If present and voting, the Senator from New Hampshire [Mr. BRIDGES], the Senator from Arizona [Mr. GOLDWATER], the Senator from North Dakota [Mr. LANGER] and the Senator from Massachusetts [Mr. SALTONSTALL] would each vote "yea."

The result was announced—yeas 79, nays 0, as follows:

YEAS—79

Aiken	Ervin	Martin
Allott	Frear	Monroney
Anderson	Gore	Morse
Bartlett	Gruening	Morton
Beall	Hart	Mundt
Bennett	Hartke	Murray
Bible	Hayden	Neuberger
Bush	Hennings	Pastore
Butler	Hickenlooper	Prouty
Byrd, W. Va.	Hill	Proxmire
Cannon	Holland	Randolph
Capehart	Hruska	Russell
Carlson	Jackson	Schoeppel
Carroll	Javits	Scott
Case, N.J.	Johnson, Tex.	Smith
Case, S. Dak.	Johnston, S.C.	Sparkman
Chavez	Jordan	Symington
Church	Keating	Talmadge
Cooper	Kefauver	Thurmond
Cotton	Kerr	Wiley
Curtis	Kuchel	Williams, N.J.
Dirksen	Lausche	Williams, Del.
Douglas	Long	Yarborough
Dworshak	McClellan	Young, N. Dak.
Eastland	McGee	Young, Ohio
Ellender	McNamara	
Engle	Mansfield	

NAYS—0

NOT VOTING—19

Bridges	Humphrey	O'Mahoney
Byrd, Va.	Kennedy	Robertson
Clark	Langer	Saltonstall
Dodd	McCarthy	Smathers
Fulbright	Magnuson	Stennis
Goldwater	Moss	
Green	Muskie	

So the bill (H.R. 8283) was passed.

Mr. HAYDEN. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. CANNON in the chair) appointed Mr. HAYDEN, Mr. HILL, Mr. ELLENDER, Mr. ANDERSON, Mr. DWORSHAK, and Mr. HICKENLOOPER conferees on the part of the Senate.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. ANDERSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

INCREASE IN MAXIMUM OIL AND GAS ACREAGE LIMITATION, STATE OF ALASKA

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 577, S. 1855.

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

The LEGISLATIVE CLERK. A bill (S. 1855) to amend the Mineral Leasing Act of 1920, in order to increase certain average limitations with respect to the State of Alaska.

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

There being no objection, the Senate proceeded to consider the bill, which has been reported from the Committee on Interior and Insular Affairs, with an amendment on page 1, after line 6, to strike out:

(1) in the second sentence thereof, by striking out the word "Territory" and substituting therefor the word "State" and by striking out the words "one hundred thousand acres granted hereunder" and substituting therefor the words "for both such types of leases and options, one million acres";

(2) in the sixth sentence thereof, by inserting after the word "State" at the end thereof and before the period a comma and the following words: "except as is provided in this section in the case of the State of Alaska".

And, in lieu thereof, to insert:

(1) by striking out the words "except that in the Territory of Alaska no person, association, or corporation, except as herein provided, shall take or hold at one time oil or gas leases exceeding in the aggregate one hundred thousand acres granted hereunder" and inserting in lieu thereof the words "except that in the State of Alaska no person, association, or corporation, except as herein provided, shall take or hold at one time oil or gas leases, or options to purchase or otherwise acquire oil or gas leases, exceeding in the aggregate for both such leases and options, six hundred thousand acres"; and

(2) by striking out the words "The interest of an optionee under a nonrenewable option to purchase or otherwise acquire one or more oil or gas leases (whether then or thereafter issued), or any interest therein, shall not, prior to the exercise of such option, be a taking or holding or control under the acreage limitations provisions of this Act. No such option shall be entered into for a period of more than three years, without the prior approval of the Secretary of the Interior, and no person, association, or corporation shall hold at one time such options of more than two hundred thousand acres in any one State." and inserting in lieu thereof the words "The interest of an op-

tionee under a renewable option to purchase or otherwise acquire one or more oil or gas leases (whether then or thereafter issued), or any interest therein, shall not, prior to the exercise of such option, be a taking or holding or control under the acreage limitations of this Act, except as is provided in this section in the case of the State of Alaska. No such option shall be entered into for a period of more than three years, without the prior approval of the Secretary of the Interior, and no person, association, or coporation shall hold at one time such options of more than two hundred thousand acres in any one State except as is provided in this section in the case of the State of Alaska."

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 27 of the Act entitled "An Act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain", approved February 25, 1920, as amended (30 U.S.C. 184), is amended —

(1) by striking out the words "except that in the Territory of Alaska no person, association, or corporation, except as herein provided, shall take or hold at one time oil or gas leases exceeding in the aggregate one hundred thousands acres granted hereunder" and inserting in lieu thereof the words "except that in the State of Alaska no person, association, or corporation, except as herein provided, shall take or hold at one time oil or gas leases, or options to purchase or otherwise acquire oil or gas leases, exceeding in the aggregate for both such leases and options, six hundred thousands acres"; and

(2) by striking out the words "The interest of an optionee under a nonrenewable option to purchase or otherwise acquire one or more oil or gas leases (whether then or thereafter issued), or any interest therein, shall not, prior to the exercise of such option, be a taking or holding or control under the acreage limitations provisions of this Act. No such option shall be entered into for a period of more than three years, without the prior approval of the Secretary of the Interior, and no person, association, or corporation shall hold at one time such options of more than two hundreds thousand acres in any one State." and inserting in lieu thereof the words "The interest of an optionee under a renewable option to purchase or otherwise acquire one or more oil or gas leases (whether then or thereafter issued), or any interest therein, shall not, prior to the exercise of such option, be a taking or holding or control under the acreage limitations of this Act, except as is provided in this section in the case of the State of Alaska. No such option shall be entered into for a period of more than three years, without the prior approval of the Secretary of the Interior, and no person, association, or corporation shall hold at one time such options of more than two hundred thousand acres in any one State except as is provided in this section in the case of the State of Alaska."

Mr. JOHNSON of Texas. I should like to inform the Senate that the Senator from Colorado [Mr. ALLOTT] has some questions about this bill. I am not informed as to whether there will be a yea-and-nay vote on it. I hope that there will not be, but the Senator is detained from the Chamber at the moment. Other Senators have statements they would like to make.

When we conclude with Senate bill 1855, if we do conclude with it today, we will proceed to the consideration of order No. 563, Senate bill 747. I wish to put the Senators on notice to that effect.

THE STEEL STRIKE

Mr. SYMINGTON. Mr. President, instead of criticizing the parties about their alleged failure, through face-to-face meetings, to settle the steel dispute, the Secretary of Labor would be better advised to spend his time performing his statutory duties in order to help work out a constructive settlement.

The union and management negotiators in steel held about 70 face-to-face meetings, in efforts to arrive at a settlement through collective bargaining.

During this period of more than 2 months, the administration and the Secretary of Labor made no effort to provide the basis upon which a settlement could be worked out in collective bargaining between the steel companies and the union, other than to issue platitudinous announcements of nonintervention.

The Mediation and Conciliation Service, despite its plain statutory authority to lend its assistance to the parties in order to avert a strike, studiously refused to attempt to mediate the dispute until after the strike had begun.

Prior to the strike, the President rejected the union's request to appoint an impartial factfinding board, with authority to make recommendations for a basis of settlement.

After the strike had begun, the Secretary of Labor announced that he would report the facts to the President. But since the President seems determined to do nothing, and since the Secretary has not seen fit to make the facts public, there can be small hope from this source.

It should be clear now that the parties are at an impasse—and need assistance to settle the dispute.

I have been urging consistently, both before and since the strike began, that the national interest requires the speediest possible settlement.

To this end I propose the following program to be followed by the administration:

First. The President should stop issuing declarations of nonintervention, and the Secretary of Labor should stop criticizing the parties.

Second. The President should use the power and influence of his high office to insist that a reasonable settlement be concluded promptly.

The President could do this best by calling to the White House the responsible principals of both sides, and urging them to negotiate a settlement in the national interest.

Finally, the President should make it clear at such a meeting that if the parties do not conclude a settlement promptly, he will appoint an impartial board, headed by public figures, with established reputations, to examine all the issues involved in the dispute; and to make recommendations for a basis for a negotiated settlement.

I again urge the administration to take such action to help resolve this strike, which, if prolonged, will have grave effect, not only on the prosperity, but also on the security, of the United States.

INVESTIGATION OF CONCENTRATION OF DEFENSE PROCUREMENT ON THE WEST COAST

Mr. BUTLER. Mr. President, last Thursday the House-Senate conferees meeting on the defense appropriations bill voted against an $11 million Air Force appropriation for 11 F–27 jet-prop aircraft to be built by the Fairchild Corp., of Hagerstown, Md.

This was, of course, disturbing news to the citizens of the outstanding city of Hagerstown, which depends to more than a small measure upon the business of the Fairchild plant there. Although it would be incorrect to label the city a distress area, recent cutbacks in the Fairchild payrolls have caused distress among the city's inhabitants. And although Fairchild officials have stated that the refusal of this appropriation will have no immediate damaging effects, it cannot be anything but a severe blow in the long run.

Now the natural question arises as to why certain of the conferees should have voted against the F–27 aircraft. Fairchild has had a long and splendid record of service and performance for 40 years. It was responsible for the construction of the famous Flying Boxcar which did so much for this country in recent conflicts. As for the F–27 itself, the Air Force officials have declared, for the record, that is an excellent airplane and would make an excellent replacement for the C–47, which has become increasingly expensive to maintain.

For many months, I have exerted the most sincere and earnest efforts to point out the value of the F–27 to the Defense Department. Several of my colleagues have ably assisted me, in particular the senior Senator from New Hampshire, who has contributed unstintingly of his valuable time.

Now it so happens that the Fairchild plant is in Maryland, and it seems to me that herein lies the real reason why the conferees were unimpressed by its petition. Incredible as it may seem, Mr. President, the fact that the Fairchild plant is not located on the west coast may very well have been the reason for its being shunted aside last week.

A quick look at the appropriation tally sheet reveals that missile, aircraft and electronic industrial contracts are concentrated in the State of California. That State's diversified qualities are well-known and justifiably so. Its oranges, its climate, its educational system, its baseball teams, are excellent beyond dispute. However, it is difficult for me to understand why the climate or the gardens or the athletic merits of that State should make it, almost inevitably, the most proper place for defense contracts.

By concentrating the defense efforts in California, the Defense Department is not only showing the most unfortunate sort of favoritism but it is imperiling the defense effort of this Nation. It has been an oft-stated policy of the Defense Department to disperse defense contracts. But the latest figures indicate that 27 percent of the Defense Department procurement flows into California. That 1 State out of 50 should

receive 27 percent of the total defense of this mighty Nation indicates to me that fair and impartial granting of Government contracts is not being observed.

Mr. ENGLE. Will the Senator yield?

Mr. BUTLER. I would like to continue my statement, and then the Senator can ask me a question.

Mr. ENGLE. I do not care to take much of the Senator's time. I ask that the Senator yield to me for only a short inquiry.

Mr. BUTLER. I yield to the Senator from California.

Mr. ENGLE. Does the distinguished Senator from Maryland think that California has obtained these defense contracts because of some skulduggery in the Pentagon? Is that what the Senator thinks the problem is?

Mr. BUTLER. I shall make a few remarks about that a little later.

Mr. ENGLE. I shall be much interested to hear if this administration is doing some things to which the Senator objects.

Mr. BUTLER. As a representative of the people of the Free State of Maryland, I am naturally concerned about the fate of a splendid city like Hagerstown. But in a larger sense, as a Senator obligated to consider the entire Nation, I am deeply disturbed by this centralization of defense contracts and the serious consequences that it might have upon the defense effort of the United States and the national economy.

I intend to press for a full and complete investigation of this policy of California first and foremost until I am completely satisfied that performance, and not influence from former generals and admirals on the boards of California companies, is responsible for the consistent winning of contracts by those golden-plated State firms. It may be that the glitter in California is not from the gold in its ground but from the stars and stripes of retired but still active general officers. Other factors undoubtedly have contributed to the defense concentration on the west coast. It is time the Senate found out.

Mr. President, I submit a resolution authorizing the Senate Committee on Armed Services to conduct an investigation into this problem.

I might say to the Senator from California that this practice is not of such recent vintage. It has been pursued for some time, and it is becoming increasingly a problem which must be looked into.

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

The resolution (S. Res. 153), submitted by Mr. BUTLER, was referred to the Committee on Armed Services, as follows:

Whereas 27 per centum of all defense procurement contracts are let to companies, the principal place of business of which is on the west coast of the United States and particularly the State of California; and

Whereas many of the aforementioned companies which produce aircraft, missiles, electronic gear, and other defense material have huge backlogs of orders; and

Whereas other companies, with comparable facilities and employees with equal skills, located in other sections of the United States in many instances have insufficient contract work at their disposal; and

Whereas such concentration of defense procurement in one particular area is not in keeping with long-established principles of national defense requiring decentralization of defense activities; and

Whereas this high concentration of defense facilities in one section of the Nation is not in keeping with the best interests of national economy: Now, therefore, be it

Resolved, That the Committee on Armed Services or any duly authorized subcommittee thereof is authorized, under sections 134 (a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, to conduct a full and complete study and investigation to determine the cause and the scope of the concentration of defense activities on the west coast, and particularly in the State of California, and to recommend to the Senate such legislative or other action as, in the opinion of the committee, is necessary to be taken to assure the defense and to protect the national economy from undue concentration of defense activities.

SEC. 2. For the purposes of this resolution the committee, from August 1, 1959, to January 31, 1960, inclusive, is authorized to (1) make such expenditures as it deems advisable; (2) to employ upon a temporary basis, technical, clerical, and other assistants and consultants: *Provided*, That the minority is authorized to select one person for appointment, and the person so selected shall be appointed and his compensation shall be so fixed that his gross rate shall not be less by more than $1,200 than the highest gross rate paid to any other employee; and (3) with the prior consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. The committee shall report its findings, together with its recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1960.

SEC. 4. Expenses of the committee, under this resolution, which shall not exceed $60,000 shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

Mr. KUCHEL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. CANNON in the chair). The Senator from California will state it.

Mr. KUCHEL. What is the rule in regard to a Senator's speaking about one of the States of the American Union?

The PRESIDING OFFICER. The Parliamentarian informs the Chair that there is a Senate rule that it is not proper for a Senator to speak offensively of a State of the Union.

Mr. BUTLER. But, Mr. President, certainly it is not improper for a Senator to say that the sunshine in California is wonderful and its fruit and vegetables are delicious.

Mr. KUCHEL. I suggest that perhaps it would be more becoming to my colleague, who is on the Judiciary Committee, if he would also demonstrate his enthusiastic support for following the rules of the Senate.

Mr. BUTLER. I would also say to the Senator from Califorinia that the Senator from Maryland has not violated, and hopes he never will violate, any rule of this body.

So, Mr. President, I ask the Senator from California to apologize for even inferring that I would violate a rule of the Senate. I insist that the Senator from California be a little more careful about how he speaks of other United States Senators.

Mr. KUCHEL. I suggest that the Senator from Maryland be a little more careful about how he speaks of one of the sister States of the Union.

Mr. BUTLER. I said nothing about one of the sister States of the Union, other than that it has a fine baseball team, wonderful fruit, beautiful scenery, marvelous climate, and almost all of the defense contracts. [Laughter.]

Mr. JAVITS. Mr. President, I think we can agree that the facts must speak for themselves. On many occasions my colleague [Mr. KEATING] and I have pointed out our worries about the apparent ability of California contractors to make off with most of the prime defense contracts, especially in the missile and rocket field.

My understanding of the remarks of the Senator from Maryland is that they did not violate the Senate rule. Certainly all of us have the highest respect for California.

Mr. KEATING. Mr. President, the observation which I wish to make is right along that line. I did not interpret the remarks of the Senator from Maryland as being critical of the State of California, any more than were the remarks which my colleague [Mr. JAVITS] and I have made in the past about California in discussing the procurement picture. We have simply called attention to a fact; and I am very happy the Senator from Maryland has done so today, too.

Furthermore, the senior Senator from California [Mr. KUCHEL] made a very serious charge against the Senator from Maryland [Mr. BUTLER]. I would consider that charge a compliment, but I am sure the Senator from California will wish to correct the RECORD in regard to it, for he charged the Senator from Maryland with being a member of the Committee on the Judiciary. The fact is that he is no longer a member of that committee. He is a member of the Committee on Finance. I think the Senator from California should set the RECORD straight in that regard.

Mr. KUCHEL. Then let me apologize, Mr. President, for charging that the distinguished Senator from Maryland is a member of a Senate committee when he is not a member of it.

Mr. ENGLE. Mr. President, the senior Senator from New York [Mr. JAVITS] and his colleague [Mr. KEATING] and I have discussed the matter of defense contracts. I am quite sure the Senator from Maryland did not mean to reflect on the State of California. If he reflected on anyone, it was on those in the Pentagon who run the defense contract business; and currently the Pentagon happens to be in control of the party of the Senator from Maryland.

If those contracts are not properly awarded, if California firms are not entitled to receive them, if there is any skullduggery at the crossroads, and if such matters are not being properly

handled, I suggest that the Senator from Maryland make an investigation and find out what the administration is up to, if it is up to anything wrong. But I do not believe it is.

I believe that California firms have received such contracts on their merits, and will continue to do so. So we shall welcome competition from Maryland firms, on competitive bids for contracts, and in any other way. I think the American system will improve by means of such competition.

VISIT OF THE VICE PRESIDENT TO RUSSIA AND POLAND

Mr. SCOTT. Mr. President, in connection with the visit of the Vice President to Poland, I am reminded of the statement of that famous and wonderful lady Sophie Tucker, who said, "I have been rich and I have been poor; and believe me, rich is best." It is my hope that on the return visit, Mr. Khrushchev may see the great depth of the power of America, both material and spiritual. He has seen war and he has seen peace. I hope he too will conclude, "Believe me, peace is best."

Mr. President, as I read the voluminous newspaper accounts of Vice President NIXON's trip to Russia and Poland, and as I see the increasing number of editorials confirming my own high opinion of our Vice President, I am struck by the similarity of this man with another great American in our history: Theodore Roosevelt.

Theodore Roosevelt had a love for America that was displayed as a fierce patriotism which knew no apologies. Theodore Roosevelt captured the imagination of people because he was articulate and dramatic—but also because his enthusiasm was based upon the ideals and principles which were dear to the heart of all Americans.

Mr. NIXON's strikingly similar characteristics have never been so obvious as today, when they are sharpened by the contest with the Communists and magnified by the enormous respect which people abroad show for this man.

He has talked bluntly and realistically to the Russian people through the medium of television. And without compromising our highest aspirations for peace and freedom, he still spoke without rancor and with justifiable respect for the abilities of the present leaders of the Soviet Union.

Mr. NIXON touched a responsive chord in the hearts of the Poles on his visit yesterday. In Moscow, Mr. Khrushchev had taunted Mr. NIXON with, "Do you call these people captives?" In Warsaw, no Russian would have dared ask such a question, because the crowd might have roared back, "Yes." All the free world knows that Poland is not Communist by the free choice of the Poles.

Mr. NIXON has displayed the qualities of statesmanship which we need so much in today's world. I am delighted that so many thoughtful Americans are now able to see that statesmanship in action.

I ask unanimous consent to have printed in the RECORD as part of my remarks several editorials on Mr. NIXON's trip abroad.

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

[From the New York Times, Aug. 3, 1959]

FROM POLAND'S HEART

Americans must be deeply moved by the incredible reception the people of Warsaw gave Vice President NIXON yesterday. In the heart of Communist-ruled Eastern Europe, in a nation with Soviet troops on its soil and with Soviet troops on its eastern and western borders, hundreds of thousands of people turned out spontaneously to cheer and throw flowers to the Vice President of the United States.

This happened in a city which but a few weeks ago gave only a tepid welcome to Premier Nikita S. Khrushchev for whose reception the Polish Government had mobilized all its resources. Once again truth has shown itself to be stranger than fiction.

No one planned it that way, but yesterday's outpouring of friendship from Poland's heart toward our country symbolized by Mr. NIXON was the most effective answer possible to Premier Khrushchev's gibes at our celebration of Captive Nations Week.

The Polish Government is a member of Moscow's Warsaw Pact. Wladyslaw Gomulka and his fellow leaders have time and again associated themselves with Khrushchev's denunciation of American imperialism and his threats against the West's position in Berlin. For almost a decade and a half the Polish people have been indoctrinated with Communist propaganda from almost every possible organ of education and communication. But yesterday the people of Warsaw gave Mr. NIXON what may well have been the warmest welcome an American leader has received in a foreign nation for a decade or longer. The political implications are unmistakable and will be understood by peoples and leaders wherever the facts are known.

At the end of World War II we did not use our power to compel Stalin to live up to his promises of a democratic Poland, but instead permitted him to enslave its people and destroy all public opposition. And almost 3 years ago, in October 1956, we contributed nothing but verbal encouragement to the Polish people as they defied Khrushchev's threats and set a new course, of which Gomulka was then the symbol. Nor have we done anything of crucial importance these past 3 years, in which the concessions of the Polish October have been steadily whittled away or abolished. Yet, as Warsaw proved yesterday, the Polish people still see in us the beacon of their hopes for a better tomorrow.

The cynical may argue that nothing really important was changed yesterday. Poland's unenviable geographic position between occupied East Germany and the Soviet Union was not altered by an inch. The harsh realities of the nuclear age which make any talk of liberation by force of arms unthinkable are as terrible this morning as they were yesterday before Mr. NIXON arrived in Warsaw.

But the cynics are wrong; something of great importance was changed yesterday. By their welcome the people of Warsaw destroyed the propaganda campaign which has sought so hard to prove that Communist totalitarianism has won over the people of Eastern Europe so there can be no more talk of captive nations. In 1 hour of truth, as the Nixon caravan rode from the airport to the city, the friends of freedom and democracy gained new courage and new heart, which cannot help but affect profoundly the world political scene.

[From the Washington Post, Aug. 3, 1959]

RISING TO THE OCCASION

Vice President NIXON's address in Moscow is a powerful answer to the pessimists who say that there can be no change in the hostility that has existed between the United States and the Soviet Union since the war in Korea. It is estimated that 11 million persons in the Moscow area saw the Vice President make his speech on television and many millions of others heard the broadcast by radio. This in itself is a revolution in American-Soviet relations.

The manner in which Mr. NIXON responded to this unique opportunity is also most hopeful. His talk exuded only friendship for the people of the Soviet Union. He skillfully emphasized the common interests of Americans and Russians in humor, sports, a high standard of living and peace. He had complimentary words for Premier Khrushchev and drew a distinction between the Stalinist brand of communism and Moscow policy today. With a good deal of deftness, he played upon the desire of the Soviet masses for more consumer goods and their horror of war.

It is reasonable to suppose that much of what the Vice President said would have a sympathetic reception among the Soviet people. This made it possible for him also to present, without giving offense, a clear and pointed explanation of American policy in terms that most of his listeners had probably never heard before. Without trying to minimize the differences between Washington and Moscow, he said very plainly that when two peoples of great strength want peace the peace must necessarily be just because neither will "tolerate being pushed around."

It was excellent strategy for Mr. NIXON to use his television address to answer the questions that planted Soviet propagandists had thrown at him at many different points of his tour. Some of his replies could have been improved, particularly his explanation of why the United States maintains foreign bases. But on the whole his responses were simple, direct to the point and, we surmise, convincing to many fair-minded listeners. His refutation of the miserable story in the Soviet press to the effect that he had tried to give money to a poor Soviet citizen so that propaganda pictures could be circulated abroad was nothing short of devastating, and it should have a considerable impact on those Russians who deplore the propagandistic nature of their press.

The Vice President's direct remarks to Mr. Khrushchev were superb. If that dynamic leader bends his energy toward peaceful progress within his own country, Mr. NIXON said, he "can go down in history as one of the greatest leaders the Soviet people have ever produced." But if he diverts Soviet resources and talents to the communization of other countries, the only result can be continuation of fear, suspicion, and tension.

Rising dramatically above Mr. Khrushchev's threat that our grandchildren will live under communism, the Vice President refused to predict that a third generation of Russians will be living under capitalism. "We prefer our system," he said. "But the very essence of our belief is that we do not and will not try to impose our system on anybody else." The contrast between communism and democracy in terms of human values could scarcely be couched in more pointed terms.

On the whole, we think the Vice President has acquitted himself remarkably well in this difficult venture. He has effectively presented the message that the American people are most eager for the Russians to hear. If words and reason and attempts at friendly understanding can advance the cause of peace, Mr. NIXON has made a notable contribution.

[From the Washington Post and Times Herald, July 31, 1959]

SWINGING DOOR POLICY

Mr. Khrushchev, having failed to catch any flies with vinegar, is now trying the

honey treatment again. His new speech at Dnepropetrovsk takes a seemingly far more conciliatory attitude toward Berlin and the problem of the Geneva Conference while yielding nothing of substance, and he expresses renewed interest in a summit meeting. It must be a trifle confusing to the Soviet people who follow what they are permitted to read or hear of Mr. Khrushchev to learn just after his denunciations of the American warmongers that he has now acknowledged the peaceful intentions of Messrs. Eisenhower and NIXON.

To what extent this apparent new tack is the result of Mr. NIXON's visit of course cannot be assessed. Quite apart from its ultimate influence either on diplomatic understanding or on Mr. NIXON's political fortunes, however, the effect of the trip seems to us to have been good. The Vice President has handled himself with alertness and dignity. Despite the planted hecklers, the transposition in the Communist press of the Khrushchev-NIXON debate and the party-line criticism of the American exhibition in Moscow, some of the facts about American views and intentions evidently are getting through.

It would be extremely foolish to conclude that there has been any change in Soviet objectives on such account; at best there may have been a minor change in tactics. Mr. Khrushchev alternates so frequently between bluster and balm that it is difficult to know what will be his mood on any particular issue. There will have to be an altogether remarkable alteration in the Soviet position, of which there is no real sign yet, if the Geneva Conference is to be saved.

What the milder language demonstrates, however, is not the need to propose new Western concessions, but quite the opposite. Mr. Khrushchev is a very patient fellow. He has tried his utmost to dislodge the West from Berlin. When he finds one path barred he selects another. If his new approach means anything, it means that the firmness of the basic Western position on Berlin has induced him to devise other methods.

The question of whether to hold a summit meeting, in which the Soviet chieftain has indicated new interest, is something else. A summit conference might accomplish nothing constructive, and there is a danger that it might arouse false hopes and demands for damaging concessions. At the same time, in view of the unique position of Mr. Khrushchev, there is a chance that face-to-face discussion would lead to some accord which he has been unwilling to trust to subordinates. On balance, provided that fundamental Western unity were retained, this newspaper thinks that there would be more to gain than to lose. A meeting at Quebec presumably would facilitate the presence of French President de Gaulle and still permit an invitation for Mr. Khrushchev to visit the United States.

The trick is to separate a summit meeting from the stagnation at Geneva. Plainly enough the Western attempt to use the possibility of a summit as a lever to force Soviet reasonableness at Geneva has not worked. It does not follow, however, that a summit meeting would not be worth trying, or that merely because Mr. Khrushchev now seems to want one we should therefore be against it.

[From the Philadelphia Inquirer, Aug. 1, 1959]

"THE PEOPLE ARE STILL FRIENDLY"

It may be many weeks or months before the full effects of Vice President NIXON's 11-day Soviet tour, which ends this weekend, are known. There is one result, however, that already is clearly in focus.

The friendliness of the Russian people—as differentiated from the Soviet Government—has been dramatized more forcefully than at any previous time since the East-West cold war began.

Mr. NIXON stated the situation in a phrase at Moscow Airport yesterday. He had just returned to the Soviet capital after a 5,000-mile journey into the hinterland of eastern Russia and Siberia.

"Peace and friendship," the Vice President said, is what he encountered on every side. Not only were the words spoken but they were shown in spirited welcomes accorded to NIXON by Russian men and women from many walks of life.

The Vice President noted it is "highly significant that after all the criticism of the United States in the Soviet press, the people are still friendly."

In view of the fact that Kremlin leaders have been preaching "peace and friendship" for years—in words, but not actions—why is the emphasis on friendship to NIXON so important?

There are two reasons.

One is that NIXON went where other Americans never had been.

He penetrated the heart of the U.S.S.R. where foreign travelers of any nationality are very rarely seen. He talked to miners in mines, workers in factories, men and women on streets. He had brief but direct conversation with several thousand ordinary Russian people. What NIXON uncovered, for all the world to see, is a feeling of friendship for America in the Soviet grassroots, far from the propaganda mills of the Kremlin.

The second reason the friendship shown to NIXON by the Russian people is so important is his high official position in the U.S. Government.

An ordinary American tourist might reasonably expect cordial treatment from the native citizenry as long as he behaved himself. If there was any animosity of the Soviet people toward the U.S. Government, NIXON certainly would have felt the full impact of it. Although there were a few hecklers, the Vice President encountered for the most part a people curious about America, anxious to know Americans better, and hungry for knowledge of the world beyond the Iron Curtain.

The television address to the Russian people scheduled by NIXON today, on the eve of his departure from the U.S.S.R., is to include answers to questions put to him by hecklers—questions that were too involved to be answered in a sentence or two. This speech could be a highlight of NIXON's tour. Whatever its effect, he already has shown that rank-and-file Russians want to be friendly with us and should be given every opportunity to develop that friendship on a people-to-people basis.

Mr. NIXON handled himself admirably in contacts with the Soviet people and their leaders. The Vice President's long chats with Soviet Premier Khrushchev—in public and private—may or may not have a bearing on future United States-Soviet relations, but the talks cannot help but promote greater understanding between the two Governments.

Strangers sometimes fight for no reason except they have no other way to settle disputes.

A spirit of friendship between the peoples of Russia and the United States will not solve serious problems resulting from political and economic differences, but friendly peoples can inspire governments to settle differences by negotiation instead of war.

The seeds of friendship for Americans are firmly planted in the Russian people. NIXON helped cultivate them. It will take a lot more work in the form of international exchange programs, before the seeds will blossom into real peace.

LETTER FROM THE LATE M. L. BENEDUM

Mr. SCOTT. Mr. President, I received a letter on the 30th of July from a gentleman who was celebrating his 90th birthday. In that letter he wrote:

I have warmed my hands before the fire of life * * *.

I could not have lived nine-tenths of a century and looked upon the wonders of nature without reaching the firm conviction that the universe toils in some immense endeavor and that the mysterious energies of God labor to divine perfection. In that conviction I go forward with a high face.

Mr. President, the gentleman who wrote that letter was Mr. M. L. Benedum, one of the most illustrious citizens of Pennsylvania, who died on the day I received the letter. I ask unanimous consent that the full letter may appear in the body of the RECORD.

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

PITTSBURGH, PA.,
July 28, 1959.

Hon. HUGH SCOTT,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: At 90 years of age I face up to the reality that the twilight gathers about me, but messages of good will and good cheer such as that which you sent me on my anniversary bring the sunlight of high noon into my heart.

Providence has permitted me to live from the sixties of the 19th century to the late fifties of the 20th century and to have had broad and varied contacts with men and events throughout the world. I have warmed my hands before the fire of life.

The rich rewards of memory are mine and I am also blessed in the enjoyment of the priceless things of this day. Of those things, I place the highest value on my friendships.

I could not have lived nine-tenths of a century and looked upon the wonders of nature without reaching the firm conviction that the universe toils in some immense endeavor and that the mysterious energies of God labor to divine perfection. In that conviction I go forward with a high face.

I thank you from the bottom of my heart for your remembrance. May the richest blessings of providence be visited upon you and yours always.

Sincerely yours,

M. L. BENEDUM.

APPOINTMENT OF SENATOR SALTONSTALL TO NATIONAL HISTORICAL PUBLICATIONS COMMISSION

The PRESIDING OFFICER (Mr. CANNON in the chair). The Vice President has requested the Chair to announce his appointment of the Senator from Massachusetts [Mr. SALTONSTALL] as a member of the National Historical Publications Commission, established by Public Law 754 of the 81st Congress, to fill the vacancy caused by the expiration of the term of the Senator from Utah [Mr. BENNETT].

U.S. ECONOMIC AND FISCAL POLICY

I. THE ECONOMIC CHALLENGE AND BUDGETARY REALITIES CONFRONTING CONGRESS

Mr. JAVITS. Mr. President, I have chosen to speak today on the economic challenge and budgetary realities confronting the Congress because I think it is very important that those who, like myself, are deeply concerned with the cold war struggle and with foreign policy make very clear their views on the

internal economic strength of the United States. I do not think there can be any challenge to the fact that this internal vitality forms essentially the underpinning for anything which may happen today in the struggle for peace and freedom.

Mr. President, before I proceed, I might qualify myself by saying that I was deeply concerned with this subject long before I entered public life at all, going back to the middle 1930's, and also by pointing out that when I was a Member of the House of Representatives I was chairman of the Foreign Economic Policy Subcommittee of the Committee on Foreign Affairs, that I am chairman of the Economic Committee of the NATO parliamentarians, and that I am a member of the congressional Joint Economic Committee. Therefore, I feel very deeply the need for a vital fiscal policy on the part of our Government.

Mr. President, great public attention is now being focused on the danger of inflation. I have received letters on the subject, and so have many of my colleagues. I hope many of those who have written me will find a rather complete answer to their questions in my speech.

This key issue covers also the immediate national issues of the Administration's measure to remove the statutory ceiling of 4.25 percent on interest rates on the long-term part of the national debt and its proposal to set a 3.75 percent interest rate on savings bonds. The acute economic dangers inherent in the prolongation of the steel strike are also very important in focusing public attention on the peril of inflation.

These are not normal times for our country or for the world, and we cannot deal with our economic problems as if they were. For the overriding issue of our time continues to be peace. Also, we are deeply committed to free institutions; therefore, there are some actions we will just not resort to in the way of regimentation of the economy or the discipline of the individual, whatever may appear to be their attractiveness in terms of dealing with our economic problems.

Although we are not engaged in a fighting war, the life and death struggle between the economic and social systems of freedom against communism—the so-called cold war—demands unusual expenditures, personal sacrifice, and a dynamic policy—and the competition between the United States and the free world again the U.S.S.R. and the Communist world is getting hotter all the time. Also, in this global conflict, U.S. foreign economic policy could well have a vital influence on the success of the revolution of rising expectations for tolerable living standards in Asia, Africa, and South and Central America; and therefore materially influence the nearly 1 billion people in the less developed areas of the free world, among them 20 nations newly created since World War II, whose ultimate decision will be so critical in determining whether freedom or communism is the rule of the world.

For these all-important reasons, I find that I cannot agree with the current popular political test being applied to the inflation issue which seeks to distinguish between the "spenders" and the "savers"—the effort to polarize and thus make irreconcilable the views of those who believe in the necessity of economic growth and those who fear inflation more. If we permit ourselves to pass judgment on a major spending program just based on a quick glance at its price tag, conceivably we may wind up condemning a program in a field such as housing, which is actually indispensable to the Nation's economic growth and prosperity. Yet we may accept another bill essentially "pork barrel" in nature because it is marked down in price by comparison, though it is still an unnecessary, wasteful expenditure—for example, the cost of each one of the programs to maintain high fixed price supports on 21 different farm commodities.

Applying only the price-tag test to Federal programs is not in the best interests of our Nation and the cause of peace in these unusual times. We must reaffirm our own faith in our ability to meet decisively the economic challenges which now confront us, while at the same time we make measurable progress forward in our national development—we must do this confidently without being slaves to the shibboleth of "budget balancing," but at the same time—with the objective of balancing the budget—outgo with income—by a careful, hardheaded regard for budget and fiscal necessities. The financial viability of this country is a major element in national security, and therefore we cannot lay aside budgetary considerations. But at the same time, it would be equal folly to permit them to become the primary determinants of our policy.

The economic impact of Federal programs is discussed by Dr. Arthur Burns, former chairman of the President's Council of Economic Advisors, who wrote as follows in his book, "Prosperity Without Inflation":

> Neither Government officials, nor our political parties, can be insensitive to the possible opportunities for advancing the general welfare by increasing public expenditures on school buildings, scholarships, medical research, scientific laboratories, economic statistics, public employment offices, technical services to business or agriculture, slum clearance, highways, or public parks. It is undoubtedly true that higher expenditures on these and countless other items will often bring benefits to the American people that would fully justify their cost. Yet a government that sought to do at once everything that is or seems desirable would invite economic and financial disaster. There are limits to what the Government can accomplish. The limits are set in the first instance by its financial resources, and they are imposed in a more fundamental sense by the Nation's real resources.

Later on, Dr. Burns poses this thought-provoking approach:

> Suppose that the President, before turning to specific recommendations for the coming year in his budget message and the economic report, took a long view and outlined in general terms the needs of the Nation and the various governmental programs that should either be started or expanded over the next few years.

In short, Mr. President, Dr. Burns points out there are a great many things we want to do. The limitation on doing them is set by our financial resources, of course, but, far more fundamentally, by all our resources, both human and material. Then Dr. Burns says it is not necessary to do everything in the same year or in 2 years, provided we give the people assurance that we are going forward to do the things which need to be done within an approximate period of time. That will satisfy them, provided we make such a commitment.

Mr. President, I think this is the key to the whole business of not worshipping the budget as a golden calf but at the same time being hardheaded about money. Let us test that out.

In the consideration and debate of major programs having a budgetary impact, the key factors are not only the size of the price tag on the program but also the purpose for which the money is to be spent. For example, there are certain budgetary items which are investments in the traditional sense such as the income producing facilities of the Panama Canal owned by the Government. During fiscal 1959 about $3 million was received by the U.S. Treasury from the Panama Canal Corporation, representing clear profit figured after paying all costs including that of governing the Zone. There are other budget items which may be considered investments in a broader sense—investments in increased wealth for the Nation with resulting increased tax revenues from a broader tax base such as those involving housing and urban renewal, roads, and similar programs. Loans fall into still another expenditure category, such as scholarship loans under the National Defense Education Act and college housing loans which are eventually repaid to the U.S. Treasury—in the meantime, interest is paid to the Government on these loans. Finally, there are those expenditures which represent the going costs of Government and which, although they have a beneficial effect for all of us while they are being made and in the future, cannot be regarded as anything more than money well spent. That does not add to the total wealth of the country.

A major legislative program upon which the Congress must act at this session is housing, which represents in its different provisions every kind of Federal expenditure discussed.

Mr. President, I use housing as an example since it is well known that the President vetoed the housing bill because he thought it would be inflationary. I respectfully submit that in the context of a balanced budget, which has in mind what the Nation needs as well as what it can spend, housing very much belongs. I hope very much we shall have a housing bill at this session, and I hope what we pass will meet America's housing needs.

Mr. President, I make these comments because the housing bill represents very much the type of program I have in mind.

Urban renewal is composed of loans and grants to localities which result in increased land values, greater tax revenues in the future for both local and Federal Government, and improved living facilities in slum areas which presently have a debilitating effect on community growth.

College housing is a loan program repayable to the Government over 50 years on which the Government receives not only interest payments but also the administrative costs of the program; it adds not only to the Nation's physical assets but more important, to the development of our Nation's youth.

FNMA mortgage market operations comprise the purchase of actual negotiable assets and their subsequent sale in order to maintain stability in the private mortgage market; while the Government owns them, these mortgages represent an income producing investment.

Public housing is an example of the type of program which meets a continuing national need for low-cost dwelling units through annual Federal contributions; however, while these funds do not result in a measurable return to the Government, they do make possible the channeling of substantial amounts into an area where bond financing from the private market is used to build new housing; they contribute measurably to the practicability of our total housing effort.

The original housing bill passed by Congress earlier this session fell victim to the numbers game. The basic disagreement did not involve the desirability of the various programs; rather it was concentrated on the total amount provided for in the bill and its apportionment among the various items. The great emphasis on the short-range budgetary impact of the original housing bill as set forth in the veto message did not take into account that a dollar spent on urban renewal grants has a wholly different economic impact than a dollar spent on mortgages purchased from private lenders. The first stimulates the expenditure of additional dollars—in a ratio of 5 to 1—from private and local government sources to create new physical assets and revenue for our Nation whereas the other represents additional investment capital in the money market bringing at the same time interest income into the Federal Treasury.

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

Mr. JAVITS. I yield.

Mr. DOUGLAS. The senior Senator from Illinois has to leave the floor, but before he does so he wishes to congratulate the senior Senator from New York for the very able speech he is delivering. The Senator from New York has one of the keenest minds in this body. He not only has a keen mind but he also has a warm heart. Those two qualities are not always combined together.

I am glad the Senator is taking the attitude he is taking in regard to the housing bill.

I know what it is to go against the policy of a national administration of one's own party, because I had a somewhat similar experience in the 4 years from 1949 to 1952, inclusive. I will say that independence of thought is what we need. Upon occasion we do have to go against the leaders of our party.

The Senator from New York comes from the largest city in the Nation, one of the greatest cities of the world. The Senator knows that many of our cities are rotting away at their very centers and that millions of our people are living in the slums. The Senator knows that a major surgical operation is needed in many of these cases, for the people who are displaced must be rehoused. Some of those people, because of poverty or race, are unable to obtain satisfactory accommodations on their own. The Senator very properly regards it as a function of Government to help in the matter, particularly in view of the fact that the cities commonly lack full home rule and, so far as revenue is concerned, are held down by legislatures largely dominated by the rural communities.

I think we should form in the Senate a big city bloc. There is a farm bloc, a rivers and harbors bloc, and a reclamation bloc, but the cities of the country do not have a bloc. I understand the cities of the country now represent approximately 60 percent of the total population, and in a few years there will be in the cities 80 percent of the population. While I do not believe in pressure politics or power politics, I think in self-defense we should organize, across party lines.

I am very glad to observe that the Senator from New York is setting for us a fine example. When the roll is called I hope we will be found together.

Mr. JAVITS. I thank my colleague from Illinois for his generosity in connection with the housing problem. I agree with the Senator from Illinois that the problems of the cities involve a great majority of the people of the United States, and there is some common cause which can be made among us upon that subject.

I point out that there was a great housing bill of 1949, the Taft-Ellender-Wagner bill. The other day we heard a notable address by former Senator Taft on a recording before the Subcommittee on Housing of the Committee on Banking and Currency. The great Taft-Ellender-Wagner bill was a bipartisan bill. I had the privilege of being its sponsor in the House of Representatives. This is the tradition in connection with housing legislation.

However, I point out that the main thrust of my speech today is on general economic policy. What I am doing is comparing the constructiveness of housing as it adds to the wealth of the country with the general wastefulness of the farm program as it has been conducted, in order to demonstrate that the mere fact that we are spending x dollars is not in and of itself determinative of whether we are breaking or upholding a budget. The main question is, What are we spending the money for? That is as critically important, at least, as the fact that it represents a budgetary item.

The economic productivity of housing programs is in sharp contrast with the nonproductive expenditures involved in our enormously expensive farm program. A substantial portion of increased farm output is directly attributable to production for Government price support payments. This factor is particularly damaging since the increase in output often bears no relationship to demand or needs; this is especially the case with the basic crops of wheat, cotton, corn, tobacco, rice, and peanuts. A reduction of the Federal Government's price guarantees is sound, but such a cutback must be coupled with more vigorous substantive programs—these will also cost money, but money infinitely better spent. They include increased industrial uses of farm products, more efficient mechanization, better marketing—including processing and packaging closer to the farm—greater utilization of farm products in foreign aid. Our dairy farms in New York, for example, have shown a marked ability to adjust to a more realistic situation without much Government help.

Housing is constructive, and adds to the wealth of the country and to its incoming-paying capacity, and the real property taxpaying capacity in cities, in addition to all kinds of social benefits. The farm program is a deadweight in the U.S. economy. The enormous agricultural surplus maintained by the Federal Government should be an asset. Incidentally, it is an asset nonexistent in the Soviet Union.

This stock of commodities is now valued at approximately $9 billion; and the Congress recently appropriated another $4 billion for surpluses under the fiscal 1960 budget. It may be impractical to achieve a more reasonable ratio between actual farm output and consumer demand, but the size of this surplus puts us on our mettle to find more productive uses for it. Our Federal farm stabilization program is more like the story of "The Sorcerer's Apprentice," by Paul Dukas. The apprentice has learned to turn on the water tap in that musical tone poem but cannot shut it off, and it begins flowing faster and faster. We need to rationalize our agricultural situation by understanding that we cannot keep active every farm, notwithstanding advancing technology but that we must finance the transition. However, we must also learn that food is a powerful asset of foreign policy, especially in nations beginning to industrialize, in order not to waste our surplus, but to use it to the greatest effect in the cause of freedom, while at the same time we seek methods of trying to end the conditions which produce the surplus.

In evaluating the major economic programs still to come before Congress at this session—highways and housing, farm price supports, and school construction—each of us should look beyond the immediate price tag and analyze their actual impact on the national economy for fiscal 1960 as well as on our economic growth, national productivity, and potential Federal revenues in the years ahead. Most of these programs have some combination of the various types of expenditures discussed; some will meet the test of hardheaded fiscal scrutiny and others undoubtedly may not.

I give these two examples of two very different kinds of programs, as they affect the budget, one of which is strong, sound, helpful, and productive, the other of which seems to be a wasted asset in terms of the ultimate good it does, evaluated to the strength and capacity of the United States.

In short, the most serious challenge as yet unmet by the Congress or the

country is the conscientious effort required to reconcile our differing views into a meaningful, dynamic fiscal policy instead of constantly pitting the opposing viewpoints against each other in a dead-end fight which will be over when one side or the other is vanquished or expires from exhaustion.

The objective of a balanced Federal budget over a cyclical period is a sound one and should be followed. But the existence of the cold war intruding into the economic life of our country, the persistence of more than normal unemployment for the United States as a whole, and the relentless pressure of competition from the U.S.S.R. demands of us that we adjust our fiscal policy to avoid jeopardizing our national future. But, at one and the same time, we must also move into other fields at home and abroad in order to develop our resources and broaden the economic base required to carry out our worldwide responsibilities.

We are uniquely able to do this—and we are the only country in the free world which possesses this capability—provided that we have the vision to undertake the necessary development at home and abroad sustained by the high level of national morale and dedication essential to the achievement of our objectives.

II. LOWER INTEREST RATES AS A NATIONAL OBJECTIVE

A key to our national posture and the future of our economic policy is the availability of credit to the Federal Government at interest rates not materially beyond the level experienced during the last 25 years which reflect firm confidence in our basic strength and in our future prospects as a Nation. Therefore, the objective of our current fiscal policy should be to encourage and deserve adequate credit at such interest rates.

There is no magic formula as to what is an appropriate interest rate objective within these principles. The computed rate of interest on the total public debt outstanding—currently estimated in excess of the 1958 figure—of 2.867 percent is the highest that it has been for exactly 25 years. Even immediately before World War II it was no higher and we have to go back to the depression period 1932–34 for a comparable level when the figure was up above 3 percent.

At present the tendency is for interest rates to progressively exceed this standard further and this is a serious danger signal for the United States. Regardless of what we may have to do at the moment to adjust realistically to conditions as we find them, our long range objective must be to lower interest rates, not to raise them. The reason for lower, not higher, interest rates is that in a free society the interest rates on our national debt represent an evaluation in the market place of the probability of success insofar as the future development of the United States is concerned. Despite the present intensity of the cold war the risk element in our future should not be such as to drive interest rates in the upward direction toward which they are now tending.

One of the truly grave dangers of increasing interest rates is the possible loss of confidence of the world in our economic leadership and the loss of confidence even by the domestic investor. For both of these are not so much interested in what money is bringing now as they are in where we are going—and as our operations at home and abroad are so heavily based upon credit, what is most important is our credit standing. The fact is that among current prime loan rates in various countries that of the United States is the lowest or among the lowest, and that is the way it should be. The danger is that U.S. interest rates may rise to a level which we would expect to find, first, in a nation that has not yet achieved an adequate stage of national development for world economic leadership, or second, a nation that is already relinquishing a leading role in the world economy.

Because of these convictions I shall propose a program in a moment, which I think we need in order to fight inflation and protect the credit of the United States.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a table headed "Interest Rates in the United States and Other Countries." The best date we could get for that purpose was September 1957.

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

INTEREST RATES IN UNITED STATES AND OTHER COUNTRIES

Interest rates are lower here than in other countries of the free world. While comparisons are sometimes difficult to make, the Senate Finance Committee's 1957 investigation of the country's financial condition turned up a list of current prime loan rates of commercial banks in over 50 countries. At that time, when our interest rate structure was at the peak of the 1957 tight money period, we had the very lowest interest rate of any country in the world.

Current prime loan rates in various countries September 1957

Bolivia	16
Korea	12–15
Chile	12–14
Greece	12
Brazil	12
Israel	11
Peru	11
Ecuador	10
Austria	9½
Mexico	9½
Germany	9
Japan	9
Finland	8–8½
Argentina	8
Uruguay	8
Iran	7½–8½
Italy	7½
Turkey	7–9
Denmark	7–8
Syria	7–8
Costa Rica	7
France	7
Honduras	7
Lebanon	7
Nicaragua	7
Sweden	6½–7
Ireland	6¼
Iraq	6–7
Singapore	6–7
Spain	6–6½
Colombia	6
Dominican Republic	6

Current prime loan rates in various countries September 1957—Continued

El Salvador	6
Guatemala	6
Liberia	6
South Africa	6
Venezuela	6
India	5½–6½
Egypt	5½–6
Hong Kong	5½–6
Australia	5½
Canada	5½
Netherlands	5½
Great Britain	5¼–5½
Philippines	5–7
Belgium	5–5½
Portugal	5–5½
Cuba	5
New Zealand	5
Panama	5
Norway	4¾
Switzerland	4½
Puerto Rico	4¼
United States	4

NOTE.—Long-term Government bonds in Canada and the United Kingdom today are offered at about 5 percent.

Source: Senate Finance Committee, Investigation of the Financial Condition of the United States, pt. 2, August 6, 1957, p. 1052.

Mr. JAVITS. Also I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a table headed "Interest Rates in Historical Perspective." The table goes back over a long period of years, representing the computed rate of interest on the total public debt, bearing out the point I just made, that we are now at the highest point we have attained since the depression days of 1932 to 1934.

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

INTEREST RATES IN HISTORICAL PERSPECTIVE

Computed rate of interest on public debt outstanding, June 30, 1916–58

1916	2.376
1917	3.120
1918	3.910
1919	4.178
1920	4.225
1921	4.339
1922	4.240
1923	4.214
1924	4.180
1925	4.105
1926	4.093
1927	3.960
1928	3.877
1929	3.946
1930	3.807
1931	3.566
1932	3.505
1933	3.350
1934	3.181
1935	2.716
1936	2.559
1937	2.582
1938	2.589
1939	2.600
1940	2.583
1941	2.518
1942	2.285
1943	1.979
1944	1.929
1945	1.936
1946	1.996
1947	2.107
1948	2.182
1949	2.236
1950	2.200
1951	2.270
1952	2.329
1953	2.438
1954	2.342

INTEREST RATES IN HISTORICAL PERSPECTIVE—Continued

Computed rate of interest on public debt outstanding, June 30, 1916–58—Con.

1955	2.351
1956	2.576
1957	2.730
1958	2.638
1959	2.867

NOTE.—The picture which this table shows for interest rates on the public debt is also roughly representative of the trend in other interest rates. Interest rates all along the line are high now only in relation to the artificially depressed levels of the depression thirties and the inflationary forties.

Source: U.S. Treasury Annual Report, 1958, page 563. Data for 1959 supplied by Treasury Department.

Mr. JAVITS. This table goes back to 1916, and shows that the last time we approached this rate was in the 1954 period, when the rate was 3.181 percent. Today it is 2.867 percent, or higher.

III. FOUR POINT PROGRAM TO FIGHT INFLATION AND PROTECT U.S. CREDIT

I recommend a four point program to fight inflation and protect U.S. credit. I repeat that the thousands of citizens who have written me on this subject deserve to know exactly what I think we need to do about the situation.

I urge the incorporation of the following four objectives in our national fiscal policy and management:

First. A short term opportunity for the Federal Government to operate with greater flexibility in respect to the public debt than it can now manage due to the statutory ceiling on interest rates—this objective to be gained through adoption of the President's recommendation to the extent of permitting the President to exceed the present 4¼ percent interest rate ceiling on U.S. long term bonds during the next few years.

I understand that the discussion is no longer about 2 years, but perhaps a modest period of between 2 and 5 years. We ought to lift the interest rate ceiling on long-term marketable debt for a few years, so that the President may have freedom of action to correct a situation which the Government now faces, of being unable to sell the bonds covering that debt. I believe in a limitation of time, because I believe we should keep the reins in our hands, in the effort to get lower interest rates.

Secondly, in order to emphasize their special role, I urge that the ceiling be lifted on savings bonds, provided that the authority for this latter action—that is, lifting the ceiling on savings bonds—could be terminated by Congress by a concurrent resolution not requiring the President's approval at any time.

So there are two different plans: One for the long-term marketable bonds, as to which I urge that the ceiling be lifted for a few years, and then that Congress review the matter again; and, second, as to savings bonds, on which I suggest that the ceiling be lifted subject to being restored by a concurrent resolution of Congress.

Second. I propose a nationwide attack upon inflation, to be spearheaded by the Federal Government through a massive offering of peace bonds, this massive attack to be signaled by a special $25 billion issue of Peace Bonds bearing a higher competitive interest rate. I shall discuss that in detail in a few moments.

Third. National recognition that the budget is most affected at a sensitive economic time such as we are now experiencing by the selectivity of items which are enacted in the form of appropriations; therefore, the administration and the Congress should favor those major items which contribute to the national wealth and productivity and oppose those items which represent nonproductive costs.

Fourth. The pursuit of national and international policies which will materially increase our productivity and which will weight the scales more heavily in our favor regarding the final outcome of the "cold war."

IV. THE FEDERAL BUDGET FOR 1960 RECAST AS A CORPORATION'S FINANCIAL STATEMENT

Much has been made in discussions about budget and national debt of the comparison between the operations of the Federal Government and of a business corporation. Certainly the Government, like a business, must try to get the most for its money and operate within its fiscal ability. But it is in evaluating our expenditures that we have failed to take a real business approach because no corporate balance sheet would lump capital investment, current expenses, loans and contributions under one heading. I have prepared a restatement of the 1960 budget to separate those items which would in a business be considered capital items and those which would be considered current expense. This table follows.

In order to demonstrate that the budget does not necessarily stand as an absolute document, so that if we spend $100 million or $1 billion or $2 billion more than the budget calls for, we are invading the financial security of the United States, I have had the 1960 budget recast as a corporation financial statement by the Library of Congress. I ask unanimous consent that the recasting be printed at this point in the RECORD.

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

[In millions]

	Expense items		Capital items	
	Budgetary	Trust fund	Budgetary	Trust fund
Expenditures:				
Additions to Federal assets:				
Loans, civil:				
Disbursements			$6,753	[1] $1,248
Adjustment, foreign currency expenditures			−498	
Public works:				
Sites and direct construction:				
Civil			1,812	[2] 3,031
Major national security			1,973	
Change in commodity inventories:				
Civil	$2,728			
Major national security	190			
Major equipment:				
Civil	72			
Major national security:				
AEC facilities			36	
AEC other	29			
Ships			1,659	
Aircraft, missiles, and other Department of Defense	12,155			
Other physical assets, acquisition and improvement:				
Civil			102	
Major national security			1,756	
Other developmental purposes:				
State and local physical assets			250	
Private physical assets			780	
Educational training and health:				
Civil			717	
Major national security			13	
Research and development:				
Civil			807	
Major national security			4,256	
Expenditures—Continued				
Other developmental purposes—Con.				
Engineering and natural resource surveys			$73	
Current expenses for aids and special services:				
Agriculture	$2,750			
Business:				
Civil	817			
Major national security	64			
Labor	342			
Homeowners and tenants	1			
Veterans	4,921			
International:				
Civil	1,412			
Major national security	1,865			
Other aids and special services	2,311			
Other services and current operating expenses:				
Repair, maintenance and operation of physical assets:				
Civil	317			
Major national security	10,059			
Regulation and control	607			
Operation and administration of other civil activities	1,560			
Other major national security operation and administration	11,770			
Interest	8,096			
Trust funds, not classified above		$16,742		
Total	61,994	16,742	20,459	$4,279

[1] FNMA secondary market operation fund.

[2] Highway trust fund, $3,015,000,000; other, $16,000,000.

[In millions]

	Current items		Other	
	Budgetary	Trust fund	Budgetary	Trust fund
Receipts:				
Taxes:				
On individual income	$45,000			
Less refunds	4,300			
Total	40,700			
On corporation income	22,048			
Less refunds	600			
Total	21,448			
Excise	11,941			
Less refunds	90			
Less transfer to highway trust fund	2,906			
Total	8,945	$2,906		
Employment	11,135			
Less refunds	4			
Transfer to OASI trust fund	9,276	9,276		
Transfer to disability trust fund	940	940		
Transfer to R. and retirement account	575			
Total	340	575		
Receipts—Continued				
Taxes—Continued				
Estate and gift	$1,430			
Less refunds	15			
Total	1,415			
Other	10			
Less refunds	1			
Total	9			
Customs	918			
Less refunds	18			
Total	900			
Miscellaneous:				
Seigniorage, interest, etc.	2,275			
Sale of Government property			$348	
Realization on loans and investments			427	
Recoveries and refunds			295	
Interest, contributions, etc.		$6,779		
Loan repayments, enterprise revolving funds, civil			6,008	[1] $763
National security			20	
Total	76,032	20,476	7,098	763

[1] FNMA secondary market operations fund.

This analysis shows that at least $20.5 billion of budget expenditures out of approximately $82.5 billion for 1960 are of a capital investment character; plus a possible $12.1 billion more representing aircraft and missile procurement which because of its rapid obsolescence character has been classified as a current expense.

Mr. JAVITS. Mr. President, I have recast the budget because the analysis shows that at least $20.5 billion of budget expenditures—in other words, about one-fourth of the expenditure of $82.5 billion for 1960—are of a capital investment nature. In short, these expenditures add to the fundamental wealth of the taxpayers of the Nation. It cannot be considered money which is nonproductive; on the contrary, it is money which is extremely productive. If we deduct $20.5 billion, we reduce the budget to $62.5 billion, which is well below the intake and takes care of any kind of budget excess which we might have, if we really do the things we have to do.

I emphasize this because the American people should not be panicked by the idea that the budget, and every figure in it, represents the answer to inflation. It does not. It depends on what the money will be spent for. When we have $20 billion in productive expenditures in a budget calling for the expenditure of $82.5 billion, we are not in any immediate danger of having the budget contribute to an inflationary situation. On the contrary, we have a little leeway in respect of the Government doing certain things which must be done, as in the case of housing, which I analyzed a few minutes ago.

V. PUBLIC, LIKE PRIVATE DEBT, CAN BE NONINFLATIONARY DEPENDING ON ITS USE

Just as expenditures must be analyzed in terms of their purposes and effect so must the debt be considered in terms of its maturities, who holds significant portions and to what use these securities are put. The long-term policies of Government can and should relate the Federal debt to the long-term productive capacity of the Nation. It is this capacity which can overcome any persistent inflationary advance.

The Federal Government's investment in the increase of the Nation's productive potential has been much more conservative than business investment. Net corporate debt has exceeded the estimated output by corporations every year since 1954 while the net Federal debt has actually been decreasing to about 53 percent of the gross national product, in spite of the defense burdens and other less productive expenses which the Federal Government must bear.

In view of the Federal Government's wide range of responsibilities, this conservatism is justified, but it cannot be extended to result in a neglect of businesslike investment in expansion. Long-term expansion of Government investment in the country's potential wealth can cope constructively with the ravages of creeping inflation. We surely would want to avoid a policy of economic contraction in dealing with inflation, for that would prove fatal not only to our position with respect to the Soviet Union but to our concept of increasing opportunity in a free economy.

The fact that corporations have been able to obtain credit greatly in excess of their profits and have been able to finance a total net debt even in excess of their estimated yearly output indicates that the criterion for judging credit is not only how much is borrowed but what is done with the borrowed money—and how it is put to use.

If a business uses credit for policies leading to possible bankruptcy, it will have to pay the investor high interest rates to make up for the risk—if it can obtain the money at all. Money squandered on inefficient Government procurement or for purposes which add neither to the Nation's wealth nor to its security has an inflationary impact which will not only drive up the cost of credit to the Government but also to business, to the prospective homeowner, and to the consumer.

Money borrowed for investment in productive capacity and in the increase of wealth should be available at reasonable rates because its effect will be anti-inflationary in the long run.

Thus, even a budget deficit of from $2 billion to $4 billion, or an equivalent reduction in a possible budget surplus, if necessary, to strengthen the capacity of the Nation to fight long-term creeping inflation, should not and cannot be evaluated in terms of an immediate inflationary impact. We have many figures now which show that with increased economic activity we may have a surplus.

Incidentally, that is all that is talked about here, even if we consider the expenditures which must be made for housing, highways, airports, and all the other things which are essential to the national growth and productivity. It might well not be considered a deficit at all in the broader "businessman's" analysis of the budget.

Nonetheless, any existing shortage of credit in an expanding economy must be considered by the Government in setting its interest rates. Government must compete in the market for the credit it needs—but it must do so in terms of the fact that investment in Government securities should be safer than investment in individual business debentures and, therefore, should pay interest which, while moving in relation to the general market is also somewhat lower than the prevailing rate—one banker in the hearings before the Joint Economic Committee estimated this spread at one-half of 1 percent. An interest rate on Government securities tending to exceed the prevailing prime rate would be a clear indication that much money is being used for nonproductive purposes. It is in this context that greater flexibility to adapt its interest rates to market needs should be given to the administration. This context also provides the testing ground for

the budget, a budget which must of necessity take full account of survival expenditures and must also provide for some expenditures for economic growth.

I think the test is, Can the U.S. Government get money at reasonable rates? This brings me to a discussion of the special $25 billion issue of Peace Bonds as a key anti-inflationary weapon.

The present economic upturn which has accelerated the growth rate of the gross national product since the recession low 1 year ago to an annual rate of more than 10 percent has put an unusual strain on the availability of credit. This strain can be expected to persist until the U.S. economy stabilizes at an optimum annual growth of from 4 to 5 percent per annum, as against our current annual rate of 3.6 percent per annum.

VI. SPECIAL $25 BILLION ISSUE OF PEACE BONDS A KEY ANTI-INFLATIONARY WEAPON

The present economic upturn which has accelerated the growth rate of the gross national product since the recession low 1 year ago to an annual rate of more than 10 percent has put an unusual strain on the availability of credit. This strain can be expected to persist until the U.S. economy stabilizes at an optimum annual growth rate of 4 to 5 percent per annum. In view of these considerations I support the proposal for a 2-year period during which the administration would have the authority to adjust the interest rates on long-term securities to meet market requirements, but with the special arrangements I have outlined for Peace Bonds. At the end of this period we should envisage that a more orderly market would have been established. In the meantime, however, the possible inflationary effects of higher interest rates must be taken into consideration, as well as their possible effect on certain sectors of the economy such as increased home ownership, school construction, the promotion of sound urban communities and the prosperity of business—all of which are among our prime national objectives.

It will be recalled that I suggested lifting the interest ceiling subject to its restoration by a concurrent resolution of Congress.

I suggest that in addition to removing the interest ceiling on the sale of savings bonds, subject to congressional withdrawal of authority through a concurrent resolution, the Treasury be urged to undertake a massive Peace Bond drive, to sell $25 billion to the public at interest rates which will attract new investors into this bond market.

It is a fact—and the Secretary of the Treasury testified to it before the House Committee on Ways and Means—that the United States in late years has not got its share of public investment based upon the savings of the people, who are simply not investing in savings bonds. For example, the Secretary of the Treasury testified about percentage increases in savings during the past 6 years of 52 percent for commercial bank savings, 50 percent for accounts in mutual savings banks, 150 percent for savings and loan shares, and only 21 percent for savings bonds. It was reported only this morning that the American people have established a new high level of personal savings of $21 billion for the last year, this at a time when the Federal Government should be able to get its share of those savings with the tremendous help of the long-term bond market, so as to assist in the anti-inflationary struggle which is now taking place. I ask unanimous consent that a table showing the change in components of U.S. savings be printed at this point in the RECORD.

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

Components of U.S. savings

[In billions of dollars]

Year ending Dec. 31—	Total savings	E- and H-bonds	Percent of total	Savings and loan shares	Percent of total	Commercial bank saving accounts	Percent of total	Mutual savings bank deposits	Percent of total
1952	115.2	35.3	31	19.2	17	38.1	33	22.6	20
1953	124.7	36.7	29	22.8	19	40.8	33	24.4	20
1954	135.4	38.2	28	27.3	20	43.5	32	26.4	20
1955	145.5	40.1	28	32.2	22	45.0	31	28.2	19
1956	155.9	41.4	27	37.1	24	47.4	30	30.0	19
1957	167.6	41.6	25	41.9	25	52.4	31	31.7	19
1958	182.3	42.6	23	47.9	26	57.8	32	34.0	19

Between 1952 and 1958, savings increased by $67.1 billion. Only $7.3 billion (11 percent) of this increase was invested in E- and H-bonds. Thus, while savings increased by 58 percent, investment in E- and H-bonds increased by only 21 percent.

Mr. JAVITS. One of the key weapons not sufficiently in use at the moment in our anti-inflationary arsenal is the individually held U.S. savings bond. Right now, their total value is equivalent to about 15 percent or $42 billion of the national debt held by 41 million investors. We should establish as a basic national policy of debt management that a greater proportion of outstanding obligations should consist of these savings bonds. These bonds which make credit available without increasing the money supply—as do Government bonds bought by banks—can exercise a growing anti-inflationary impact on the entire economy. The realization of this objective is possible only if the Government and private economy undertake drives to sell Peace Bonds on a scale comparable to those launched during wartime to sell war bonds.

The general position of the financial community of the country supports the administration in opposing a congressional sense resolution now progressing in the House of Representatives which would call for the purchase of long-term Government bonds in market operations by the Federal Reserve System, a practice last engaged in in 1951. The Secretary of the Treasury and the Chairman of the Federal Reserve Board testified that this authority exists today and could be exercised if it was thought desirable.

In answer to this question that I put: "Do I understand you to say therefore there is no inhibition in the Treasury about open market purchase—of long-term debt?" Secretary Anderson replied: "No, we have no inhibition." He did not recommend it, however: "Senator JAVITS, it seems to me that the monetary authority ought to have a maximum of flexibility as to how the detailed instruments of the monetary authority are used from time to time."

Under present circumstances such a congressional directive, even as a sense resolution, it is said by Government and financial authorities, might well be interpreted by the financial community as signaling the congressional willingness to see more inflation.

Mr. President, inasmuch as the governmental and financial authorities think that open market operations in Government bonds will add to inflation, let us assume we accept that interpretation. Then there must be some other alternative and the U.S. Government must find some way to deal with current activities in the market which depress the price of long-term Federal bonds and add pressure on the Treasury to offer a higher interest rate if it wishes to sell new or to refund old long-term issues.

We know that the Treasury has just refunded an issue at 4¾ percent, an unheard of rate for United States bonds, in an issue maturing in less than 5 years.

Mr. President, this is a real danger signal to the country, and I think the people are prepared, if the Government will give them half a chance to do so, to join with the Government in fighting the danger.

It seems to me that a powerful and effective noninflationary way in which this result may be attained is by much greater reliance upon savings of the individual in the disposition of the long-term Federal debt. This becomes immediately practicable through a massive drive to sell Peace Bonds. The fact is that right now the amount of savings bonds being purchased and cashed in are just about in balance and the Federal Government is receiving for investment less of the aggregate of the individual savings than for many years before. The area of opportunity for noninflationary stabilization of the Government long-term bond market through the sale of peace bonds is therefore very great.

In the idea of promoting a massive sale of peace bonds to the American people I have very interesting supporting testimony. On July 28, 1959, we had before us in the Joint Economic Committee a panel of life insurance company economists. The panel consisted of George T. Conklin, Jr., vice president—finance—the Guardian Life Insurance Co. of America, New York City; Sherwin C. Badger, financial vice president, New England Mutual Life Insurance Co., Boston; James J. O'Leary, director of economic research, Life Insurance Asso-

ciation of America, New York City; Robert B. Patrick, vice president, Bankers Life Co., Des Moines; and Richard K. Paynter, chairman of the finance committee and executive vice president, New York Life Insurance Co., New York City. One would think they would be very anxious to divert the American people's savings into life insurance, not into savings bonds, but, on the contrary, seeing how very important it is to their policyholders to have anti-inflationary situations, they themselves recommended that one of the finest things that could be done in the struggle against inflation was very materially to increase our sale of savings bonds, in the way I have just described, and to raise the interest rates so that Federal securities will be more competitive with savings and loan associations, insurance companies, and savings banks, and at the same time provide the patriotic incentive which will come from a major issue of Peace Bonds.

The life insurance economists pointed out that the average yield on E- and H-bonds, the savings bonds from 1952 to 1959, increased only 26 basis percentage points, but the average yield on marketable long-term Government bonds increased 141 basis points, and the average yield on prime corporate bonds increased 150 basis points. They pointed out that at 141 and 150 basis points, respectively, this was three times the normal spread between Government bonds and commercial interest rates, even if they were of a prime character.

It seems to me that is very eloquent testimony. Millions of Americans regularly purchased defense bonds in the days preceding World War II and purchased war bonds during the years of conflict.

I ask unanimous consent that the portion of their statement on this point be printed at this point in the RECORD.

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

WHAT CAN BE DONE TO IMPROVE THE NET SALES OF SAVINGS BONDS?

During the past several years the U.S. savings bonds have lost ground as a means of saving in this country. The record in 1959 has become a source of concern. Sales of E- and H-bonds through May are 6 percent behind a year ago, with a worsening trend. Similarly, 1959 redemptions are 9 percent above a year ago, also with a worsening trend. On a cash basis, the net drain on the Treasury of an excess of redemptions over sales of E- and H-bonds in the second quarter of this year is estimated at $300 million.

Here again, the spread of inflationary psychology poses a serious threat. Unless the expectation of continuing inflation is brought under control, the Treasury will find it more and more difficult to sell savings bonds in competition with equities. Not only this, but the $38 billion of E-bonds outstanding are demand obligations for the Treasury and pose the threat of a big cash drain under inflationary conditions. Therefore, it is vital to the savings bond program that an end be made to the inflation psychology of our people.

Beyond this, it goes without saying that the interest rate on savings bonds must be kept in line with other rates if these bonds are to continue to appeal to the smaller investor. It has been argued that the sale of savings bonds is comparatively insensitive to interest rate trends, but the evidence is not convincing. Here again the basic way to induce the individual investor to purchase savings bonds is to pay an interest rate in line with market conditions. If held to maturity the yield per annum on series E-bonds in 1941 (when these bonds were first issued) was 2.90 percent. At this time the yield on E-bonds was most generous as compared with the average rate on marketable bonds, savings bank deposits, and commercial bank savings deposits. It compared favorably with the rate on saving and loan shares. A similar situation existed in 1945, 1948, and 1952. Between 1952 and June 1959, however, the average yield on E- and H-bonds increased only 26 basis points, whereas the average yield on marketable long-term Government bonds increased 141 basis points and Moody's Aaa corporate bond yield index increased 150 basis points. Likewise, the average yield figures on savings banks deposits, savings and loan shares, and commercial bank savings deposits show how they have increased much more than the yield on E- and H-bonds from 1952 to 1958. These figures illustrate the need to raise the rate on E- and H-bonds to restore their early strong competition position. The limited success achieved in recent years in the sale of E- and H-bonds is all the more remarkable in the light of the relatively less favorable yield they have as compared with other yields on savings. Given a competitive rate, savings bonds should provide a much greater source of long-term funds for the Treasury.

In addition to a competitive rate, the Treasury should also provide a system of incentives to the securities market in order to promote the sale of savings bonds. Here again, commissions should be paid to the sellers of savings bonds. Moreover, it would seem that a tax-exempt feature could be used with savings bonds that would not have a serious effect on revenues and would not cause serious difficulties of an equity nature. Such a feature could, however, have a very stimulating effect on sales of savings bonds."

Mr. JAVITS. While the peace bond campaign, based in large part on patriotism needed to win the cold war and widespread concern with inflation, will have a vast popular appeal, it is a fact of life that Americans are much more sophisticated today regarding investments and return on their money. This is shown by many investment columns and advertisements in the popular press, and by the large number of families participating in mutual and other investment funds, and buying securities.

Most Americans know they can receive 4 percent interest on savings bonds and savings and loan association deposits in many places, deposits which are insured by the Government. Also most Americans know that banks and trust companies are getting 5 and 5¼ percent on mortgages which are guaranteed by the United States, and on other obligations guaranteed by the United States. Other than from a patriotic standpoint, there is very little practical inducement to invest in savings bonds at 3.26 percent.

I ask unanimous consent that there be printed in the RECORD at this point a table of comparative yields on U.S. savings bonds and other investments.

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

Comparative yields on U.S. savings bonds, marketable bonds, and savings deposits

	Annual averages					June 1959
	1941	1945	1948	1952	1958	
Savings bonds: [1]						
Series E	2.90	2.90	2.90	3.00	3.26	3.26
Series H				3.00	3.26	3.26
Series F	2.53	2.53	2.53	(2)	(2)	(2)
Series J				2.76	(3)	(3)
Series G	2.50	2.50	2.50	(2)	(2)	(2)
Series K				2.76	(3)	(3)
Marketable bonds:						
U.S. Government long-term	[4] 2.37	2.37	2.44	2.68	3.43	4.09
Moody's Aaa corporate	2.77	2.62	2.82	2.96	3.79	4.46
Deposits and shares:						
Saving banks deposits	1.89	1.68	1.78	2.43	3.17	(5)
Savings and loan shares	3.10	2.50	2.30	2.80	3.50	(5)
Commercial bank savings deposits	1.30	0.80	0.90	1.10	2.30	(5)

[1] Yield per annum if held to maturity.
[2] Issuance discontinued in May 1952.
[3] Issuance discontinued in May 1957.
[4] Average yield for month of December 1941.
[5] Not available.

Mr. JAVITS. Thus an increase in savings bond interest is essential, but it is essential only as a hand-in-hand companion to a massive patriotic effort to sell peace bonds.

The Treasury Department is trying to sell peace bonds as a peace force, and yet when I inquired here in the Senate whether Senate employees could go into a payroll savings plan, I was told one was not in existence but that the Financial Clerk's office would accommodate an individual Senator who wished to devote a part of his salary to savings bonds. I promptly did this and I know many of my colleagues are doing this right now. But I ask, how can we say we are doing our best in the savings bonds field when there is not even a payroll plan for Senate employees?

VII. MEASURES TO PROMOTE UNITED STATES ECONOMIC GROWTH

Basic to any evaluation of budget balance and its effect upon our general fiscal stability, inflation, productivity and growth, is the fact that such balance or near balance can be achieved not only through adjustments in expenditures, but also through tax policy changes. Such an approach would under many circumstances result in the possibility that policy ends can be met without as great a budget impact as a purely expenditure-oriented policy may require.

For example, should the national survival or the meeting of growth program

requirements demand an adjustment in budget expenditures, tax revision and tax reform could be joined with such action. Thus there would be the opportunity to increase revenues under the present tax structure through the prospect that a revision of the tax base, by closing loopholes, reorienting the impact of particular taxes and providing incentives would result in larger revenues with a decrease in individual tax burden, or even that substantive legislation would increase business activity, wealth and income so that the existing tax structure at existing rates might result in the necessary additional income to the Federal Government.

To quote from Leon Keyserling in "Inflation: Cause and Cure":

> Reducing Federal expenditures to combat inflation sacrifices programs which may be needed even more than price stability, and also sacrifices growth programs which are anti-inflationary in the long run. Public spending should represent that portion of our total national production, calculated at optimum rates of economic growth, which we want to devote to the great priorities of our public needs. If we are not actually growing at optimum rate, this is an additional reason for not cutting back on Federal outlays. On the other hand, if total national spending is in excess of our productive capabilities, private spending for nonessentials and luxuries should be cut back first. This is why tax policy is the appropriate fiscal weapon for combating excess-demand inflation. Toward this end, the mere running of a budgetary surplus is less sufficient than the proper imposition of the tax burden. A more discerning tax policy would also help to restrain inflation by gearing the imposition of the tax burden to an improved balance between investment and consumption.

Certainly the Federal Government can contribute significantly to the climate for economic progress by tax revision. On the one hand, tax reform is needed to eliminate some biases now existing against capital accumulations, especially for small business, and to provide a tax atmosphere within which sound business practices, rather than tax considerations, determine the character of business activity; on the other hand, we must continue to advance the policy that those with substantially the same incomes should pay substantially the same taxes, and that ability to pay is a key consideration in the burden imposed by the tax structure. Studies by the Tax Policy and Fiscal Policy Subcommittees of the Joint Economic Committee have indicated, for example, that first, a substantial volume of financial assets have been immobilized by various features of the Federal tax system; second, business capital structures and the methods of financing improvements and expansions are adversely affected by the present tax bias in favor of debt financing; and third, present depreciation allowances for tax purposes may be inadequate to provide the resources needed to expand and to replace obsolete plant and equipment with facilities incorporating technological advances, especially for small business.

Tax reform is needed to eliminate some biases now existing against capital accumulations, especially for small business, and to provide a tax atmosphere within which sound business practices, rather than tax considerations, determine the character of business activities. On the other hand, we must continue to advance the policy that those with substantially the same incomes should pay substantially the same taxes, and that ability to pay is a key consideration in the burden imposed by the tax structure.

The first thing we need to do is to become realistic about taxation in connection with the depreciation rates on new machinery.

In a recent speech, Carrol M. Shanks, president of the Prudential Insurance Co., said:

> The United States is the only major industrial country which has failed to modernize tax laws to provide substantial incentive to capital expenditures. The 5-year rapid amortization adopted at the time of the Korean war has now run its course so that not only will there be no incentive to more rapid replacement, but in the years ahead there will be a writeoff deficiency below normal rates.

He pointed out that Great Britain, Canada, West Germany, Denmark, Belgium, France, Italy, Sweden, Argentina, Chile, and Japan all have modernized their depreciation provisions either to allow for replacement cost or to provide very rapid depreciation, or both.

The economic horizons we foresee in the decade ahead must not overlook an element which has historically been one of the great strengths of our private economy—small business. As a member of the Senate Select Small Business Committee, I am acutely aware of the need for depreciation policies and research and marketing opportunities that enable small businesses to modernize production facilities and technologically compete in present markets while aiding in the development of brandnew ones.

For business generally, should our productive rate in a specific area lag dangerously and threaten the achievement of indispensable national goals, rapid amortization is one of several logical economic tools to be utilized. It involves no substantial revenue loss in terms of taxes over a longer period, although an immediate deferment is allowed.

A recent McGraw-Hill Publications' survey shows that one-third of our industrial plant valued at $300 billion is becoming obsolescent, and that depreciation allowances at present lag $4 to $6 billion annually behind modern replacement needs. Both Representative KEOGH and Senator CAPEHART have offered us income tax allowance depreciation plans.

In many cases, a tax incentive program, as in foreign investment amortization and rapid tax writeoff for depreciation of new facilities, which involve only postponements of taxes rather than forgiveness, can accomplish, at only a small current loss and no permanent loss at all, the same ends as might require substantial budgetary or other expenditures if handled otherwise.

These are the reasons why I favor the use of rapid amortization provisions for the encouragement of private investment, and some tax exemptions to cover the requirement needs of individuals in the professions, middle income earners, and small businessman, while I feel that we should close such tax loopholes as are implicit in the present level of oil depletion allowances at 27½ percent and excessive mineral depletion allowances and other special tax benefits which are larger than they need to be to accomplish their economic purposes, and presently permit these and other large segments of the economy to escape their responsible share of Government costs.

VIII. REGIONAL LABOR-MANAGEMENT COUNCILS AND FACTFINDING IN LABOR DISPUTES PROPOSED TO HELP PACE U.S. PRODUCTIVITY

Among the steps which could help economic growth materially is the establishment of "local productivity councils" similar to the labor-management committees which operated in various areas of the country since World War II. Consisting of top-level labor and management representatives of the private economy, these councils organized on a regional basis could make major contributions toward increased production and safety of operation, without sacrificing the interests, needs, and goals of either management or labor.

A case in point is the work they could undertake in the field of automation and to deal with the dislocation of working people which might result from automation.

A sense of urgency similar to that which led to the creation of these councils in wartime—there were almost 5,000 throughout the country—exists now. The cold war is mainly one of economic pressures; and similar measures are appropriate, particularly when they involve voluntary cooperation in the Nation's interest. In addition, an atmosphere of mutual trust between management and labor would be built up through cooperative efforts to increase productivity at the local level by increasing safety of operations, up-dating and standardization of archaic building codes, dealing with excesses of absenteeism or wastage of supplies and materials, stimulating and rewarding suggestions for more efficient operation, and generally stimulating an awareness of the urgency underlying the economic struggle in which we are engaged.

Finally, as a major contribution to growth and productivity, we need also some means for mitigating the naked rigors of the economic competition between management and labor where the public interest is heavily at stake. In our society, I believe that the massive impact of public opinion can be more effective than Government control or direction. For these reasons, the current steel strike is an excellent case in point.

At the moment, the battlelines drawn by opposing factions in the steel strike are so severe that little progress toward eventual settlement has been made. Both sides appear to be capitalizing in part on the economic warfare which has been raging over Federal expenditure programs in Congress. Management has accused the steelworkers of striking for "more inflation", based on their claim that their wage raise demand must drive up steel prices, while the union has charged that profit levels in

the steel industry are "fantastic" and that a reasonable return can still be realized by the companies, without boosting prices in this most basic industry.

Mr. President, I think the Secretary of Labor, Mr. Mitchell, was correct when he said, "A plague on both your houses."

A Presidential factfinding panel that will present the issues clearly to the public, which is the jury in this instance, is essential if we are to prevent a national economic emergency which could be the outgrowth of a prolonged steel strike. I think this course of action is necessary, and only a panel so appointed will have the necessary prestige. As Dr. Arthur Burns has pointed out:

> Official appeal for restraint in wage and price adjustments may be salutary, but experience suggests that it would be unwise under ordinary circumstances to expect a broad response to exhortation.

To that, Mr. President, I say "yea and amen."

IX. APPRAISAL OF SOVIET INDUSTRIAL GAINS VERSUS U.S. GROWTH RATE

Is there among us anyone who honestly doubts that there are on U.S.S.R. planning boards at this very moment detailed blueprints directed at the ultimate goal of world domination, be it by economic, subversive or military means—a goal the Communists are prepared to meet, despite enormous sacrifice of material resources, industrial output, and even human labor and life? I doubt that there is such a naive Member among us.

The chief of the Central Intelligence Agency, Allen Dulles, views publicly as deadly serious the objectives Premier Khrushchev set for the Soviet economy in 1965—goals announced a few months ago and which there is affirmative evidence the Russians may meet even faster than we originally thought. In a careful appraisal of the original Communist seven-year plan, Mr. Dulls foresaw, as perfectly feasible, a 50 percent increase in the U.S.S.R. military spending by 1965, without any greater strain on that nation's economy. By the same year, he estimates that Soviet industrial production would be about 55 percent that of the United States—not 80 percent, as Khrushchev claims—and by 1970, 60 percent of ours, assuming the same relative rates of growth. However, even that standard of comparison is already becoming obsolete.

On July 15, 1959, there appeared in the New York Herald Tribune an article summarizing a report released by TASS, the official Soviet news agency. Total industrial production was claimed by the Communists to be 12 percent ahead of the first half of 1958, which, if sustained through 1965, "would result in substantially overfilling the 7-year plan," according to the best Federal Government intelligence evaluation available. To quote further from this intelligence memorandum, prepared at my request:

> The report of Soviet economic plan fulfillment for the first 6 months of 1959 indicated good progress toward achievement of the 7-year plan (1959–65) goals.
>
> The industrial production index compiled by the Central Statistical Board of the Council of Ministers is a gross value of output index. Because it includes the total value of output at all stages of production, there is extensive double counting, which tends to overstate the contribution of the faster growing industries. Past studies of this index lead to the conclusion that it should be revised downward if it is to be compared with the Federal Reserve Board index. The FRB index is of the "value added" type, which nets out all double counting.
>
> It is estimated that Soviet industrial production, computed on the FRB basis, would show an increase of about 10 percent in the first half of 1959 over the comparable period of 1958, not 12 percent as officially claimed. However, an annual increase of 10 percent is a very rapid rate of growth. For the 7 years through 1957, U.S. industrial growth was at an annual rate of 3.6 percent.
>
> In Mr. Dulles' New Orleans speech, the rate of Soviet growth implied in the statement that U.S.S.R. industrial output would reach 55 percent of our own by 1965 was 8.5 percent a year. If the Soviets succeed in sustaining their industrial advances at 10 percent annually, then they could reach 55 percent of U.S. output a few years earlier than 1965. Much, of course, depends on the future rate of our own growth.

The challenge inherent in this latest report is that the United States must sharply increase its present rate of growth if it is to retain command of the resources which so far have deterred more widespread Communist advances or aggression. If, on the other hand, the U.S. growth rate loses momentum, and slips to one-fifth the U.S.S.R.'s current rate, then we have Mr. Dulles' words in appraisal of our future:

> If this is true, the United States will be virtually committing economic suicide.

Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks an article which appeared in Science magazine, written by Prof. G. Warren Nutter, professor of economics at the University of Virginia, Charlottesville, Va., who has been rather importantly engaged in working with a very important body, the National Bureau of Economic Research, in estimating Russian productivity, together with a news analysis of this report from the New York Times of Sunday, August 2.

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

[From the New York Times, Aug. 2, 1959]

DOUBT EXPRESSED ON SOVIET GAINS—RESEARCHER FINDS UNITED STATES LEAD IN OUTPUT GREATER THAN HAS BEEN DEPICTED

(By Harry Schwartz)

An article in the current issue of Science holds that the United States has a far greater lead in industrial production over the Soviet Union than American economists have hitherto believed.

The article is by Prof. G. Warren Nutter, an economist at the University of Virginia. It presents some tentative results of a major research study of Soviet economic growth conducted at the National Bureau of Economic Research under Professor Nutter's direction. Earlier reports of the study's findings have already provoked substantial controversy among specialists on the Soviet economy.

Professor Nutter writes that he has concluded on the basis of his research that as recently as 1955 the "net production of Soviet industry" was only about 22 percent that of industry in the United States. This compares with his calculation that in 1913, Russia's net industrial production was about 15 percent of the corresponding United States output.

OTHER ESTIMATES QUESTIONED

The economist writes, "The general opinion of American specialists in Soviet studies seems to be that Soviet industrial production was about a third of the American level in 1955, which is considerably higher than the estimate given here." He adds, "I can only say that I have not been able to reproduce the conventional estimate by direct calculations."

Professor Nutter's estimate calls into question two widely publicized recent pronouncements on this subject, one Soviet and one American, that have received close attention in many parts of the world.

Premier Nikita S. Khrushchev declared some months ago that Soviet industrial output was half that of the United States, a relationship he used as the base for his boast that by 1970 the Soviet Union would outstrip the United States both in total and in per capita output. If Professor Nutter's estimate is even approximately correct, the Khrushchev boast would seem to be an empty one.

CIA FIGURES DISPUTED

The Nutter estimate appears also incompatible with the statement by Allen W. Dulles, head of the Central Intelligence Agency, last April, which put Soviet industrial output at about 40 percent of that of the United States.

Professor Nutter reports his calculations indicate that the 1955 Soviet industrial output was about equal to that of the United States in 1913, while Russia's 1913 industrial production corresponded roughly to that of 1877 in the United States.

The economist warns against drawing conclusions about Soviet-American military strength from his data on industrial production. He also writes, "It would be prudent to suppose that Soviet industrial output will grow faster than that of the United States in the near future."

His article presents two comparisons of the rate of growth of Soviet and American industry. Over the period 1913–55 he finds that the average annual growth rate of Soviet industry was only slightly greater than that of the United States, 3.9 against 3.7 percent.

For the period 1928–55, however, he calculates an average annual Soviet industrial output growth rate of 6.1 percent against only 3.7 percent for the United States.

Professor Nutter warns that there are many serious problems in measuring industrial production, particularly for a country that has developed as rapidly as the Soviet Union. Different methods of measuring Soviet industrial growth give substantially different results, he notes, but he terms the Soviet growth rates he has cited as "best" because they are calculated from an index that "conforms most closely in its construction to the kind of production index preferred in the West."

[From Science magazine, July 31, 1959]

SOVIET INDUSTRIAL GROWTH—ESTIMATES OF IT FACE DIFFICULTIES, BUT THE BEST WESTERN GUESS FINDS SOVIET CLAIMS MUCH EXAGGERATED

(By G. Warren Nutter)

In applying Lord Kelvin's famous dictum to the workaday habits of many economists, one of my revered teachers, Frank H. Knight, used to say: "If you can't measure, measure anyhow." The student of the Soviet economy cannot avoid getting caught on the barb of this remark. Knowing the formidable difficulties of measuring, in a simple and direct way, such a complex and elusive thing as Soviet economic growth, he might refuse the job. But the public will not be denied: the question is too pressing

to be left unanswered. The student is thus forced to act on a second principle also often enunciated by Knight, one that he attributes in turn to a revered teacher of his own: no question can be called unanswerable if it has to be answered, and some answers are better than others—or, at least, some are worse.

The question before us is how fast Soviet industry has been growing. It has been answered many times, and there is no doubt that some answers are worse than others. Within the brief compass of this article, I will try to explain why this is so and to give my own answers, without presuming that they are best.

THE WORST ANSWER

The worst answer, almost all Western scholars agree, comes in the form of the official Soviet index of industrial production. According to that index, industrial output has multiplied 36 times since 1913 in the Soviet Union, or 7 times more than in the United States, where it has multiplied around 5 times. The myth is easily dispelled: since Russian industry produced about a seventh as much as American industry in 1913, its output would now exceed the American level if the official Soviet index were correct. Not even the Soviet leaders claim this. In a recent speech, Khrushchev stated that Soviet industrial output had reached half the American level, a figure that is also probably too high. This would seem to imply a contradiction in Soviet arithmetic, a rare occurrence. The contradiction is avoided by an official statement that Russian output in 1913 was only 7 percent of the American level, a fancifully low estimate.

Unfortunately, the defects in the Soviet index cannot be fully analyzed and corrected because the underlying details have not been published. We do know that the index is not constructed in accord with generally accepted Western practices and that some of the methods used are bound to exaggerate growth. For example, until recent years output was evaluated in so-called 1926–27 prices, but new products were added to the index whenever they first came into production. They were supposed to be evaluated in the prices they would have had in 1926–27, had they been produced then. But this is a bit difficult to do in the case of television sets, jet airplanes, rockets, and the like. The expedient actually followed was to price each new product at its initial cost of production, which was inflated on two counts. First, initial costs are abnormally high, since they include developmental expenses, apply to a pilot rate of production, and do not allow for normally rapid reductions in cost, attributable to learning. Second, there was a steady and sharp inflation in the general price level over this period. Hence new products, which tend to grow faster in output than older ones, were entered into the index periodically at heavily inflated weights.

Other practices have a similar effect in exaggerating growth. Soviet statisticians seem to be aware of the more serious defects in the official index, and improvements have been made in the postwar years. Nevertheless, the index continues to exaggerate growth, though not as heavily as before. Meanwhile, the index for earlier years, having become firmly established in official dogma, stands little chance of being revised.

THE THORNY PATH TO BETTER ANSWERS

The only alternative open to the Western scholar is to start from scratch and construct his own production index. Enormous problems are immediately raised. In the first place, the basic data on physical output of individual industries also come from official sources; and, though they are not as unreliable as broader index numbers, they have many shortcomings. In the second place, the turbulent and uneven nature of Soviet industrial growth creates measurement troubles that could not be eliminated even if the basic data were ideal.

Social scientists accustomed to doing empirical work may find it hard to believe that Soviet statistics are really worse than others, because every empirical researcher in no matter what field of the social sciences quickly becomes convinced, for rather good reasons, that no data could be as bad as those he is forced to work with. Why call the kettle black when it is probably no grayer than the pot.

Let us acknowledge at once that all statistics contain faults and errors. Let us also acknowledge that no government or other agency is free from the temptation to stretch figures to its own account, if it feels it can get away with it. Representative government, competitive scholarship, and free public discourse are the Western institutions that have counteracted error and misrepresentation in statistics, imperfectly to be sure, but at least to some degree.

The peculiar difficulties with Soviet statistics stem, in the first instance, from the system of authoritarian, centralized planning, from what has been called a command economy. Published statistics come from only one source, the state. There are no independent sources to restrain each other or to be used as checks against each other, except to the extent that related figures published by different state agencies might be uncoordinated before publication. On the other side, the suppliers of data to the central authorities—the economic enterprises and other administrative units—have a stake in the figures they report, since their performance is judged on the basis of them. The Soviet statistical authorities do not hide their concern over the misreporting that results from this feature of the economic system.

A second set of difficulties stems from the crusading nature of Soviet communism. Statistics are grist for the propaganda mill. Knowing the ideological views of Soviet leaders, one cannot expect them to dispense facts in a passive and detached manner.

For both broad reasons, Soviet statistics are selective and of varying reliability and ambiguity. The policy of selectivity has two rather opposing results as far as statistics on physical output are concerned. On the other hand, some areas of poor performance are shielded from view, being underrepresented in published data. On the other hand, some of the more rapidly expanding economic activities associated with the military sector are also not reported on. It is impossible to determine the net bias of the sample of published data, whether there is, on this count, a net over- or under-statement of growth.[1]

A few broad generalizations can be made about the reliability of the published statistics. In the first place, absolute output is probably overstated in the case of most industries, particularly for the years within the plan period, though the degree of overstatement cannot be determined. In the second place, growth in output is also probably overstated relative to a prerevolutionary base, but not necessarily over other parts of the Soviet period. Over some of the latter years, growth may be overstated, over others understated, and over still others more or less accurately reported. This will vary from industry to industry and from one situation to another.

Let us now turn briefly to some of the more technical problems involved in constructing production indexes for Soviet industry. A production index is a synthetic measure that translates diverse growth rates for many different products into the single hypothetical rate that presumably would have obtained if, in fact, all products had grown at the same rate. The translation is accomplished by, in effect, transforming the many different products into a common generalized product—by weighing each product by its relative cost of production in a particular year. Thus, swords are beaten into plowshares by expressing both in terms of their productive value: the output of each is multiplied (weighted) by its unit cost of production, and the resulting values are added together to get aggregate production. The aggregate can be thought of as the hypothetical quantity of plowshares (or swords) that could be produced if they were the only things produced. Growth between one year and other is measured by the ratio of aggregate production in the later to the earlier year, outputs of swords and plowshares being weighed in both years by the costs in a single specified year.

Even under conditions in which the basic data needed to compute index numbers are close to ideal, the numbers can be fickle. Their vagaries have made necessary the development of a specialized theory of index numbers, whose mysteries cannot be explored here. We must be satisfied to note that the numerical value of a production index will depend on such things as the weighing formula used, the year chosen for the weights, the structure of production, the path of growth followed, and so on. The divergence between indexes constructed in alternative ways tends to be greatest when an economy is undergoing swift and radical changes in its structure and when growth rates for different industries are widely dispersed.

Soviet industry has undergone just such swift and radical changes, particularly during the late 1920's and early 1930's. Growth rates have also diverged widely from one sector of industry to another, being much higher in heavy industry than in consumer goods industries. Growth has been interrupted at critical points by major disturbances. Quantitative growth has not been accompanied by the general improvement in quality that has characterized industrial development in most Western countries. These difficulties of measurement are compounded by the fact that there are few reliable data on costs of production: as is now acknowledged by Soviet economists, the Soviet price system does not accurately reflect relative costs of production. These factors, coupled with the questionable reliability of statistics on physical output, makes the calculation of production indexes for Soviet industry unusually treacherous.

SOME BETTER ANSWERS

In the face of these many problems, the only satisfactory approach is to measure Soviet industrial growth in a number of ways and examine the converging lines of evidence. In the work I have been associated with at the National Bureau of Economic Research,[2] we have constructed a variety of production indexes, measuring productive activity at three different stages of fabrication, using Soviet weights for three different years (1913, 1928, and 1955) and American weights for four others (1914, 1929, 1939, and 1954), and varying in extensiveness of product coverage. These indexes have been supplemented by studies of the performance of individual industries, summarized by various techniques, including liberal comparisons with performance of

[1] These brief comments apply to the condition of economic statistics since 1956. Between 1938 and 1956, statistics on the physical output of individual industries were not published at all in the Soviet Union, with a few minor exceptions.

[2] The National Bureau of Economic Research is a nonprofit organization engaged in economic research, with its main offices in New York. Arthur F. Burns of Columbia University is president, and Solomon Fabricant of New York University is director of research.

counterpart industries over relevant periods of American industrial history. Since the study has not been completed, the figures presented here should be viewed as tentative and subject to revision.

Let us look first at the production indexes, concentrating our attention on the growth they show over two periods, 1913–55 and 1928–55. The first encompasses the whole Soviet era, except for the last few years; the second, the period under comprehensive centralized planning.

Over the longer Soviet period, these indexes show industrial production as multiplying between 3.5 and 6.8 times; over the plan period, between 3.8 and 6.6 times. If we choose from among these indexes a single one that conforms most closely in its construction to the kind of production index preferred in the West and treat that index as the "best" estimate of Soviet industrial growth, we find that Soviet industrial output multiplied 5.6 times over the entire Soviet period and 5.5 times over the plan period. From these indexes, we note the failure of Soviet industry to show any net growth between 1913 and 1928. According to the official Soviet index, the corresponding multiples are 27 times for 1913–55 and 21 times for 1928–55. Hence, if the "best" estimate is accepted as correct, the official Soviet index contains a four- to fivefold exaggeration of growth over the periods under consideration.

For comparative purposes, it is advisable to translate these multiples of growth into average annual rates (see table 1). The "best" estimate of growth is shown to be 4.2 percent a year, on the average, over the entire Soviet period and 6.5 percent a year over the plan period, rates that are somewhat less than half those shown by the official Soviet index.[3] Some of this growth is attributable to the acquisition of territory during and after World War II: the Baltic States, about half of Poland, a part of Rumania, and other lesser territories. These regions have added about 10 percent to Soviet industrial production, and eliminating the gain reduces the average annual growth rate to 3.9 percent for the entire Soviet period and to 6.1 percent for the plan period.

These general results may be checked in two broad ways. First, study of about 50 individual industries indicates that Russian output in 1913 (within the pre-1939 Soviet territory) and 1955 was, on the average, roughly the same as U.S. output in 1885 and 1920, respectively. This would mean that Soviet industrial production grew approximately as much between 1913 and 1955 as American production grew between 1885 and 1920. Over the latter period, American industrial production multiplied 5.4 times, almost the same figure as found by the "best" index for Soviet industry for 1913–55.

TABLE 1.—*Average annual growth rates of Soviet industrial production according to different production indexes*

[Percentages]

Index	Unadjusted		Adjusted [1]	
	1913–55	1928–55	1913–55	1928–55
Calculated indexes:				
All indexes	3.0–4.7	5.1–7.3	2.7–4.4	4.7–6.9
"Best" index	4.2	6.5	3.9	6.1
Official Soviet index	8.2	11.9	7.9	11.5

[1] Adjusted to exclude gains from territorial expansion during World War II.

[3] The phenomenon of compounding makes the average annual growth rates diverge less percentagewise than the multiples of growth for the longer spans.

Second, a similar comparison can be made for aggregate production. If the output of Soviet industrial products is evaluated in American prices, we find—after making allowance for the degree of coverage represented by the products for which this evaluation can be made—that the net production of Soviet industry was about 15 percent as large as net production of American industry in 1913, and about 22 percent as large in 1955.[4] The estimate for 1955 is probably less reliable than the one for 1913, and may be in error by as much as 10 percent in either direction. Looking back into American industrial history, we find that in 1877 production was about 15 percent of the level in 1913, and in 1913 it was about 22 percent of the level in 1955. Hence, through this indirect path, we would suppose that Soviet industrial output in 1913 and 1955 corresponded roughly with American industrial output in 1877 and 1913, respectively. Between 1877 and 1913, American industrial output multiplied 6.7 times, which is roughly the multiple shown for Soviet industry for 1913–1955 by the fastest-growing index constructed in our work at the National Bureau of Economic Research.

THE ANSWERS PUT INTO PERSPECTIVE

The estimates of Soviet industrial growth presented here will take on more meaning if they are compared with the pace of industrial growth in this country. We note that Soviet growth has been slightly faster than American growth for 1913–1955, and much faster for 1928–1955 (see table 2). It would be prudent to suppose that the differential will continue in favor of the Soviet Union over the near future.

TABLE 2.—*Comparisons of average annual growth rate for industry in the United States and Soviet Union*

[Percentages]

Period	Soviet Union [1]	United States
1913–55	3.9	3.7
1885–1927		4.8
1877–1919		5.0
1928–55	6.1	3.7
1885–1912		5.3
1877–1904		5.6

[1] Adjusted to exclude gains from territorial expansion during World War II.

These comparisons are important for many purposes, but they do not indicate the relative growth-generating capacities of the Soviet and American economic systems, even as far as industry alone is concerned. The industrial potentials of the two economies are similar: they are both large and richly endowed with natural resources. Given the state of the industrial arts, the rate of industrial growth tends to depend on the level of productive activity relative to the industrial potential. The lower that level, the faster the growth rate tends to be. It is therefore useful to compare Soviet with American growth over periods in which industrial production started at roughly the same level. In this respect, the American periods 1885–1920 or 1877–1919 are more or less comparable with the Soviet period 1913–55, and 1885–1912 or 1877–1904 with 1928–55.

Over the longer "comparable" periods, the American growth rate exceeded the Soviet one; over the shorter ones, the reverse is true (see table 2). The growth-generating superiority of one industrial system over the other—as far as it is revealed by these rather mechanical comparisons—remains in doubt, to be resolved only by the future course of history. It should be noted, however, that this set of comparisons involves a substantial advantage in favor of the Soviet Union, since it has had 20th-century technology at its disposal in working out its course of industrialization.

[4] The general opinion of American specialists in Soviet studies seems to be that Soviet industrial production was about a third of the American level in 1955, which is considerably higher than the estimate given here [see, for example, "Soviet Economic Growth: A Comparison with the United States" (Joint Economic Committee, Washington, D.C., 1957), p. 11]. I can only say that I have not been able to reproduce the conventional estimate by direct calculations.

WARNINGS ABOUT CONCLUSIONS

Since the aims of this brief survey of a particular measurement problem have been modest, it would be a mistake to conclude too much from it. Our attention has been focused on the broad aggregate of industrial production, not on the segments of industry receiving highest priority from Soviet leaders. Those are the segments that promote state power, in particular military power. It is wrong to infer military power from general industrial strength, and vice versa.

One must also be careful not to make simple mechanical comparisons between industrial growth rates in the Soviet Union and the West. The character of industrial growth and the context within which it has taken place differ so materially in the two parts of the world that comparisons of highly generalized measures of industrial growth carry a very limited meaning. In the Soviet Union enhancement of state power has been the primary objective of economic policy, the consumer being treated as a residual claimant. Heavy industry and ordnance have been supported at the expense of consumer goods; and other important sectors of the economy—agriculture, construction, and consumer services—have been neglected in favor of industrial growth. Leisure has grown very slowly, and human losses that stagger the imagination have been a part of the cost of growth. These matters are not brought up to place the actual quantitative achievements in a shadow; those achievements are real enough. But a full appraisal of industrial performance and its significance requires that it be viewed against the broader background of economic and social achievements as a whole.

Mr. JAVITS. Mr. President, this analysis shows that Soviet industrial production can probably, conservatively, be computed at somewhere in the area of an average of 6.1 percent per annum in the period from 1928 to 1955, as against our average of something in the area of 4 percent. Of course, we start from a very much higher base, but I do not think any of us, based upon this rather detailed and concise scientific analysis, or upon the intelligence estimate of Mr. Dulles, who undoubtedly bespeaks the views of the CIA, should have the remotest kind of complacency about the Russians' breathing very hotly down our necks in terms of inrustrial productivity.

Basic Marxist theory still expounded by Communist leaders dictates the "boom" and "bust" cycle for capitalist economies; in less developed nations which hope to equal the astonishing industrial growth of the U.S.S.R. in the last 30 years, it might still be a salable philosophy, notwithstanding its spuriousness, in light of our recent recession, unless we do something about it. It can best be refuted by how fast and how well the United States moves to capitalize on its own opportunities for economic development. I am tired of looking over my shoulder to see how fast the Communists are coming up from

behind. I would rather look forward to see what we must do to realize legitimate national goals for our own people by 1965—say a per capita per annum increase in disposable income from the 1958 figure of $1,784 to $2,300 (in 1958 dollars) and a U.S. export-import trade of $50 billion annually by 1965. That last figure can be reached only if the primary producing nations of the free world, generally underdeveloped but often possessed of vital strategic raw materials, advance rapidly enough in their living standards to purchase much greater quantities of manufactured goods from the United States and other industrial nations, as well as of their own production.

Now, there are affirmative elements of our Government economic and fiscal policy which should be further emphasized to meet this life or death challenge.

The next major step in U.S. peace leadership requires us to undertake joint economic action with our 14 NATO, allies and with the other members of the Organization for European Economic Cooperation—Austria, Sweden, and Switzerland—as well as with other leading industrial nations of the free world. In this way, we can marshal our economic resources to accelerate the rate of economic growth in the developing nations coveted by the Communists and to protect against the economic warfare now being waged by them.

One way to do this is to preserve free institutions by making available credit and know-how to do the job—not force and repression. To reach a goal of $10 billion in public and private aid to the developing nations by 1965—which is vitally needed to do the job they need done—the United States would have to increase its annual rate of lending through the Development Loan Fund, raising it to $1.5 billion annually, as proposed by the Senator from Arkansas [Mr. FULBRIGHT], chairman of the Senate Foreign Relations Committee, and step up foreign private investment to $5 or $6 billion annually, and also take free world joint economic action referred to above.

We must make a very great effort overseas to develop new markets and new opportunities for investment. This is our greatest chance for economic expansion, equivalent to the "Go West, young man" drive of the decades following the Civil War. Now it is "Go world, young man," expanding our operations through the world. We should place a great premium upon oversea private investment, encouraging it through governmental measures including tax advantages, guarantees, governmental services at home and abroad, and efforts by treaty and agreement to assure equal treatment and the integrity of investments. We should back up foreign private investment with long-term Government loans for infrastructure development purposes—ports, roads, sanitation, education, reclamation, navigation, and irrigation—while, at the same time, spending as needed for technical assistance and for the education and training of far more Americans than at present to engage in this technical assistance.

A recent report on the place of the U.S. private economy in the foreign policy efforts of our Government, which is of monumental importance to the peace leadership of the United States, is entitled "Expanding Private Investment for Free World Economic Growth." It was prepared by the Department of State and Commerce in cooperation with other Federal agencies, and issued by Under Secretary of State Dillon, based on the staff work of Ralph Straus of New York.

It recommends a major increase in U.S. foreign private investment in aid of our peace leadership. It deals with tax incentives for such investment; participation of small business; stimulation of treaties of commerce, friendship, and navigation; material increase and improvement of the existing ICA private investment guarantee program; improved administrative procedures of U.S. Government agencies in the foreign trade and investment field and other major matters of this character.

It is expected that during this session the Senate will have the opportunity to consider the Foreign Investment Incentive Act of 1959, H.R. 5, introduced by Representative HALE BOGGS, of Louisiana. This bill would provide for a variety of tax incentives to U.S. businesses engaged in foreign investment and trade. It would encourage developing nations to give tax inducements to U.S. investment, and would promote the ability of U.S. corporations to insure the property losses of oversea subsidiaries.

A U.S. trade goal of $50 billion a year can be a tremendously important growth factor in our own domestic economy, as borne out by our experience in the recent recession. The Department of Commerce reports that some of the component parts of major industries hit most heavily by our recent recession registered vital gains in exports which undoubtedly contributed to their ability to participate in our 1959 economic recovery. The following increases in exports in 1958 over 1957 were in key sectors of our industry, while total exports showed a decline: Radio and television apparatus up 11 percent; metalworking machines and machine tools up 8 percent; railway transportation equipment up 44 percent. The chemical industry also registered gains in certain areas.

The important contribution to economic development made by foreign aid and private investment programs can be wiped out by some material reversal of the progressively liberal trend of our trade policies or by a recession of demand in the United States. In 1958 our export and import trade with Mexico exceeded $1.3 billion; our net economic grants and credits were $77 million; with Argentina an 8 to 1 ratio held true; with Colombia the ratio was better than 10 to 1; and while our trade with Venezuela exceeded $1.7 billion, our net economic grants and credits were only $3 million.

Our trade with India was more than double the net inflow of economic aid, and with Indonesia the ratio was nearly 10 to 1. With the African nations of Ethiopia, Ghana, and Liberia, our trade was $200 million, while the net effect of our economic assistance was $15 million.

To prevail in an economic offensive, the U.S.S.R. does not have to surpass or even equal the U.S. standard of living. Should the typical Soviet citizen be able to purchase an everage of two and a half pairs of shoes a year by 1965, as proposed in their 7-year plan, that could be a much more meaningful achievement to the typical Indonesian, Liberian, or Jordanian than the fact that most American homes will have a car and a television set. The U.S.S.R. and the Iron Curtain countries could enormously damage the free world if they could persuade the nearly billion people in the 20 developing nations which have gained their independence since World War II that the Communist system, with its totalitarian control over resources, production, and distribution can raise their living standards faster and more surely than ours. Our job is to see that the Communists will not profit from having the average worker in Africa, South America, or Asia engage in comparison shopping. A comparison of growth in India with that in Red China or a comparison of living standards in Russia today with that only 30 years ago should not be of any help to the Communist cause—rather, such a comparison should be a help to our side.

CONCLUSION

In all the many considerations I have discussed, and in meeting all the challenges which our Nation, our economy, and the needs of our people face today, we in the Congress, and those in the administration, as well as the American people, must make the decision of what goals we wish to achieve. The problem was restated in the Rockefeller report, which points out:

> In making the choices which will confront us, we have the opportunity to adopt a series of measures that could give us a more rapid economic growth. * * * Our choices are not necessarily limited by past rates of expansion—they encompass the possibility that we can adopt policies that provide positive stimuli to greater output.

Our task is to balance our needs, not with the thought that one goal must be sacrificed to achieve another, but with the full realization that we may be able to achieve most or all of them through a judicious use of our resources.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

ALASKA AND HAWAII STATEHOOD—TRIBUTE TO JACK BURNS OF HAWAII

Mr. GRUENING. Mr. President, last week the people of Hawaii, in their gen-

eral election, concluded the action which validated the enactment by this Congress of statehood for Hawaii. To me it is an event of transcending importance. I feel confident that when the history of this decade is written nothing will be deemed by historians comparable in importance to the action of this and of the preceding Congress in bringing into the Union the 49th and 50th States. It is a milestone in the history of our Nation, a dramatic and dynamic reincarnation of the American dream, and the beneficial consequences of which will continue to mount through the years. The mere physical extension to our Union to the continent's farthest west and farthest north and, in the case of Hawaii, to a point farther south than ever before, are not important per se, but the indirect effects—the spiritual consequences—are incalculable.

In the case of Hawaii we have demonstrated to the whole world that as a nation we believe men should be judged by what they are and not by the color of their skin or their ethnic origin. It is particularly significant that in the five persons elected to the five important offices in Hawaii last week, five different ethnic strains were represented. In OREN LONG, elected Senator, we have an American of Anglo-Saxon descent. In HIRAM FONG, elected to the other seat in the Senate, we have an American of Chinese origin. In DANIEL INOUYE, elected Representative, we have an American of Japanese ancestry. In William Quinn, elected Governor, we have an American whose paternal forbears were no doubt Irish. In James Kealoha, elected lieutenant governor, we have an American of the Hawaiian—that is, the Polynesian—race.

The election of these men of five diverse strains clearly and correctly reflects the ethnic diversity of Hawaii's citizenry.

From the beginning of our Nation we have broadened the base of our ethnic representation. In the first Senate, representation was limited to men of English, Irish, Scotch, or Welsh ancestry—from the mother country of Great Britain—and of Dutch descent. These were the ethnic strains represented in the early days of our history. Then they were broadened through the years to include those of German, French, and Scandinavian descent—later of Spanish, Italian, and Slavic origin—all evidences of the broadening base of our democracy. But invariably these were ethnic strains originating in Europe.

An important departure was made 3 years ago when Representative SAUND, a naturalized citizen, a native of India, was elected to the Congress and, I am happy to say, reelected at the last election.

And now, for the first time, we shall have in the Congress two Representatives of other ancient asiatic stocks. This is a demonstration which the whole world will understand. It cannot be but of incalculable benefit to us as a Nation—both for our own sake, and for our role in this troubled world. It is further validation of the immortal principles proclaimed in our Declaration of Independence. We may not have always and everywhere lived up to these principles. But our democratic process—which is a continuing process of reaffirmation, renewal and regeneration—makes it possible for us to revalidate those principles from time to time.

I take this occasion to pay a tribute to a great American who, by a strange irony of fate, lost in the election last Tuesday. He is JACK BURNS, for the past 3 years Hawaii's voteless Delegate to Congress. It is a cause of profound regret to those of us who have known JACK BURNS that he was defeated by a small margin in Hawaii's first State election. He deserved a better result. However, it has become axiomatic among us who believe in the Democratic system to accept cheerfully—even though regretfully—the verdict of the electorate, whatever it may be.

Deeply engraved in our hearts and convictions is the belief that in this land of freedom the people rule. We may sometimes feel that the people—which is all of us—have made a mistake. We may shake our heads sadly at what seems an act of ingratitude or lack of appreciation of sterling public service, but nevertheless we accept whatever the verdict may be. That is the American way.

However, it should be recorded for all time—at least this is my conviction, and I am sure it is shared by others—that there would have been no election in Hawaii, no statehood for Hawaii and, indeed, I may say, no statehood for Alaska, had it not been for JACK BURNS' unselfish and far-visioned statesmanship. To demonstrate this conclusively we need to recall some recent history.

Mr. President, it should be no secret to those of us who have long battled in the Statehood causes of both of our last two incorporated Territories—Hawaii and Alaska—that Hawaii was long since ready for statehood; was prepared for statehood long before Alaska was; that as much as a quarter of a century ago it had met the tests of population, of a strong and going economy, of a militantly loyal Americanism, and indeed, every other test.

We all knew that, but circumstances arose so that in the 85th Congress the case of Alaska had become the stronger of the two and was therefore given the preferred treatment of legislative priority.

It had been our experience several years earlier to see the disastrous results—or perhaps, more correctly said, the lack of results—in achieving statehood for either Territory when these two statehood bills were combined. As we should recall, to set the record straight, when General Eisenhower was president of Columbia University in 1950 he made a ringing declaration in a public address before the Freedom Bell at Denver, saying, "Quick admission of Alaska and Hawaii will show the world that America practices what it preaches." Those of us who had been battling for these two statehood causes were thrilled and were confident that the statement, which we recalled after General Eisenhower became President of the United States, would insure the speedy admission of both our Territories as States. But to our disappointment, for reasons which I think are not wholly clear, and certainly are not clear to me, President Eisenhower, after taking office, chose in his first state of the Union message and throughout his first term to go all out in his espousal of statehood for Hawaii but not for Alaska. Nor were the reasons for this change clarified by his answers to questions on the subject at press conferences.

At that time, too, there had been a long standing conviction, held by nearly everyone on the Hill, that if admitted to statehood, Hawaii would send Republicans to the Congress and Alaska would send Democrats. Therefore, with what was a perfectly understandable motivation, some of our Democratic friends in Congress decided that in order to do even-handed justice to equal political participation, the two bills should be joined to insure the passage of both. That would not have been done had our Democratic friends here been able to receive any assurance that with the bills passed separately the President would not veto the Alaska bill. Therefore, the decision to tie them together was made.

Both my colleague, Senator BARTLETT—then Delegate in the House—and I, who had just shortly before left the governorship of Alaska but was working as a private citizen for statehood—protested against this move with all our might and main to our good friends, who were then and are now in the Senate. But we could not prevail. They retorted in substance:

> We are not going to let Hawaii send two Republican Senators and a Republican Representative to Congress and have Alaska left out.

We urged our view that the move would prove a grave error; that the cause of Hawaii was good per se and that even if Alaska never got statehood Hawaiian statehood should be acted upon favorably—as it would have been—but that we also were convinced that Alaska statehood could not fail to come very shortly after Hawaii's, and that, on the contrary, if these two bills were joined neither would get in. As those who were then in the Senate will recall, the move to join the Alaska and Hawaii statehood bills was supported not only by those who favored statehood for both, but by those who opposed statehood for either. Those who held these opposing views approached the subject with a different analysis of what the results of joining them would be. Those who favored both felt it would bring both into the Union: Those who opposed both felt both would be defeated. Opponents of statehood for both proved to be right. The joint bill passed the Senate by a vote of 57 to 28—by a vote or more than 2 to 1—under the able leadership of my good friend, the distinguished Senator from New Mexico [Mr. ANDERSON], who has always been so helpful in promoting the statehood causes of both Alaska and Hawaii. But over in the House the bill was kept buried in committee. The House leadership at that time refused to

act on the bill or to go to conference on it.

In the following Congress the Senate properly took the position that as it had acted on the statehood bills, it was up to the House to initiate action the next time. So the House did act. It brought up the joint statehood bill, which those of us who favored statehood for both viewed with much misgiving, and it was defeated. Thus the cause of statehood for both Alaska and Hawaii was greatly set back and it looked for a time as if their statehood was either indefinitely postponed or might never take place. It was clear beyond peradventure that joining the two bills was fatal to both and would inevitably be.

It became evident to us in Alaska that a new approach was needed, and so the 1955 legislature, to its eternal credit, took the bold, drastic action of providing for a constitutional convention which would draw up a constitution for the hoped for State. The legislature appropriated $300,000 for that purpose, scorning the advice of the timid and prudent that the venture would not succeed, and that if Alaska would wait until Congress enacted a statehood bill the Federal Government would pay the cost of this constitutional convention.

The Alaska Constitutional Convention was held in the winter of 1955 and 1956 at the University of Alaska. Fifty-five delegates had been elected to it on a nonpartisan basis, 55 being the historical number of those who met in Philadelphia in 1777 to draft the Constitution of the United States. The Alaska convention produced a constitution which political scientists declared to be the equivalent of, if not superior to, any existing State charter.

The people of Alaska ratified it at a subsequent election. They went further. At the same election they voted to approve an ordinance, likewise placed on the ballot by the constitutional convention, to ask the people of Alaska whether they wanted, in advance of action by the Congress, to elect two Senators and a Representative and send them to the National Congress to work for statehood. The people of Alaska ratified that ordinance.

Alaskans had ample precedent for this action although the last time similar action was taken was almost a century ago. We derived our inspiration for this action from the people of Tennessee who in 1796, impatient that the first three Congresses had not enacted statehood legislation, drafted a constitution of their own, elected two Senators and sent them to the Capital of the Nation, which was then Philadelphia, to request statehood of the Congress. This action was successful and Tennessee became a State. The same procedure was followed next by Michigan, then by Iowa, by California, by Minnesota, by Oregon and by Kansas.

In Alaska we called this the Alaska-Tennessee plan and, as those of my colleagues who were in the 85th Congress will recall, Bill Egan, who is now Governor of Alaska: RALPH RIVERS, who is Alaska's first-elected Representative, and I came here to work for statehood. From the standpoint of Alaska, Egan and I were U.S. Senators, but from the standpoint of the Senate we were merely lobbyists with some kind of mandate to work for statehood. But our efforts were successful and we will be eternally grateful to the Members of the 85th Congress in both the Senate and the House for their action in voting Alaska into the Union.

However, this action would never have taken place if the efforts made during the 85th Congress by certain Members of this and the other body and most particularly by the administration to insist that the Hawaii bill be brought up simultaneously with, or immediately after, the Alaska bill, had been successful. Great pressure was put upon delegate BURNS to agree to such a move. Had he given his assent to it, neither Alaska nor Hawaii would have been States by now. He knew what had happened before would happen again. We all knew it.

For this statesmanlike course JACK BURNS was attacked bitterly in Hawaii. His opponents made every kind of political capital out of it. He was traduced as being a great Representative of Alaska, but not a Representative of Hawaii. But he stuck to his guns unflinchingly, with the result that not only did Alaska come in in the 85th Congress, but in an amazingly short time, with only a few hours of debate, Hawaii became the 50th State in the 86th. If JACK KENNEDY ever writes a sequel to his classic "Profiles in Courage," a chapter should be devoted to JACK BURNS.

The list of men who have contributed to this great achievement—the extension of the Union and the projection of the democratic ideal—into the far Pacific and into the Arctic—is long and distinguished. It would be difficult to single out those who are particularly notable. In the case of Hawaii, we cannot forget Sam King, for years its voteless Delegate in the House and then Governor of Hawaii. We cannot forget Joe Farrington, who succeeded him as Delegate, nor his widow, Betty Farrington. All labored mightily and devotedly for Hawaiian statehood.

In the case of Alaska, there is James Wickersham, the pioneer of statehood, who, as Delegate from Alaska, introduced the first statehood bill in 1916. There is Anthony J. Dimond, who served as Delegate for 12 years, from 1933 to 1945, and put statehood for Alaska back on the road. There is my able and devoted colleague, BOB BARTLETT, who, as Alaska's Delegate for 14 years, mobilized the hearings and support in Congress which gradually raised the statehood cause of Alaska to the high level where it was possible to bring it into reality. There is George Lehleitner, that selfless citizen of Louisiana, who conceived the idea of reviving the Tennessee plan and made it possible thereby for Alaska to achieve its statehood.

But yet I would say that none of these had to undergo the terrible ordeal and make the difficult and sacrificial choice that fell to JACK BURNS. JACK BURNS deliberately risked his political future—and the risk has materialized—by his unselfish and far-visioned dedication to the cause of statehood for both our Territories. I will state unqualifiedly my belief that if it had not been for JACK BURNS we would have today only 48 States, and the great achievement of adding the 49th and 50th would have remained for some distant future time.

So I cannot but deeply deplore, though I must accept it, the fact that JACK BURNS was defeated by a small margin at last Tuesday's election. I am confident, however, that an appreciation of his heroic service will increasingly register, and that he will have further opportunities to bring to public service the devotion and dedication which he so memorably exhibited to both his State and the Nation. I hail JACK BURNS as the one man who, above all others, made the achievement of bringing two States into the Union possible.

Mr. President, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks an excellent editorial from the New York Times of last Friday entitled "The State of Hawaii Votes," of which I quote the final paragraph:

> But the shining and wonderful thing about this election and about the presence of Hawaii within the Union is that there is now an Asian melting pot in our system of States as well as a European melting pot. We can now say to the people of the Far East, "Your brothers and cousins have equal rights with ourselves and are helping to make our laws."

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

THE STATE OF HAWAII VOTES

The 93 percent of Hawaii's registered voters who went to the polls on Tuesday reflected, in part, the necessity felt by the sugar planters 80 or 90 years ago and later by the pineapple growers for an abundance of cheap labor. To some critics in the early part of the present century it looked as though a sort of feudalism was being constructed in the beautiful Pacific archipelago. Race could be played against race, the Chinese against the Japanese, the Filipinos against all of the earlier migrants.

But what happened? The cheap labor that came to Hawaii intermarried with the remnants of the native population. Children of the different races intermarried with one another. In place of the 400,000 more or less homogeneous inhabitants that Captain Cook found in Hawaii, or might have found if he had not been killed, there are now about 600,000 inhabitants so intermingled and intermarried that it is a source of pride for one of them to be able to count a large number of racial strains. To say that racial snobbery has completely vanished in Hawaii would probably not be true. But it is pretty clear that what is vanishing is racial discrimination.

As our correspondent, Lawrence E. Davies writes from Honolulu, 42 out of 81 offices contested at the first State election were won by Americans of Asian descent. The Governor was born in New York State and one of the U.S. Senators was born in Kansas, but the Lieutenant Governor is a native Hawaiian. One of the U.S. Senators is the son of an indentured Chinese immigrant, and the single U.S. Representative is the son of a naturalized Japanese clerk. This man, DAN-

IEL KEN INOUYE, deserves special mention. He served in Italy with the famous Nisei 442d Regimental Combat Team, lost his right arm in action and received three decorations, including the Distinguished Service Cross.

Such is Hawaii and such are the men Hawaii delights to honor. The split between the two imported major parties is of less importance. But it so happens that the State executive and the State senate are Republican, while the State house of representatives is Democratic. The congressional delegation will have a Democratic Senator, a Republican Senator and a Democratic Representative.

One can draw various deductions and make various predictions. The two new Democrats in Congress will make it a little harder for the unreconstructed and undesegregated southern Members of Congress to get their own way against the majority policy. No doubt the fact that Hawaii is now a functioning State, lacking only a proclamation to put the item on record, may be good for the island's business—especially the tourist business.

But the shining and wonderful thing about this election and about the presence of Hawaii within the Union is that there is now an Asian melting pot in our system of States as well as a European melting pot. We can now say to the people of the Far East, "Your brothers and cousins have equal rights with ourselves and are helping to make our laws."

Mr. PROXMIRE. Mr. President, I congratulate the distinguished junior Senator from Alaska for the extraordinarily gracious speech he has just made. Did I understand the Senator from Alaska to say that there might not have been a State of Alaska and a State of Hawaii if it had not been for the efforts of Delegate BURNS?

Mr. GRUENING. That is my conviction. If the Senator from Wisconsin will recall, during the 85th Congress tremendous pressure arose from the White House to the effect that unless the Hawaii statehood bill was tied to the Alaska statehood bill, or was brought up immediately afterward, Republicans and others would vote against the Alaska bill and would make every effort to kill it. It was clear to all of us that if that were so, the opposition to the two bills which existed at that time was sufficient to defeat both of them.

Yet Delegate BURNS held the key, because if he had yielded, he would have carried enough sentiment with him so that if the two bills were brought up, neither would have passed.

Mr. PROXMIRE. I am glad the Senator from Alaska has stressed that point. I am glad to observe that the senior Senator from Alaska also is in the Chamber. In my judgment, we would not have the State of Alaska or the State of Hawaii if it had not been for the magnificent efforts of both the present Senators from Alaska.

I wholeheartedly and enthusiastically support the tribute paid by the junior Senator from Alaska to Delegate BURNS. He is indeed a man of outstanding character, integrity, and ability. He is a man who has dedicated much of his life to bring the Territory of Hawaii into the States.

My wife and I came to know Mrs. Burns, although only briefly. We were deeply impressed by her outstanding character. Undoubtedly she was a great asset to her husband.

It is one of the sad ironies of politics that Delegate BURNS, who gave so much of his energy to enabling Hawaii to become a State, should have lost in the election for Governor. However, I think it is interesting and proper to observe that he might well have been a U.S. Senator if he had taken the easy course. Instead, he took the hard course, the tough course, the course he must have taken against his excellent political judgment. He did this in behalf of his party and of his own principles and convictions. It seems to me it is characteristic of JACK BURNS that he should have made the difficult, self-sacrificing decision, in behalf of his principles as he saw them.

Mr. GRUENING. It is precisely the decision to which his character and principles have led him, at the sacrifice of his immediate future.

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

Mr. GRUENING. I yield with pleasure.

Mr. KUCHEL. The distinguished junior Senator from Alaska in his characteristically courteous and able manner describes the labors of one of our colleagues in Congress by which the legislation granting statehood to the 50th State of our Union was passed.

I speak as a Republican and I speak also as an American who shared the earnest desires of the overwhelming majority of the people of our country that the great Territory of Alaska and the great Territory of Hawaii each be admitted as equal members of the American Union.

I see two good reasons, as I look at my two colleagues from Alaska, why both these happy situations eventuated. Ever since I became a Member of the Senate, I have been a member of the Committee on Interior and Insular Affairs. I serve as ranking minority member of the Subcommittee on Territories. I well remember when an attempt was made, about 5 or 6 years ago, to have legislative approval of statehood for Alaska and statehood for Hawaii, as well. Our opponents tried to tie those two issues together in order to solidify opposition which each had incurred and make it apply to both.

I remember again in the intervening years the manner by which it was made crystal clear that right and justice were on the side which wanted these two Territories to become States. Both national political parties—the Republican Party and the Democratic Party as well—pledged themselves in favor of that design.

I can remember the almost daily visitations to the Capitol of my two indefatigable friends from Alaska, now my illustrious colleagues in demonstrating their constant zeal to a great public cause.

I am glad to repeat in the Senate today what I said earlier about the present Delegate from Hawaii, who is not of my partisan faith. He performed a service when he announced that he would not fight for Hawaiian statehood at the cost of letting Alaskan statehood suffer. Thus when the Alaska statehood bill came before the two Houses of the Congress, Delegate BURNS refused to agitate for an amendment to tack on Hawaii to it.

I am most happy to be able to salute the Senator from Alaska for his comments and his labors in behalf of these two statehood issues.

Mr. GRUENING. I thank the distinguished senior Senator from California. I call attention to the fact that he was not among those who made any attempt to tie the bills together or to associate them, although he was fervently in favor of statehood for both Territories. He realized what the political strategy underlying the situation was. He knew that if one Territory could be admitted to the Union separately and singly, the other was bound to follow. Being deeply devoted to the cause of statehood, which is the cause of democracy and of Government by the consent of the governed, he was single-minded in his purpose to allow Alaska statehood to move ahead, knowing that statehood for Hawaii would follow.

In doing that, he had a great example from a great American and a great Californian, Earl Warren, who, I think to his everlasting credit, first appointed the distinguished senior Senator from California, to the U.S. Senate.

Mr. KUCHEL. I thank the Senator from Alaska.

Mr. GRUENING. It is one of the many acts which will go down to the everlasting credit of Earl Warren, and show his excellent judgment as a great American.

I think it is important to recall that while many of the Senator's colleagues on the other side of the aisle worked hard to tie the two statehood bills together, for reasons which I know they had, the senior Senator from California [Mr. KUCHEL] saw the wisdom of taking the position JACK BURNS took, and which was finally followed, and succeeded in getting the two States admitted to the Union.

Mr. KUCHEL. I thank the Senator from Alaska. I know he will agree with me that the victory for the cause of self-government which was won in the recognition by Congress of the justice of statehood for both Alaksa and Hawaii, gives both political parties abundant opportunity to glory in this evidence of the dynamics of self-government, American style.

Mr. GRUENING. I know the senior Senator from California, always considerate, saw the issue far above partisanship. It made no difference to him what the prospects of officialdom would be. With him, the cause was the superior part of any consideration.

Mr. BARTLETT. Mr. President, will the Senator from Alaska yield?

Mr. GRUENING. I yield.

Mr. BARTLETT. I well remember, as these words are being spoken, the days which seem so long ago, the trying days,

the days which are now one with history, when we were fighting for statehood and the senior Senator from California fought side by side with us. When it was suggested to him, as I know it was on many occasions, that political consideration should be taken into account, he steadfastly refused to give countenance to them, but said that the important thing was to admit both Alaska and Hawaii as States of the Union. Of much less importance would be the political complexion of the persons elected to State office and to Congress from the new States.

I associate myself with everything which my colleague from Alaska has said about Delegate JOHN A. BURNS. To him, more than to anyone else, perhaps, we owe statehood not only for Hawaii, but also for Alaska. As the distinguished junior Senator from Alaska has so ably explained, had JACK BURNS taken the easy course, the political course, in 1958, it is most doubtful that Alaska would now be a State; and surely Hawaii would not be. But JACK BURNS stood fast. That was not at all easy to do, because political and other pressures were exerted upon him from home and from Alaska to tie the two statehood bills together. But he refused.

He refused at very considerable political risk to himself because he knew that to link these bills once more after the fateful experience of previous statehood history would be to bring defeat to both. So he stood with us of Alaska in insisting that the Alaska bill come first on the legislative calendar, and he was willing to forego, and did forego, consideration of the Hawaii bill in the 85th Congress. His good judgment was vindicated when the bill was so promptly passed by both Houses of Congress, and he then took the calculated risk, the hard risk, of filing for the Governorship.

The people of the islands he loved so well and where he has resided so long owe him much, and I am sure the day will come when JACK BURNS will again serve them in high office.

As an Alaskan I desire to express my gratitude to JACK BURNS for his very, very substantial contribution to the cause of Alaska statehood.

I would say, Mr. President, that everything I have heard about the man who became the first Governor of Hawaii, Mr. Quinn, is on the credit side. So far as I am concerned, if I knew that through all recorded history the elected officers of Hawaii were to be members of the political party opposite from that to which I belong, I nevertheless think that one of the greatest achievements of this Congress was to grant statehood to Hawaii. I can say that all the more easily, perhaps, feeling confident and sure that Senator-elect LONG and Representative-elect INOUYE will be joined after future elections by other Democrats.

I am thankful to my colleague from Alaska for yielding to me.

Mr. GRUENING. I wish to say in conclusion that I think it is important to note that the sacrifices of human beings, if they lose out in a political campaign, are easily forgotten. They should be remembered. The name of JACK BURNS should be enshrined in the history of Hawaii and the history of the nations a man who, I venture to suggest, is worthy of a chapter in that classic of JACK KENNEDY'S "Profiles in Courage." I am grateful to have my colleagues, the distinguished Senator from California and the distinguished Senator from Wisconsin join us in recognizing that fact.

Mr. MORSE. I join with the Senator from Alaska [Mr. GRUENING] in paying my respects and high commendation to Delegate JACK BURNS for the fine record he made during his term of service as the Delegate from Hawaii in the House of Representatives.

I wish to say to the people of Hawaii that it is my judgment that Hawaii would not today be a State if it had not been for the statesmanship and generalism of Delegate BURNS last year. It will be recalled that several years ago an attempt was made to join Hawaii and Alaska in a statehood bill. My judgment is that that joining resulted in the defeat of that bill.

Delegate BURNS talked to a good many of us early in the session last year about the parliamentary strategy—let us be frank about it—which we thought should be followed in connection with the statehood issue involving both Alaska and Hawaii. I recall a long conversation I had with JACK BURNS in which I gave him advice which many other Members of the Senate had previously given him, namely, that the best way to assure statehood for Alaska and for Hawaii would be to have statehood bills introduced and voted on separately for the two, and not have bills for statehood for both brought before Congress in one bill.

I think the people of Hawaii should know that at first Delegate BURNS was very much opposed to that recommendation. But the more people he talked to about it, the more he became convinced that he should at least yield to our judgment in the matter; and finally, somewhat reluctantly, he decided to do so. I wish to say that from then on, the Delegate from Hawaii was very helpful in furthering the progress through Congress of the Alaskan statehood bill.

As pointed out earlier this afternoon by the Senator from Idaho [Mr. CHURCH], the advice we gave was proven to be correct. It seemed clear to those of us who gave the advice that once Alaska became a State, it would be only a matter of time before Hawaii would also be granted statehood.

Mr. President, I make this statement because I have been informed that a considerable amount of criticism was heaped on the head of Delegate BURNS because he went along with the advice which a considerable number of us gave him when question arose as to the parliamentary form of a statehood petition for Hawaii and for Alaska, last year. Delegate BURNS was wise in following the counsel he did follow, and in my judgment he deserves great credit for the fact that statehood has been granted to Hawaii. I make this statement because I wish to associate myself with everything the Senator from Alaska [Mr. GRUENING] said this afternoon, in the course of the very fine and well-deserved speech he made about Delegate BURNS.

Mr. CHURCH subsequently said: Mr. President, I rise to commend the junior Senator from Alaska for having paid so deserving a tribute to JACK BURNS of Hawaii. Unquestionably JACK BURNS served Hawaii with a selfless devotion to its real and lasting interests. He did this even when it meant jeopardizing his personal career.

As the Senator from Alaska has pointed out, JACK BURNS withheld any effort to join the Hawaiian statehood bill with the Alaskan statehood bill last year, fully cognizant that such a joinder might well have meant the defeat of both measures. He knew that Hawaiian statehood would follow if Alaska were admitted to the Union. Subsequent history has proved him correct, though he was bitterly attacked and ridiculed for the course he followed.

Mr. President, JACK BURNS has courage, wisdom, and integrity. He was a credit to the Congress, to the people he represented, and to the country in his service in Congress. I believe the day will come when we will count him again among us.

CONGRESSIONAL RESPONSIBILITIES FOR AMERICAN EDUCATION

Mr. PROXMIRE. I am very happy that the Presiding Officer is the Senator from Utah because the remarks I am about to make were inspired by the outstanding address he delivered here last week, an address on education.

The PRESIDING OFFICER (Mr. CANNON in the chair). If the Senator will permit me, the Presiding Officer is the junior Senator from Nevada.

Mr. PROXMIRE. I beg the pardon of the distinguished junior Senator from Nevada. My speech nevertheless was inspired by the speech of the Senator from Nevada. Utah also is a splendid State and the two Senators from Utah are fine Senators. It was the speech of the outstanding, brilliant young Senator from Nevada that inspired me here this afternoon. The Senator from Nevada was assisted in this speech, as I recall, by the senior Senator from Oregon [Mr. MORSE], and the distinguished junior Senator from Texas [Mr. YARBOROUGH].

He called the attention of the Senate to the tremendous challenge by the Soviet Union to this country on the educational front. It was emphasized in particular how in these days we are not doing the kind of job for our children, in educating our children, that we can do, that we should do, that we can afford to do, or that, with the aid of outstanding Senators like the Senators from Nevada, the Senator from Oregon, and the Senator from Texas, we will do and do soon.

Mr. President, the President of the United States is today engaged in an

economy drive. I doubt if there has been a time in recent years in which the Nation has been more aware of the importance of economy in government than it has become in the past several months. This economy drive has been supported by the distinguished senior Senator from Texas, the majority leader, and rightly so, and I am proud that my majority leader has done this.

It seems to me that in times of prosperity it is particularly important that Congress do all it can to balance the budget. Indeed I think it is a moral responsibility to make every sacrifice in terms of additional taxes, if necessary, or in terms of reducing some spending that is not completely essential, in order to have a balanced budget in times of prosperity.

I see on the floor the distinguished senior Senator from Delaware [Mr. WILLIAMS]. I follow the distinguished senior Senator from Delaware on every opportunity when I feel I possibly can in his leadership because I think of all the Senators in this body no man has devoted more thought and more work, more effort successfully to economy, than the senior Senator from Delaware [Mr. WILLIAMS].

Mr. President, I am emphasizing the attitude that has spread throughout America in favor of economy because I just completed a questionnaire in my State of Wisconsin.

I think Wisconsin is just about as typical, at least of the good things in America, as any State of the Union. Wisconsin contains about 2 percent of the population. Its income is about the same as the national average income. It contains about the same balance between urban and rural residents, about the same proportion of industry and farm as the average throughout our country. So I think a questionnaire on the subject of education in Wisconsin, provided it is an honest and fair questionnaire, represents a sample of opinion, represents a fair cross section of the kind of opinion we would get throughout the country.

This questionnaire was sent to more than 10,000 people. I received a very, very heartening return. It was sent on a carefully objective random basis to every one of the 71 counties of Wisconsin; about to be 72 counties, it is now 71. The results of that questionnaire seem to me to be particularly striking in view of the fact that I am sure the American people are willing to go along with the President of the United States and the majority leader in favor of economy in Government wherever it is sensible and practical and possible.

I have been inundated by a tremendous economy mail, as I am sure all other Senators have been. Coupons have been clipped from newspapers which are carrying on a crusade for economy; and many letters have been written from the heart by people who feel that Federal taxes have become too high and who also feel that if the Government is going to have an unbalanced budget, inflation will be the result.

Mr. President, I addressed this question to the people of Wisconsin: Should we or should we not spend more money on education in this economy-in-Government period? So what I did was to ask them not only whether we should increase what we are spending for education, but also to tell me where the money should come from, what taxes should be increased, what revenue sources should be tapped in order to provide the additional money for education.

This is the exact question as I asked the people of Wisconsin: "The President's Science Advisory Committee has said we should double our annual expenditures for education. This corresponds with the recommendations of the Rockefeller and White House Conference on Education Reports. Do you agree with the committee's views on education?"

Of the hundreds of replies I have received from Wisconsin, 70 percent have said "Yes," they favor doubling our expenditures for education; 30 percent have replied "No."

I have classified the returns on the basis of the urban returns and the rural returns. We keyed the questions, so we would be able to determine whether there was a difference between the attitude of those on the farms of Wisconsin and the attitude of those in the cities of our State. We found that approximately twice as many, both among those in the cities and among those on the farms, favored doubling the expenditures for education. To be exact, 71 percent of the urban residents who responded said "Yes," and 29 percent said "No," sixty-seven percent of the rural residents who responded said "Yes," and 33 percent said "No."

In the face of the overwhelming, all-pervasive economy campaign made by the President of the United States, those responses seem to me to be most significant.

The other day the Senator from Oregon [Mr. MORSE], whom I now see on the floor, emphasized how vital and important education is to the national defense, and how seriously we are cheating the American children by not providing them with adequate teaching. In view of the tremendously effective campaign, which is being carried on, for economy in Government, I am sure that many Senators and many Members of the House of Representatives have wondered whether Federal aid to education or some kind of effort by the House and the Senate to provide additional funds for education would be politically possible or feasible. Mr. President, I find in my own State of Wisconsin that it is overwhelmingly popular. The people of Wisconsin want us to double the amount the Federal Government is spending on education.

In a few minutes I shall show where the people of Wisconsin think the necessary funds should come from. I believe that will be an eye opener, too.

Mr. President, this is not only politically practical today. More than that, it is correct in principle—because, in the first place, the basic resource of the Nation is the trained intelligence of its people, particularly its young people. When we reflect on the resources of nations, we think in terms of area, population, and natural resources. With regard to all those things, there are other countries, and there always have been, that are superior to the United States. Other countries have larger areas. Other countries have richer natural resources. Other countries have larger populations. It is true that we are blessed with a magnificent economic system and with perhaps the best political system that mankind has devised—as found in our Constitution. There is no question that our superlative economic system and our superlative political system have been tremendously important to us.

But a very important fact which developed during the 19th century, and has been expanded during the 20th century, is that our Nation above all others, has stressed universal education and, throughout most of its history, has devoted a great deal of its resources to education.

Mr. President, a year ago last fall, I visited Europe. While I was there, I devoted most of my time to visiting both the grade schools and the high schools. I particularly asked to be allowed to visit the physics, the mathematics, and the English classes. While I was in West Germany, and also while I was in Poland—I had a brief opportunity to visit there—and while I was in the Scandanavian countries, I was greatly impressed with the quality of the teaching and with the determination and the effort of the students. However, as compared with Europe, particularly Western Europe—our country has one great advantage—namely, that most of our children have an opportunity to have a high-school education, as well as a grade school education. Most of our children go to school for 12 years. On the other hand, throughout Europe, 90 percent of the students go to school for only 8 years. That is true of Germany, and I understand it is also true of England and of the Scandinavian countries. It is true of Poland. Until recently, Russia's educational system required 10 years of schooling, although I understand that requirement may be modified. So here is at least one advantage which the American educational system has. Our insistence on 12 years of education for most of our children gives more of our children an opportunity to go to college. It gives more of our children an opportunity to obtain the professional training which is so essential to a strong Nation and an effective civilization. In this way it has been one of the real reasons for the supremacy of the American economy and for the fact that we are as powerful and as strong and as outstanding a nation as we are.

The speech made last week by the Senator from Nevada, supported by the Senator from Oregon [Mr. MORSE] and the Senator from Texas [Mr. YARBOROUGH], was devoted to another aspect of

this problem—namely, what has been occurring in the Soviet Union in the past few years, particularly in the past 10 or 15 years—a development which was emphasized by the recent visit of Admiral Rickover, and was reported by him in our newspapers. The fact is that the Soviet Union is intensely dedicated to seeing to it that all its children have a primary education, and then to seeing to it that all Russian children who are gifted and who can benefit substantially by receiving a higher education, receive one. In Russia, there has been a very great emphasis on education, as demonstrated by these facts: First, that the Russian Government spends more than twice as much in relation to gross national product, on education, as we do, and second, that in Russia the teachers are paid far more, in relation to other members of the economy, than teachers in the United States are paid, and third, that in Russia the number of pupils per teacher is much smaller than the corresponding number in the United States. I think every educator—and let me say that I was an educator very briefly, and I know that the distinguished occupant of the chair, the Senator from Nevada [Mr. CANNON], also was an educator—realizes that it is most important to have classes small enough in size so that the children can receive individual attention.

Today, one of the great problems of American education is that the number of students is increasing so rapidly and the number of teachers is so limited that the children are not receiving the kind of individual attention that is necessary. I understand that in Russia there is 1 teacher for every 17 pupils. In this country, there is 1 teacher for approximately every 30 pupils. In the State of Wisconsin, there is 1 teacher for every 27 pupils. At any rate, we do not have enough teachers, and they are not paid enough, certainly in relation to our ability to pay.

All this adds up to the fact that the Soviet Government is investing more in the essential, basic, vitally important program which is of the utmost importance in determining whether a country will have greater power in the future, or whether it will decline. The Russians are devoting more to education, at least in terms of their ability to pay, than the United States is; and the Russians are stressing, and are doing so very, very effectively, the importance of the teaching of science and mathematics.

Obviously, that is not the only reason, or even the principal reason, why the Senate of the United States should decide to devote more of the Nation's resources to education. An essential reason is that education permits a person to enjoy to a far greater extent the good life, the fruits of civilization, and the opportunities to be a responsible citizen and one who can fully enjoy everything that life has to offer him.

We are not beginning to devote nearly as large a proportion of our resources to education as we can. This fact has been brought to the attention of the Senate before, but I believe it cannot be overemphasized. The fact is that last year and the year before and the year before that, substantially more was spent in this country on gambling, drinking, smoking, and cosmetics together than was spent on education. This is not to say that there is anything illegal about gambling, drinking, smoking, or using cosmetics. It is to say that this country spends huge amounts on relatively trifling or mild pleasures. It is a great shame when our country, with the resources it has, spends more money in this way than it spends on all university instructors, plus the cost of running the universities from top to bottom, plus the cost of grade school and high-school teachers, and all the other costs of all education.

Mr. President, this is not something which merely educators are saying. It is not merely something which it may be popular to say at PTA meetings. This is not merely something that the intellectuals or eggheads favor. It is something that the American people want.

It seems to me that if this question makes any sense at all, it means that the people on the farm and everywhere else overwhelmingly favor our doing a better job for education. Seventy percent of the people of Wisconsin who replied—2 to 1—say we should double our spending for education.

I am sure if I had asked not, "should we double, but should we spend more?" the returns would have been even more overwhelmingly in favor. This expression of popular conviction comes in the teeth of an economy drive, publicized, and propagandized by the President and the mass communication media as I have ever seen.

I asked the people of Wisconsin another question, and that was where the money should come from to pay for this additional education. Many persons say we should do more for education, but, if they are Federal officials, in some cases they say, "Let the States or the school districts do it."

Some of us who have studied the financing of schools in our States recognize how very difficult it is for those funds to come from the States or localities.

I want to call to the attention of the Senate that the people of Wisconsin recognize how very difficult it is to finance education in that way.

Eighty-three percent of the cost of education in Wisconsin comes from property taxes. I asked the people of Wisconsin, if they thought we should double our spending for education in Wisconsin, should the money come from property taxes? Fifteen percent said "Yes." Eighty-five percent said "No." The results of the answers of farmers and city dwellers was about the same.

Then I asked whether the money should come from higher State sales taxes. Again, there was an emphatic "no." Forty-three percent said "Yes." Fifty-seven percent said "No."

Then I asked if the funds should come from higher State income taxes. We have one of the most progressive income tax systems in the country. Wisconsin was the first State in America to adopt an income tax. Thirty-two percent said "Yes." Sixty-eight percent said "No." By a vote of 2 to 1, the people of Wisconsin do not want to use that source of revenue to aid education. They are overwhelmingly against using major State or local sources of revenue for education in my State.

Then I asked whether the money should come from Federal grants to States from Federal revenues. Sixty-seven percent said "Yes." Thirty-three percent said "No." It was a 2-to-1 vote. It is interesting to see that the urban dwellers voted 65 percent "yes," and 35 percent "no." The farmers voted even more overwhelmingly in favor of Federal aid. Seventy-seven percent said "Yes." Twenty-three percent said "No."

The last part of my second question was whether the money should come from each State's sharing in the revenue from Federal income taxes paid by the State's corporations and citizens. The answer was 87 percent "yes," and only 13 percent "no." As a matter of fact, farmers voted 91 percent in favor of the State of Wisconsin or any other State retaining its share of income taxes paid by the State's corporations and citizens to the Federal Government.

Mr. President, I did not disclose that I had made a proposal of this kind, but I did last year, and introduced it, and I did it again this year. This kind of proposal seems to me by far the most practical way of providing the kind of educational funds we need in this country. It is practical for this reason: Most Senators and Representatives, I think, recognize that if we are going to fulfill the American dream, it is essential that the Federal Government assist the poorer States as well as the wealthy States in paying for the cost of education. I think most Members of Congress realize that because of the competitive nature of State revenues, it is very difficult for States to increase industrial or property taxes, for fear of driving industry away, and that it is necessary for a service as essential as education to obtain some revenues from our Federal Government. At the same time, I think a very large number of American citizens feel very strongly, even if they favor Federal aid to education, everything should be done that possibly can be done to prevent the Federal Government from imposing its own will, imposing Federal standards, imposing Federal controls and dictating, from Washington, school policies in the States.

I recall that when Senator Taft supported Federal aid to education, he said at the time that we should provide aid for education that would give maximum protection to school districts, so there would be no determination from Washington as to what teachers were hired by the schools, or what school books were bought. Here is a way that provides built-in protection from Federal interference as a result of Federal assistance, by providing that that assistance shall come from taxes paid by the citizens of that particular State.

Mr. President, I have worked out an equalization system so each State would get the same dollar amounts for every school-age child.

Mr. President, I conclude by saying I am not at all surprised by the results of this questionnaire. I had hoped for these results. I was somewhat concerned by the fact that I was sending out this kind of questionnaire at a time when the most tremendous Government economy propaganda being made by the President was being carried over most communications media. I would not have been too surprised if the people of Wisconsin had said, "Not now." But they said, "Yes, we must have Federal aid to education now, immediately. We need it." The people said they wanted it, by an overwhelming majority.

Mr. President, I think this is partly true because we in Wisconsin have had a history of sharing State income taxes with localities. It has been a method whereby localities, without dictation from the State government, can determine what to do with those revenues, which, after all, the people of those localities have paid.

Mr. President, I made this speech principally to give myself an opportunity to call the attention of the Senate to the questionnaire. So I ask unanimous consent to have printed in the RECORD at this point the questions—and there are some other questions in the questionnaire which I shall not report on now but which I shall discuss at a later date—relating to education and whether the people of Wisconsin want to double spending on education, and if so, where the revenue should come from.

Mr. President, I yield the floor.

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

The President's Science Advisory Committee has said we should double our annual expenditures for education. This corresponds with recommendations of the Rockefeller and White House Conference on Education reports.

[In percent]

	Total, Wisconsin		Urban		Rural	
	Yes	No	Yes	No	Yes	No
1. Do you agree with the committee's views on education?	70	30	71	29	67	33
2. If so, should the money come from:						
Higher property taxes?	15	85	14	86	16	84
Higher State sales taxes?	43	57	43	57	39	61
Higher State income taxes?	32	68	26	74	48	52
Federal grants to States from Federal revenues?	67	33	65	35	77	23
Each State sharing in the revenue from Federal income taxes paid by the State's corporations and citizens?	87	13	86	14	91	9

THE FINANCIAL PROBLEM OF THE UNITED STATES

Mr. WILLIAMS of Delaware. Mr. President, today I wish to discuss a serious financial problem with which we in America are confronted, and I am making this statement not as an alarmist, but as a realist, and as one who feels that the only way to cure any problem is to face it, determine its cause, and to then make the necessary corrections.

Our country faces a serious economic or financial crisis, and our future prosperity and growth as a nation depend upon our ability to solve this problem.

For the first time in our history, we see our Government having difficulty in selling its bonds except at a very high rate of interest. Why? Why is it that investors no longer want to buy these bonds—bonds whose payment is guaranteed by the richest and most prosperous Nation in the world?

Is it that they question the ability of our Government to pay these bonds at maturity? Certainly not. No one questions that these bonds will be paid. Every investor in America and every banker in the world knows these bonds will be paid.

Then why do they refuse to buy these bonds except at ever higher rates of interest?

The answer is very simple if we only want to face it. They are not buying these bonds because they question the value of the American dollar with which they will be paid.

Over the past 20 years they have seen the value of our American dollar cut in half.

They hear prominent Government officials beat their chests in denouncing higher interest rates, and then in the same speech these officials will endorse a program of continued deficit spending and a program of "planned inflation," or what they refer to as controlled inflation.

Prominent Members of the Congress and some of our leading economists now tell us that we should not worry about an unbalanced budget. They tell us that in order to have a growing and prosperous economy we need a little inflation—about 2 or 3 percent per year. That is why our bonds are not selling except at higher interest rates.

Investors in the past bought these bonds at interest rates of 2 to 3 percent. Then, with inflation eroding the value of our dollar 2 to 3 percent each year, they not only saw their interest vanish, but also some of their principal lost, and in view of the manner in which we as a Government insist upon still spending more than our income, they see no hope of reversing the trend.

Therefore, investors are demanding an interest rate high enough to absorb this 2 or 3 percent annual erosion of the dollar plus another 2 or 3 percent yield for their money.

But interest rates are not our major problem, and while it is essential, even mandatory, that we remove the artificial ceiling which presently handicaps our Secretary of the Treasury in properly financing this debt, that alone will not solve the problem.

Let us be realistic. Higher interest rates are not the cause of our economic crisis, they are only the result. Once we remove the cause, these interest rates will correct themselves, and it will not take a congressional directive to the Federal Reserve Board to do it.

The questions which investors are asking today, and questions which must be properly answered before full confidence in the American dollar can be restored, are:

First. When will we as a government tighten our belts and start living within our income? Can we balance the budget in fiscal 1960 and in the years that follow?

Second. After achieving a balanced budget, will we give priority to a payment on our national debt or to tax reductions?

Third. Can the United States of America control inflation and keep our American dollar as the soundest of international currencies?

All three of these questions are so closely related that I shall discuss them collectively.

First, I will state that, in my opinion, there is a possibility that our budget for fiscal 1960 can be balanced, but I emphasize that there is only a possibility, and whether this will be achieved is far from being certain.

It depends entirely upon what the Congress does in the way of appropriations and whether it provides the additional revenue requested by the President to underwrite the deficits both in the Post Office Department and in the Federal Highway Fund.

As to the possibility of any tax cut in fiscal 1960 it is my firm opinion that this definitely should be ruled out.

Even if we are successful in balancing the budget, and even if we have a reasonable surplus, this surplus should be applied toward the reduction of our national debt.

With a national debt which has been rising systematically over the period of the past 30 years, the time is long past due when an orderly reduction of this debt should begin. If today, in a period of the highest prosperity that our country has ever known, we cannot live within our income and make payments toward the reduction of this debt, it may well be asked, "When will we do it?"

The third question, as to whether or not we can control inflation and protect the soundness of the American dollar, will be answered by what we do in regard to the two previous questions.

Inflation in this country will continue as long as we continue deficit spending, and the sooner this simple fact of life is recognized the better it will be.

It is for this reason, that as one Member of the Senate, I feel Congress has no

alternative but to reduce appropriations to the point where our Government can live within its income and have a reasonable amount left over with which to start an automatic retirement of our national debt.

We all recognize that our tax rates are too high, and we should work toward the position where we can reduce these rates; but it is time that we tell the American people that this debt has got to be paid and that the sooner we start making payment the better. Tax reductions should follow, not precede, the beginning of an orderly reduction of our debt.

Our Federal deficit for fiscal 1959 exceeded $12 billion. That means during the past fiscal year we have been spending at the rate of over $1 billion per month over and above our income.

During but 6 of the past 30 years has our Government lived within its income, with last year's deficit representing the largest peacetime deficit in the history of our country.

In the face of this situation there is ample reason for the widespread concern of the American taxpayers and the American investors as to when these deficits will end. There is ample reason for the widespread concern as to what effect these deficits will have on the future value of the American dollar. Already these deficits have brought our national debt to all all-time high. Not only has our national debt increased, but also all segments of the American economy have for the past several years been increasing their debts.

During the past 6 years our national debt has risen from $267 billion to $283 billion. The debts of individuals, corporations, and States have increased at an even more rapid rate. For instance, corporate debts which stood at $202.9 billion in 1952, today stand at $298.3 billion, or an increase of $95.4 billion in 6 years.

The debts of our State and local governments in 1952 were $31.2 billion. Today these same debts are $59.2 billion, or an increase in 6 years of $28 billion. This is practically double their debt of 6 years ago.

In the case of individuals, the value of outstanding mortgages on December 31, 1952, was $82.4 billion. As of December 31, 1958, they had increased to an all-time high of $155.6 billion, or an increase of $73 billion, which again is nearly double. Consumer credit during this same period has increased from $27.4 billion in 1952 to $45.1 billion on December 31, 1958, while other types of consumer or individual debts have increased from $25.7 billion to $39 billion.

All sources of credit combined, as of December 31, 1952, totaled $637 billion. Today the total amount outstanding of these same sources of credit is $830.2 billion, or an increase in 6 years of $243 billion.

These figures illustrate the extent to which we Americans, as a nation, as State and local governments, and as individuals, have for the past several years been living beyond our income; and the question may well be asked, "When are we going to begin reducing these outstanding debts?"

For the past several years our country has been enjoying the highest level of prosperity, the fullest rate of employment, and the highest wage levels that any country has ever known, and yet we still cannot live within our income. How much of this recent prosperity is accounted for by increased credit—debts which have been placed against the future generations? The inescapable fact is that during the past 30 years we have, as a nation, as States, and as individuals, all been living beyond our income.

Those are the facts; and neither the executive branch nor the legislative branch of this administration, nor of any of the preceding administrations, whether it be Democrat or Republican, can get too much satisfaction from pointing the finger of responsibility at the other party. Nor can the people back home dodge their part of the responsibility for these ever-expanding expenditures.

Far too often, public officials think the best way to get elected or the best way to perpetuate their political party in power is to promise everything to everybody, along with an extra promise of lower taxes. At the same time, there has been a growing tendency on the part of far too many people to demand that the Federal Government accept and underwrite many of those responsibilities which were once recognized as belonging to individuals and to the States.

The result of all this is that our country today faces a crisis in its fight against inflation. Our Government is for the first time in our generation having difficulty in selling its bonds except at abnormally high rates of interest.

Instead of being alarmed and working toward greater control of our Government spending, we actually find that in this Congress there is developing an even greater clamor for more wild spending.

Notwithstanding the fact that our Government has just closed a fiscal year in which it spent over $1 billion per month more than its income, there are still scores of new bills being introduced calling for new spending programs and new Federal aid projects, many of which would be far beyond even the imagination of our forefathers.

I selected 15 of the many bills which are presently pending in this Congress and asked the Director of the Budget to give an estimate of their cost over a projected 5-year period. Without in any way discussing the merits or demerits of these various proposals, I call attention to the fact that if only these 15 projects are authorized by this Congress they would, over the next 5 years, cost the American taxpayers an additional $187.4 billion. That represents additional expenditures of nearly $40 billion per year for the next 5 years, over and above what we are now spending.

At this point I ask unanimous consent to have incorporated in the RECORD a breakdown of the cost of these 15 bills, showing their cost.

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

Bill and description	Present status	Estimated cost over 5-year period as furnished by the Bureau of the Budget
		Millions
S. 2; H.R. 22: School Support Act	Reported in House June 8, Union Calendar.	$15,000
S. 1087: Student Aid Act	No action	966
H.R. 1031: Emergency program of grants for public works.	do	2,500
H.R. 1030: Community facilities and public works.	do	2,500
H.R. 77: Old-age pensions of $75 per month for all over 65.	do	66,000
S. 791: Unemployment insurance grants	do	1,000
H.R. 102: Pensions for World War I veterans.	do	9,000
H.R. 208: Federal employees health insurance.	House holding hearings.	1,200
S. 2162: Same	Passed Senate July 16.	
S. 881: Social security health insurance	No action	6,100
H.R. 4700	House holding hearings.	
S. 722: Area Redevelopment Act	Passed Senate Mar. 23, reported in House May 14, Union Calendar.	*Millions* $400
H.R. 1301: Farm income	No action	36,500
S. 570: Authorize reimbursement to States for certain free and toll roads on the Interstate Highway System.	do	2,200
S. 805: Amend Federal Water Pollution Act: H.R. 3610.	Passed House June 9	500
S. 1056: To provide a program of national health insurance.	No action	40,000
S. 863: Construction of classrooms to provide increased amounts for teachers salaries.	Hearings on general subject have been held—pending before subcommittee.	3,600
Total		187,466

Mr. WILLIAMS of Delaware. It is true that in its action on appropriation bills the Congress has made some reductions. At the same time reductions have been made in some appropriation bills; however, there have been increases in others and in the new obligational authority.

A summary of the actions by the House of Representatives shows that during this session it has increased the President's request by $1,255 million,

including appropriations and obligational authority, while the Senate during this period has increased the President's requests by $1,863 million.

At this point I ask unanimous consent to have included in the RECORD, a breakdown of the congressional action on the President's budgets as of July 26, 1959.

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

Action on President's budgets as of July 26, 1959

The President's budget for 1960 proposes a $70,000,000 surplus. To date, House action turns this into a $814,000,000 deficit. Senate action to date would create a deficit of $1,272,000,000.

	Effect on President's budgets (1959 and subsequent years)
House of Representatives:	
The President proposes that Congress enact motor fuel and aviation gas taxes and increase postal rates, all of which would provide $676,000,000. Congress has taken no action and the Democratic leadership indicates none is planned.	Denies $676,000,000 in needed revenues.
The House has passed a voluntary pension plan for self-employed persons which would reduce receipts by $365,000,000	Reduces Government's revenues by $365,000,000.
On the other hand, the House has taken the following spending action:	
Passed Veterans' Housing Loan Act for $100,000,000. (Status: Law.)	$100,000,000 more than President's budget.
Passed $126,000,000 aid-to-airports bill. (Status: Law.)	$6,000,000 more than President's budget.
Extended temporary unemployment compensation for remainder of this fiscal year, adding $75,000,000 to 1959 expenditures. (Status: Law.)	$75,000,000 more than President's budget.
Passed Federal Water Pollution Control Act. (Status: Senate Public Works Committee.)	$840,000,000 more than President's budget.
Passed veterans' pension bill. (Status: Senate Finance Committee.)	$208,000,000 more than President's budget.
Appropriation actions have reduced new obligational authority by $1,015,000,000	$1,015,000,000 less than requested.
Senate:	
Failure to act on President's proposed postal rate increase and certain tax increases	Denies $676,000,000 in needed revenues.
Passed aid-to-airports bill. (Status: Law.)	$6,000,000 more than President's budget.
Area Redevelopment Act. (Status: House Banking and Currency Committee.)	$337,000,000 more than President's budget.
Extended temporary unemployment compensation for remainder of this fiscal year, adding $75,000,000 to 1959 expenditures. (Status: Law.)	$75,000,000 more than President's budget.
Passed grants to States for education TV. (Status: House Interstate and Foreign Commerce Committee.)	$50,000,000 more than President's budget.
Passed extension of school milk program for fiscal years 1960 and 1961. (Status: House Agriculture Committee.)	$10,000,000 more than President's budget.
International medical research: $50,000,000 annually. (Status: House Interstate and Foreign Commerce Committee.)	$50,000,000 more than President's budget.
Passed Veterans' Housing Loan Act. (Status: Law.)	$100,000,000 more than President's budget.
Passed peacetime exservicemen's readjustment benefits, $100,000,000 1st year; $500,000,000 by 4th year. (Status: House Veterans' Affairs Committee.)	Do.
Appropriation action has increased new obligational authority by $459,000,000	$459,000,000 more than requested.
Summary:	
After 7 months of this session of Congress, the House of Representatives has taken actions that increased the President's requests by $1,255,000,000.	Plus $1,255,000,000.
All Senate action to date has increased the President's requests by $1,863,000,000	Plus $1,863,000,000.

NOTE.—Excludes housing bill, vetoed by President, which was $565,000,000 more than President's budget.

Mr. WILLIAMS of Delaware. What proposals have been made by the sponsors of these bills to pay for these additional expenditures? Have there been any suggestions for increased taxes? None whatever. On the contrary, Congress has even rejected the request of the administration to increase the gasoline tax needed to finance the deficit in the highway construction fund; however, many of those who protested the loudest against this tax still insist that the program be continued at an accelerated rate. Many bills are now pending which would provide not for increased revenues, but for tax reductions.

For instance, one tax reduction proposal, H.R. 10, has been passed by the House and is now pending before the Senate Finance Committee. There may be some merit to the proposal, but the fact cannot be ignored that if enacted it would reduce our revenues by $380 million a year—a $380 million loss in revenue that can only be financed with additional borrowings.

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

Mr. WILLIAMS of Delaware. I yield.

Mr. JAVITS. The Senator and I may disagree; but the fact is that what we owe is always to be set off against what we have. The fact that our aggregate debt has increased from $650 billion to $850 billion does not mean what it sounds like, in view of the fact that the gross national product and the national disposable income have increased by an even greater proportion.

There is one point of agreement between myself and the Senator from Delaware, whom I admire greatly, as he knows, and that is with respect to the tax question. That is why I asked him to yield at this point.

Notwithstanding our different views about expansion and productivity, and various kinds of operations abroad, the fact is that we are as one on the proposition that we must pay for what we get. I thoroughly agree with the Senator on that point.

Those of us who voted on the floor of the Senate for the ½-cent gasoline tax increase the other day were only being honest with ourselves. I do not feel that we must balance the budget every year in a cold war. We may have to go along with cyclical balance over a period of time. But one thing is clear, namely, that we must close the tax loopholes and levy the necessary taxes to come at least within a measurable distance of paying the bill. Those of us who think we are liberal in our attitudes on social questions, foreign aid, and so forth, must face up to the proposition of being willing to vote the necessary taxes to pay the bill.

I say this to the Senator because I think he deserves it, in view of his attitude in being hardheaded about money.

Mr. PROXMIRE. Mr. President——

Mr. WILLIAMS of Delaware. I appreciate the remarks of the Senator from New York. I heard his speech earlier in the day. He, too, was indicating that at this time, when we are enjoying the highest degree of prosperity the country has ever known, we should finance our expenditures to a much greater degree than what we have been doing.

We may differ in our approach, but on the basic point that we should pay for the programs if we are to authorize them, we are in complete agreement.

House bill 10—and I shall mention some other bills later—might have merit if we had the money; but it has always been my position that a tax reduction financed on borrowed money is in reality a farce. We are only kidding the American people.

I am opposed to any tax reduction until such time as we not only have brought our expenditures in line with our income but also made a reasonable payment on our national debt.

The continued deficit spending under which we have been operating for the past 30 years definitely accounts in a large part for the depreciation of the American dollar and for the fact that we cannot sell our bonds today except at a high rate of interest.

Last year we sent the Secretary of the Treasury into the open-money market to borrow an additional $12½ billion to finance the deficit of the Federal Government. That, on top of the huge demand for credit coming from industry, individuals, and other segments of our economy, was more than the money market could stand without a rapid acceleration in the rates of interest. I think it is time to recognize that these factors are connected. I fully agree that if we wish to advocate various spending programs on the floor of the Senate, we should put a price tag on them and advocate the necessary taxes to pay for them.

Mr. JAVITS. I know that my colleague from Wisconsin [Mr. PROXMIRE] wishes to participate. I have only one further important but brief observation.

There are some things, like the question of the depreciation policy with respect to machinery, or the question raised by the Boggs bill, to encourage oversea private investment, with respect to which the Government itself, in a sense, is making a little investment only to get back more at the end, in

connection with which there may be a difference of opinion.

What we are both talking about is a straight tax reduction situation, in which the money is foregone, in terms of taxes. I agree with the Senator thoroughly in his concept of fiscal responsibility, that if liberals like myself wish to vote for programs, we should measure them against the cost, and see that they are paid for, even though we all know that taxes are unpopular.

Mr. WILLIAMS of Delaware. If we put the price tags on the programs, the American people will then know what they will cost in additional taxes and can decide whether they are worth the cost.

I certainly feel that at this time, by all means, with our country enjoying its present level of prosperity, we have an even greater responsibility to reduce our expenditures to the point of our income.

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

Mr. WILLIAMS of Delaware. I yield.

Mr. PROXMIRE. There is no Member of the Senate who is better qualified to speak on the subject which he is now discussing than is the senior Senator from Delaware. He has given the Senate an example of a man who believes, and believes very deeply, in prudence and thriftiness in government. I follow his lead, as I said earlier today, whenever I possibly can.

I want to be certain that I understood the figure the Senator used. Did he use the figure $186 billion?

Mr. WILLIAMS of Delaware. One hundred eighty-seven billion dollars as representing the cost of the 15 suggested programs.

Mr. PROXMIRE. Over the succeeding 5 years. That would be an average of about $36 billion a year for 5 years.

Mr. WILLIAMS of Delaware. The cost of the bills?

Mr. PROXMIRE. Yes.

Mr. WILLIAMS of Delaware. Yes. The cost of those 15 bills over a 5-year period would be $187,466 million, according to the estimates furnished by the Bureau of the Budget.

Mr. PROXMIRE. Over a 5-year period?

Mr. WILLIAMS of Delaware. Over a 5-year period.

Mr. PROXMIRE. The average cost would be $35 billion or $40 billion a year?

Mr. WILLIAMS of Delaware. That is correct. The reason why I asked the Bureau of the Budget to project the amount over a period of 5 years was that there would be a slow start in the first year before the bills became fully effective.

Mr. PROXMIRE. How many bills are involved?

Mr. WILLIAMS of Delaware. Fifteen.

Mr. PROXMIRE. Is it not true that some tax loophole measures have been introduced which would have raised some revenue?

Mr. WILLIAMS of Delaware. Yes; that is true. But that would not account for enough additional revenue to pay this cost.

Mr. PROXMIRE. The point of the Senator from Delaware is not that some Senators have introduced revenue-raising measures, including gasoline tax bills, and other bills, but that those measures themselves contain no balancing revenue-raising provisions.

Mr. WILLIAMS of Delaware. That is the point. There have been measures which have been introduced to close loopholes here and there. The Senator from Wisconsin knows that I have worked toward the objective of closing loopholes. However, even if we were successful in achieving all our objectives, it still would not be possible to finance any such program as is contemplated by the expenditure of $187 billion over a period of 5 years.

Mr. PROXMIRE. Does the Senator from Delaware distinguish between loan programs and programs which are outright spending or grant programs?

Mr. WILLIAMS of Delaware. These are primarily spending programs.

Mr. PROXMIRE. They contain no lending program money at all?

Mr. WILLIAMS of Delaware. These are almost all spending programs from which there would be no reimbursement.

Mr. PROXMIRE. I will be extremely interested in studying the bills. I think the Senator from Delaware has performed a real service in calling this matter to the attention of the Senate.

Mr. WILLIAMS of Delaware. In addition, there are now pending before the House Ways and Means Committee several other tax reduction proposals, two of which—H.R. 310 and H.R. 5—if enacted would reduce our revenue another $10 billion per year.

If just these 18 bills—15 calling for mutibillion-dollar expenditures and 3 calling for multibillion-dollar tax reductions were enacted it would mean that for the next 5 years our expenditures would be increased at a rate of approximately $40 billion per year while at the same time our income would be reduced at a rate of around $10 billion per year. All of these proposals are being made at a time when our Government has just closed its books on a fiscal year in which it showed a deficit of over $12 billion.

Certainly, taxes are too high, but there is only one real way to cut taxes and that is first to cut down on Government spending. Any tax reduction in the face of our present budget condition is a farce. Any tax reduction financed on borrowed money is an open admission on the part of its supporters that they do not have the courage to tell the American people what their proposed programs would cost and that they do not have the courage to levy sufficient taxes to pay for them.

Our Government does not have access to any mysterious source of income. The only money which the Federal Government can spend is money which we first have taken, either directly or indirectly, out of the pockets of the American taxpayers. Or if we do not raise this revenue to meet our expenditures in the form of taxes, then the only other course is to issue Government bonds, thus creating a debt in the name of the future generations; and this is what we have been doing for the past 30 years. It is this policy which is largely responsible for the American dollar having already lost one-half of its purchasing power, and unless this trend is stopped the American dollar is going to be depreciated even further.

For the first time in our generation, grave questions are being asked abroad as to the stability of the American dollar.

For the past 2 years gold has been moving out of this country at an accelerated rate. A part of this loss in gold can be attributed to an adverse trade balance, but we would be blind if we accepted this as the sole reason.

Unquestionably a part of this gold is being transferred as the result of the questions raised in international banking circles as to the ability of the U.S. Government to check inflation, or, in other words, our ability to live within our income.

Last year our Government was forced to enter an already tight money market to borrow an extra $12 billion to finance its deficit. These huge borrowings coming on top of a rapidly expanding economy pushed interest rates to an alltime high, and at the same time generated a lack of confidence in the stability of the American dollar.

There is only one way we can restore or maintain confidence in the American dollar; and that is, to demonstrate not only to the American people but to the world that this Government is determined to live within its income and that we stand ready to pay whatever price and whatever sacrifice are necessary to achieve this objective.

I am not an alarmist. I have every confidence in the will and the ability of the Government of the United States to solve any financial problem; however, I am a realist, and I am convinced that unless our Government does take prompt action to solve this problem a serious financial crisis could develop. To me this is not a question of choice. We have already advanced to the point where certain steps must be taken.

In my opinion those necessary steps are:

First. Our budget must be brought into balance. To do this all projects which are not immediately essential to our national defense and upon which work can be suspended without unnecessary loss, should be curtailed or held in abeyance.

Second. All tax cuts, regardless of how meritorious, should be ruled out until after a reasonable payment has been made on our national debt. This definitely eliminates any possibility of a tax cut for 1960.

Third. Congress should immediately repeal the present 4¼-percent ceiling on interest rates for long-term Government bonds. Long-term Government bonds in the open market today are selling at discounts to yield 4½ percent or better, and it is a farce to maintain the existing ceiling under the guise of opposing higher interest rates.

Fourth. I am opposed to any suggestion of instructing the Federal Reserve Board to support the Government bond market. Such action would definitely be inflationary and would only further destroy the investors' confidence in the American dollar.

Fifth. A greater effort should be made to finance a larger percentage of our national debt through savings bonds sold to the people. To accomplish this, series E and series H savings bonds must be made a more attractive investment.

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

Mr. WILLIAMS of Delaware. I yield.

Mr. JAVITS. The whole burden of my speech today was the proposal of a $25 billion issue of peace bonds.

Notwithstanding our differences in policy concerning particular measures, I am gratified to know that the Senator from Delaware and I think alike on this particular subject. I used the framework of "peace bonds" because it enables the Government to change the interest rate and change the term of savings bonds. It will lend impetus to patriotism, which is inherent in the cold war.

I think the anti-inflationary effect of putting this body of long-term debt on the individual investor is so great that it represents a major aspect of our victory in the cold war, a victory in real terms of well-being and peace for the world.

I am not asking the Senator to join me in my thesis, but I express my gratification to him for his reasoning. I know he will forgive me for saying this. He is a conservative. We are proud to have him as a great conservative in the Republican Party. It leads him to much the same point as do my views, which are on the liberal side, especially in social welfare measures, lead me.

But against the hard rock of fiscal responsibility I think this is something very noteworthy to the American people, and I thank my colleague for having told me and for mentioning it.

Mr. WILLIAMS of Delaware. I thank the Senator from New York. I am in complete agreement with him on his suggestion this afternoon that a larger percentage of our debt should be financed by means other than through the banks. I think there is no greater anti-inflationary step that could be taken by this administration than that of trying to get away from financing such a large portion of our debt through banks, which, as we all know, does have greater inflationary tendencies than if it were financed by the selling of savings bonds to the people.

However, as I point out, to accomplish this those bonds must be more attractive than they are today. At a later date I expect to discuss a proposal to make the series E and series H bonds more attractive.

However, I will say now that if we are to ask the American people to buy savings bonds, we have got to make these bonds the most attractive investment in America. Savings bonds today are being cashed in at a rate faster than they are being sold. Much concern is being expressed over that situation. I made the statement the other day in a conference that I thought we should be realistic and recognize that the reason why these series E bonds are being cashed in to the extent we see today, is that under present conditions they are not the best investment in America.

Let us not dodge that fact any further. With Government bonds selling in the open market at 4½ and 4¾ percent, certainly we cannot expect the average investor to buy these bonds which yield only a fraction over 3 percent. Unless they are offered at a more attractive rate of interest, they will not sell.

I shall speak further on that subject at a late date and present a suggestion which I think would make these bonds a more attractive investment.

Mr. JAVITS. I am glad the Senator has spoken of that particular situation, because I put a table in the RECORD in connection with my remarks which shows that the proportion of people's savings which the United States is getting in savings bonds is at a new alltime low, notwithstanding the fact that savings in private savings and loan institutions, amounting to $48 billion, are at a new alltime high. The participation of the public in the disposition of savings through the purchase of savings bonds has fallen, whereas their participation in savings and loan associations, commercial savings and mutual savings banks, has risen, the main beneficiary being the savings and loan associations.

I join the Senator in his remarks and I have heretofore made the proposal I have recounted. We must have a realistic interest rate. We have to have terms and conditions. Some witnesses before our joint economic committee even advocated some form of tax exemption in order to make the bonds more attractive.

Mr. WILLIAMS of Delaware. These savings bonds must be made the most attractive investment in America. I think we owe that to those who are going to buy them. After all these are bonds being sold to the working people of this country. If we are going to pay higher rates of interest, let us pay it on these savings bonds.

Last year the Congress, as a recessionary measure, authorized an acceleration of expenditures on the highway program, with the result that this fund is now confronted with a substantial deficit, and either this program will have to be curtailed or additional revenues provided.

The President has suggested an additional 1½-cent increase in gasoline tax; however, last week the Committee on Ways and Means rejected any suggestion of increased taxes and instead made the following proposals:

First. The issuance of not to exceed $1 billion in revenue bonds beginning as needed upon the date of enactment and with the issuance to be completed prior to June 30, 1961. These bonds will be issued against the assets of the highway trust fund and will not be a part of the public debt. The highway trust fund is to pay off the bonds within 5 years—prior to the end of fiscal year 1966.

Mr. President, with relation to that point I ask this question: What collateral would be placed back of these bonds by the highway trust fund? Presumably they would not be a part of the national debt. Presumably their payment would not be guaranteed by the United States. But we all know that the Government will not be able to sell these bonds unless it be made very clear that the Government will be standing back of their payment.

As to the assets of the highway trust fund, what assets do they have? None except an interest in our highway system and any claim on revenue that Congress sees fit to assign it. We all know that we cannot sell those bonds unless we put the security of the United States back of them.

Second. Beginning July 1, 1961, the transfer to the highway trust fund of 2 percentage points of the excise tax on automobiles, with this transfer to continue for a period of 4 years to July 1, 1965. This transfer will provide additional funds to the trust fund to help repay the revenue bonds.

Third. To extend from June 30, 1972, to June 30, 1976, the period during which the taxes which go into the highway trust fund will be imposed.

The suggestion that we finance this deficit by transferring money from the general fund, which is already running a deficit, is just bookkeeping juggling that will fool no one, and the suggestion that we can issue $1 billion in bonds pledging the assets of the highway trust fund as collateral and not have these bonds counted as a part of the public debt is utterly ridiculous.

If the Congress wants this highway program to continue, then let us be willing to pay for it.

In conclusion, I repeat—our Government is faced with a serious financial crisis. Inflation must be controlled. Confidence must be restored in the stability of the American dollar, but that can only be accomplished by us as Americans meeting this challenge and taking prompt and courageous action.

CORRECT USE OF THE TALKING BOOKS SERVICE OF THE LIBRARY OF CONGRESS

Mr. MORSE. Mr. President, a large group of people is being denied the blessings of reading, simply because their eyes are too weak to read and too strong to be blind.

It seems to me that a library is designed to help those who want to read, and to provide books for those who wish to read. The Congress has created in the Library of Congress a division for the blind which operates the talking books service. But since anyone using the service must be legally blind, we have the situation in which the Library of Congress is servicing the blind, and not serving the near-blind who wish to read. I feel that this service should be made available to all those who have need of it. By excluding those who are not legally blind from this service, we are creating a vacuum in which numerous people must exist with no enjoyment from reading.

So, Mr. President, I introduce, for appropriate reference, a bill to amend the so-called talking book act of 1933. The purpose of this amendment is to allow those who are physically incapable of reading to avail themselves of this service. As the act now reads, the Library of Congress can lend the "talking books" only to those who are declared legally blind.

Many, however, are unable to read, due to poor eyesight or other physical disabilities, yet do not have such poor eyesight as to be declared legally blind.

As an example, I should like to quote from a letter I received from one of my constituents. As a result of an automobile accident, this lady suffered temporary blindness. An operation restored partial vision, but not enough to read, yet enough not to be declared legally blind. She states the predicament faced by many others. She has written to me as follows:

> My sister [had] found out about the books and the talking machine and arranged for me to have them and it was several months before I was off the legally blind. This was a most wonderful experience to have sight restored and to enjoy the wonderful books. I thought I might be allowed to have the books because of the floaters that make reading almost impossible for me but this can't be, for I am not legally blind. The man in charge of the social service for the blind in Portland * * * wrote there are lots of folks like me who have difficulty in reading or can't read who need the talking books but they are legally blind.

Of course, Mr. President, the Library of Congress avoids—and rightly so—becoming involved in any legislative matter. But the Library of Congress verifies facts; and it has verified the facts in regard to this situation, as I have presented them today to the Senate.

I believe that all Members of this body would immediately concur in the bill I am introducing, once they understood those facts. I believe that anyone who considers this matter and ascertains the facts will conclude that what I am proposing to be done is only right and fair as a matter of simple social justice.

Therefore, Mr. President, I hope this very humane bill will be considered very promptly by the committee, and will be reported to the Senate at this session, so that Congress will at this session pass it. We need to pass it quickly, so that in the months immediately ahead we can correct the effects of simply a legislative technicality which forbids the Library of Congress to make these talking books available to those who cannot read but who, nevertheless, have some sight remaining, and therefore cannot meet the technical requirement that they be declared legally blind, under the law, before these talking books can be made available to them.

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

The bill (S. 2480) to amend the act entitled "An act to provide books for the adult blind," approved March 3, 1931, introduced by Mr. MORSE, was received, read twice by its title, and referred to the Committee on Rules and Administration.

LABOR REFORM

Mr. MORSE. Mr. President, on July 22 I had occasion to review the legislative picture for labor reform, just prior to the House Labor Committee's having reported its bill. That bill, H.R. 8342, is now available.

Mr. President, I should like to ask unanimous consent to include in the RECORD at the conclusion of these remarks a brief comment upon H.R. 8342 in relation to S. 1555, which the Senate passed at the end of April.

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

(See exhibit 1.)

Mr. MORSE. Mr. President, it will be recalled that on July 22 I analyzed with some care certain criticisms made by the Teamsters of the House bill and the Senate-passed bill and I disagreed with some of those criticisms. The RECORD for July 27 contains at page 14272 an analysis of the House committee's bill prepared by the U.S. Chamber of Commerce. It should be stated for the RECORD that the chamber of commerce criticisms are unsound in many respects.

Mr. President, I should like to give an example. Section 707 of the Senate bill contained a ban on the "hot cargo" contract, a device used by the Teamsters to carry out secondary boycotts without engaging in strikes or picketing against secondary employers. The Teamsters announced that the Senate had passed a bill which would make strikebreakers of truckdrivers by removing their legal right to refuse to go through a primary picket line. Clearly, this was not our intent. The House committee, in section 705(a), adopted the Senate's language on "hot cargo," but added a proviso to the effect that employees had a right to be protected if they refused to cross a primary picket line. The chamber's analysis describes the result as a section which "cleverly nullifies the provisions of the Senate-passed bill." The chamber of commerce, like the Teamsters, apparently believes the Senate passed a bill which is at complete variance with the carefully built up concepts between primary labor disputes and secondary ones. I completely disagree with this interpretation of the Senate bill for the reasons set forth in the analysis I have asked to have printed in the RECORD, and I now ask unanimous consent to have printed at the conclusion of my remarks, an analysis of the major changes made by the House committee in the labor reform bill as it passed the Senate.

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

(See exhibit 2.)

EXHIBIT 1

MAJOR CHANGES MADE BY HOUSE COMMITTEE IN LABOR REFORM BILL AS IT PASSED THE SENATE

1. Hot cargo: The Senate bill bans a secondary boycott conducted through the use of a "hot cargo" clause between a union and an employer common carrier. This practice has been described as a loophole in the Taft-Hartley Act which bans secondary boycotts by strikes or picketing. The Senate bill was not intended to affect the rights of anybody in connection with a primary strike or picket line. The House committee bill makes the latter point clear.

2. No man's land: The House committee bill in this most difficult area provides a solution which has considerable appeal. It would require the National Labor Relations Board to exercise its jurisdiction fully, but in order to avoid a serious log jam of cases, the House committee bill would provide authority for the Board's regional directors to render decisions in election cases. This provision would substantially free the Board's Washington staff for consideration of unfair labor practice cases.

3. Fiduciary responsibility: The fiduciary provision of the bill was broadened by the House committee. Section 501 of the Elliott bill imposes a general fiduciary responsibility on all union officers, taking into consideration the special problems and functions of the labor organization. The House provision in no way attempts to indicate what expenditures a labor organization may make and envisages that any expenditure approved by the membership and executive board or other governing body is lawful. Thus, although the Elliott bill is broader in its application than the Senate bill, it does not appear to restrict the right of a union to make any authorized expenditure approved by responsible officials thereof.

4. Small unions: The House committee bill provides for mandatory exemption of unions with 200 members or $20,000. The Senate bill provided discretionary authority to the Secretary to exempt unions with 200 members and $20,000. It is estimated that the House-approved provision would exempt from all reporting requirements about 60 percent of all local unions in the country. It is estimated that these unions which would be exempt embrace between 5 and 15 percent of all union members. However, there is a means provided to the Secretary to revoke the exemption after notice and hearing if the members are not being provided the information required by the act.

5. Employer reporting: This provision is much weaker than the one contained in the Senate-passed bill.

6. Powers of the Secretary: In the reporting title of the bill the Secretary, by the House committee amendments, was deprived of the right to compile reports and studies based on the data made available to him. Otherwise his power to make investigations, seek injunctions, to compel compliance and institute criminal prosecutions, remains unchanged.

7. Defense costs: While the House committee retained the prohibition against unions' paying a fine of a person convicted of a violation of title II, it struck the provision prohibiting payment of defense costs of a person indicted or convicted.

8. Non-Communist affidavit: The House committee eliminated the Senate non-Communist affidavit provision but inserted in the elections title a ban on any Communist holding union office, or holding a position as a labor relations consultant.

9. Extortion picketing: The House committee rewrote section 213 without substantial change in effect.

10. Trusteeships: There were no substantive changes of any magnitude made in the trusteeship sections of the bill. In addition to permitting a member to bring a complaint on trusteeships through the Secretary of Labor, the House committee version permits a direct suit in a U.S. district court by a member who alleges a violation of the trusteeship portions of the act. The House committee version grants a presumption of validity of 18 months as opposed to the Senate's 12 months where a trusteeship has been imposed in accordance with the provisions of the act.

11. Availability of members lists: The House committee bill makes available to every bona fide candidate for union office the up-to-date mailing list of the union for copying.

12. Election enforcement: The House committee version eliminates the suit by the Secretary on a complaint of a member of an election title violation and provides that a member may go directly into a district court to redress any violations of the elections title. The court may order the Secretary to hold a new election and in this and other respects the House committee version is similar to the Senate provision. No other

substantial changes were made in the election title.

13. Codes of ethical practices: The House committee struck the whole of title V of the Senate-passed bill providing for voluntary codes of ethical practices.

14. Catch-all criminal penalties. The House committee eliminated section 607, which prescribes criminal penalties for attempts to use force or violence or economic reprisal to prevent the exercise by a member of any right guaranteed under the act.

15. Picketing: No change was made in the picketing provision.

16. Communications industry: The amendment relating to supervisors in the communications industry was dropped.

17. Economic strikers: The House committee version is similar to the Kennedy-Ives bill of last year.

18. Denver building trades: The House committee added a new provision which was not in the Senate-passed bill which would reverse the Denver building trades decision. The provision permits picketing on a building site when a union has a dispute with one of several employers on a building site without running afoul of the secondary boycott restrictions of the Taft-Hartley Act.

This modification in the law was recommended in 1954 by the President in his labor message to the Congress, and was incorporated in S. 2650 which was reported to the Senate by a Republican-controlled Senate Labor Committee in that year. The act would continue to ban secondary boycotts in the construction industry except in the situation covered.

19. Bill of rights: The bill of rights was completely rewritten but the substantive changes made in the enumerated rights themselves do not appear significantly different from the Senate-passed bill. The enforcement of the rights, however, has been changed. Rather than the criminal penalties of section 607(a) which are applicable under the Senate-passed bill, the House committee version permits a member to bring a suit in a district court after exhausting reasonable internal union remedies, to obtain appropriate relief for the violation.

EXHIBIT 2

ANALYSIS OF U.S. CHAMBER OF COMMERCE COMMENT (RECORD P. 13016) ON H.R. 8342

TITLE I—RIGHTS OF MEMBERS OF LABOR ORGANIZATIONS

Section 101(a)(1): It is asserted that although rights are accorded union members, it subjects these rights to reasonable qualifications unformerly imposed; hence the section can be rendered meaningless by union action.

Clearly if the qualification is not reasonable then the union's privilege is nonexistent. Hence the section is not rendered meaningless.

Section 101(a)(3): It is inferred that the exemption of federations from the requirements for raising dues is suggestive of a double standard. In fact members of federations are not individuals but constituent internationals. If a constituent organization decides against paying its per capita contribution, that is its privilege; and it may resign, or enjoy less influence.

Section 101(a)(4): It is stated that the requirement to exhaust internal remedies effectively destroys the right to sue.

In fact the internal remedies must be "reasonable," if they were not, there would be a right to sue.

Section 101(a)(5): It is asserted a union has been given sweeping authority for emasculation of the safeguards provided.

In fact any disciplinary action must be in accordance with the union's constitution and bylaws which must not be inconsistent with the provisions of this section.

Section 102(a): It is asserted that to require a union member to abide by internal union procedures at all is futile, and for 6 months is fatal.

In fact this assumes that union procedures are in an overwhelming number of cases invoked by those treated unjustly and will be handled without regard to their merits. Moreover the requirement that parties exhaust internal remedies in any organization is firmly established in the law.

TITLE II

Section 201(a): It is asserted that a list of required subjects be incorporated into union constitutions. An example is a provision for strike authorizations.

The example suggests the frivolousness of the assertion. Unions, to protect themselves, need stated procedures for strike authorizations to avoid over hasty conduct by members and local leaders.

Section 201(b): It is asserted that the requirement for financial reports should include standards for a union's "financial dealings."

In fact this assumes that union procedures are in an overwhelming number of their officers; the fact that these requirements are not included in 201(b) is not in point.

Section 201(c): It is asserted that the requirement to furnish "information required to be contained in such report" permits furnishing "in any fashion the union may choose."

Perhaps the union may choose first-class mail, its house organ, or by direct distribution. But what it furnishes is clear, and it must contain the same information required in its report.

Section 201(d): The spirit of John Dio is invoked to suggest an exemption for small unions is improper. The typical small local with unpaid officers and insignificant treasury should be exempt in the same manner persons earning less than $600 don't file income tax returns.

Section 201(e): It is inferred that removal of the ban on access to the NLRB for those not filing reports would remove the incentive to file.

In fact many unions not now using the NLRB would be required to file reports or face criminal penalties. The NLRB disqualification has been primarily a source of delay in case handling and a useful technical device for employers to flout the law.

Section 209(a): It is asserted that rules and regulations issued in order to effectuate the purposes of title II would be unenforcible.

This is an assertion without substance. The section provides for a criminal penalty for any violation of title II. The assertion provides no example of an imaginary loophole. Willful failure to report the material required by the Secretary and the law would be subject to criminal penalty.

Section 209(b): It is asserted that a person can escape culpability for false filing by denying he knew his statement to be false (presumably the same criticism could be repeated for many sections of the bill).

This is a misleading assertion. Would the chamber make it a crime to file a report when the person so doing believes (in fact) it is true but which includes an unintentional misstatement. The basis of any criminal act is a guilty intent, not carelessness.

Section 210: It is asserted that the Secretary has no authority to seek a court order to enforce the rules and regulations he issues.

The section provides the Secretary with the right to seek injunctions whenever a person is violating, or about to violate, "any of the provisions of this title."

TITLE III—TRUSTEESHIPS

Section 301: The criticisms of this section are difficult to understand in the light of the remaining sections of the title. The bill does provide carefully prescribed standards for trusteeships.

Sections 302, 304(c): It is inferred that legitimate objects of a union might be illegitimate. In view of the presumption of invalidity after 18 months of trusteeship, the burden of proving a legitimate purpose would be clearly upon the union.

To suggest a shorter time for the presumption of trusteeship validity overlooks the extreme reluctance most unions exercise in declaring trusteeship. To hobble a union in the exercise of this right is to insure irresponsibility and misbehavior from local officials.

TITLE IV—ELECTIONS

It is asserted that there are insufficient standards for elections generally and at the intermediate or national levels; and that since the union's constitution and bylaws govern anyway, the requirements of this title are rendered useless.

The bill imposes the following requirements:

1. Section 401(d): "A reasonable opportunity shall be given for the nomination of candidates."

2. Section 401(d): "Every member in good standing shall be eligible to be a candidate and to hold office (subject to * * * reasonable qualifications uniformly imposed) and shall have the right to vote * * * without being subject to penalty, discipline, or improper interference or reprisal of any kind."

3. Every member is guaranteed 45 days' notice of the time and manner of making nominations and also of the place and date of the election (sec. 401(d)).

4. No member whose dues have been checked off by his employer may be denied the right to vote because the employer has not paid the money over to the union (ibid.).

5. In an international election the results of the voting in each local must be published separately (ibid.).

6. All records pertaining to the election must be retained for 1 year (secs. 401(d) and (e)).

7. Union money may not be contributed or applied to promote the candidacy of any person (sec. 501(f)).

8. Each candidate is given the right to have an observer at the polls in a local election (sec. 501(b)).

9. Each candidate is given the right to have an observer at the counting of the ballots in a local election.

10. In addition to the foregoing requirements it will be a violation of the Federal statute for the union not to conduct the election in accordance with its constitution and bylaws. The chamber's assertion "the union constitution and bylaws govern * * *" is another half truth. Section 501(d) provides that they shall govern insofar as they are not inconsistent with the provisions of this title.

TITLE V

Section 501(a). It is asserted that a loophole is created by limiting the fiduciary duty to take into account the special problems and functions of a labor organization.

Such a duty must be related to the type of organization involved. A trustee for a family estate, a corporate director and a union officer—all have duties which are subject to the highest standards, but some of those standards are higher in each case than in another because of the different purposes involved.

The chamber further asserts that a union official is left unaccountable for profits reaped while using his office (not union funds) to his personal advantage.

This is a misrepresentation. Section 501 (a) explicitly requires union officials "to account to the organization for any profit received by him in whatever capacity in connection with transactions conducted by him or under his direction on behalf of the organization." The same section also forbids a union officer "from holding or acquiring any

personal interest which conflicts with the interests of such organization." Section 501 (b) authorizes an individual member, when these rules are violated and the union fails to sue, to bring a suit "to recover damages or secure an accounting or other appropriate relief for the benefit of the labor organization."

Section 504: It is asserted that this section fails to prevent criminal elements from the labor-management scene because it enumerates only some serious felonies.

The difficulty of adopting the chamber's approach is well demonstrated by its example of manslaughter which can be committed as a result of an automobile accident. Surely the chamber would not want to bar a person from his livelihood because he was guilty of manslaughter under these circumstances.

TITLE VII

Section 701(a)(b): It is asserted that the effect of the bill will be to exclude the States from "handling matters which are of strictly local concern, and will overload the National Labor Relations Board, already overloaded by 6,000 cases.

To be more precise, the bill will not exclude the States any more than they are now excluded; it will instead provide a forum for determining rights of employers and employees which are now in the no man's land. The possibility of overloading the NLRB is significantly countered by permitting regional directors to decide representation cases.

Section 702(a)(b): It is asserted that right to work laws are being weakened in the construction industry.

The fact is that any weakening of the right to work laws is specifically provided against. The fact is that these sections are aimed to make no change in existing law but to make clear that the prehire agreement is permissible in the industry. The section also attempts to clarify a muddled legal situation regarding hiring halls.

Section 702(c)(d): It is asserted that this section permits secondary boycotts in the construction industry. In fact, secondary boycotts are prohibited under existing law. The purpose of this section is to permit a union to conduct picketing at a job site in furtherance of a dispute with an employer on the job site, but without falling afoul of secondary boycott restrictions.

Section 705(a): It is asserted that this section "cleverly nullifies" the provisions of the Senate-passed bill curbing hot cargo clauses.

In fact that the Senate-passed bill was aimed at hot cargo clauses by which a union was able to inflict secondary pressure. It was not intended that the rights of any persons not to go through primary picket lines should be changed. If the chamber was under any apprehension that the Senate version curbed such primary activity, it at least is now informed.

Section 705(a): It is asserted that this section places an ineffective limitation on recognition picketing and none on organizational picketing.

In fact it prohibits both types of picketing under two types of situations: (1) for 9 months after an election has been conducted, and (2) when another union has been recognized even without NLRB certification.

This provision is identical to the Senate version.

Section 705(d): It is stated that a union can avoid an injunction against picketing by filing a charge.

In fact, the words of the section refute the assertion "* * * it shall be a defense to show that an unfair labor practice * * * has been committed." It is difficult to believe that it would want such picketing stopped for an employer who was violating the law.

DOWNSTREAM BENEFIT BILL

Mr. MORSE. Mr. President, once again there is under consideration in the Senate a bill involving a subject matter I have opposed in the past, and shall oppose again this year. I do so with regret and with some sadness, because it is a proposal which is being made by some of the Members of the Senate for whom I have the highest of regard. It is known as the downstream benefits bill.

I think the bill is completely wrong in principle. It is a bill which involves this type of situation: The Federal Government builds a multipurpose dam on a river belonging to all the people of the United States. The Federal Power Commission then grants a license to a private utility to build a private utility dam higher up the river to make use of water belonging to all the people of the United States. That is a permission, in effect, by the people of the United States to use the people's water for the generation of power, because, as I say, the river belongs to all the people of the country.

Mr. President, over the years—in fact, for decades—it has been found necessary in the Congress of the United States always to watchdog and be on guard against the selfishness of monopolistic interests. Sad to say, but true, whenever they can pass the burden on to the shoulders of the taxpayers, we can be sure that the monopolies will try it. They have been trying this one for years, and they are at it again. In essence, what the downstream benefit bill provides is that the people shall pay the private utilities the benefit—a money benefit—for building a dam on the people's river higher up on the stream than the public dam, impounding water behind the private dam, thereby regulating the flow, but not one bit more than is necessary to run the private utility generators, and then charge the taxpayers a price for the use of water, which belongs to the people in the first place, which flows over a private utility dam and then down the stream, at a more rapid rate, over a public dam, generating power in both places.

Mr. President, I have been at a loss to understand how such an attempt to assess the taxpayers could get any support. What the private utilities ought to be doing is paying the taxpayers for the use of the people's water in the first instance, not seeking to charge the taxpayers for the use of their own water, simply because in the first instance it is impounded behind a private utility dam which they were permitted by license to build on the people's river.

Mr. President, there is a pretty fundamental principle of development of natural resources here involved. Let the private utilities get by with this charge against the taxpayers, and once the principle is established in connection with one dam, it is only a matter of time, may I say, before the taxpayers will be paying practically the total cost of the private utility dams which can be built higher up on the stream on which there is located a multi-purpose dam.

Well, maybe they will win this time, Mr. President, but they will not win with my vote; and once the taxpayers come to understand this program against the public interest they will not win with public support.

Mr. President, I ask unanimous consent that there be printed at this point in the RECORD the text of a release issued on July 30, 1959, by our able colleague in the House, Representative ULLMAN, in opposition to the so-called downstream benefit bill.

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

Congressman AL ULLMAN, Democrat of Oregon, this week strongly urged the defeat of legislation authorizing Federal subsidies for private power companies operating upstream storage dams. The House Interstate and Foreign Commerce Committee is currently considering various proposals permitting payments to owners of non-Federal projects for benefits the Government may obtain at downstream dams.

In a statement submitted to the committee, ULLMAN labeled the legislation "another utility bonanza" resulting in a "windfall amounting to millions of dollars. Private power companies developing upstream sites do so as a privilege and according to specific conditions set forth in their licenses," ULLMAN said. "Why, then, should the Federal Government make payments for incidental benefits which may accrue from the granting of Federal licenses. Assuredly these benefits are not much to ask in return for the profits resulting from private development of the public's water resources."

Congressman ULLMAN said he rejected that theory that Federal subsidies were a necessary "inducement" to get private power companies to coordinate their operations with Federal projects. "A more desirable method is to require coordination as a condition in the license granted to the private companies by the Federal Power Commission."

As an example of the effect of the proposed legislation, ULLMAN referred to the three small dams licensed to the Idaho Power Co. in the midde Snake. "These bills would require the Federal Government to pay the Idaho Power Co. for downstream benefits at eight Federal projects—payments that would undoubtedly run into millions of dollars over the service life of these dams.

"I strenuously object," ULLMAN continued, "to a proposal providing cash or other financial awards to the Idaho Power Co. for the privilege of underdeveloping this stretch of the Snake River. It was a mistake to grant a Federal license in the first place; it would compound the tragedy to play Santa Claus again and hand the Idaho Power Co. an unanticipated windfall amounting to millions of dollars."

Mr. MORSE. Mr. President, Representative ULLMAN has made a very able record in the House of Representatives as the people's friend on issue after issue in protecting the public interest in the natural resources of this country, which belong to all the people.

It will be found that the natural resource fight goes on in a rhythm, if its legislative history in the Congress is checked. It is during the lull periods—and we are now in a lull period—that the private utilities and other monopolistic interests try to do their legislative handiwork in the Congress. They hope to catch the public and the Congress off guard. They try to get through legislation that seeks to line their pockets with profit dollars, at the expense of the taxpayers.

Mr. President, the statement made by Representative ULLMAN leaves no room

for doubt that he is on guard, and I am delighted to be associated with him in the cause of protecting the public interest from what I consider to be a very unsound bill.

I submitted testimony against the bill on July 29, 1959, before the Senate committee on Interstate and Foreign Commerce, and I ask unanimous consent that the statement I filed with the committee at that time be printed in the RECORD as a part of my remarks.

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

STATEMENT OF SENATOR WAYNE MORSE, OF OREGON, BEFORE SENATE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE ON S. 1782 AND S. 2262, JULY 29, 1959

Mr. Chairman and members of the committee, I regret that I must appear here to oppose S. 1782, introduced by my good friend and distinguished colleague, Senator MURRAY, and S. 2262, introduced, by request, by the distinguished chairman of this committee, Senator MAGNUSON. However, I have opposed similar bills in the past, and I have no reason to believe that these so-called downstream benefit bills have been improved by the addition of a "coordination" coating to make the pill less bitter.

In testifying before the Senate Committee on Interior and Insular Affairs in 1955 on another downstream benefits bill, I said:

"This is a bad bill. It is the cornerstone of the so-called partnership scheme under which the private utilities would be permitted, no, paid, for taking over multipurpose storage damsites. It is a double giveaway. The private utilities would not only receive the revenue potential of the damsites, which should be developed in the public interest; they would be paid to enable them to do so."

I do not believe that the Senate, in the year 1959, will stray so far from this Nation's historic water policy as to give serious consideration to this proposal. The basic assumption of these bills is that a private utility, or other non-Federal interest, has equal rights and privileges with the Federal Government on navigable streams of the United States. I challenge this assumption.

Again quoting my testimony in 1955:

"The philosophy of this proposal is certainly novel. Our streams are the common heritage of all the people. When a license is issued to a non-Federal agency or a private utility it is conferred because it is deemed that the public convenience and necessity will be served and because the utility desires to invest funds and make a profit. It should be borne in mind that the utility is using community property for which it does not pay and often has the benefit of the Government's power to condemn property for a public use.

"It makes sense that when the United States builds and operates a dam that increases the efficiency of downstream non-Federal dams the downstream beneficiary should compensate the Federal Government if it is feasible to compute the payment.

"The reverse does not follow. The non-Federal user is, in the first instances, employing water in streams that belong to the citizenry at large. Private utility power dams are not designed to improve the stream in order to create downstream benefits. That is an incidental byproduct of their operation.

"It would be strange to exact payment from the taxpayers to compensate utilities for such incidental improvements of resources that belong to all of the people."

If we so desired, we could talk at great length about voluntary coordination but we can't get away from the effect of these bills—namely, that they would authorize Federal payments to non-Federal owners for the benefits which result from the granting of a privilege by the Federal Government. I believe the Federal Government is being generous enough when it grants a license to a non-Federal interest to construct a dam across a navigable stream of the United States. I do not see why the Government should then offer to pick up the check for a part of the costs of constructing and operating the non-Federal project under a Federal license.

There has been testimony that passage of such legislation as this would constitute simple equity and fairness. I say it would constitute plain subsidy and windfall.

Let me cite one case with which I have had some contact over the past several years. The most tragic example of underdevelopment of water resources in the history of our Nation is the pigmy dams now being built by Idaho Power Co., on the middle Snake. No private power company ever fought harder, expended more effort and resources, or had more backing from its allies over the country than did Idaho Power Co., in its battle to defeat a Federal high Hells Canyon Dam and to construct its own small dams.

Idaho Power Co. certainly did not make this fight on the condition that it would receive downstream benefit windfalls. In fact, the company said it would build its little dams at no expense to the taxpayer, and was subsequently so embarrassed by the uproar over multimillion dollar Federal fast tax writeoffs that it gave up, though reluctantly, that particular Federal subsidy.

Yet these bills would have the Federal Government make payments to Idaho Power Co. for the power benefits received at eight downstream Federal dams from the 1 million acre-feet of storage at the power company reservoirs. If the high Hells Canyon Dam were being built today, as the Senate voted that it should be, the Government would soon have available 3,800,000 acre-feet of usable water storage, nearly four times as much as will be provided by the power company's little dams.

I am vigorously and unalterably, opposed to legislation which would pay Idaho Power Co., or any other private power company in the future, for the privilege of underdeveloping the water resources of this Nation.

Idaho Power Co., has already received the privilege of a Federal license to build dams on the Snake River; it has already received fast tax writeoffs which it did not reject; and it is using the benefits of section 167 of the Internal Revenue Code to gain other tax advantages through speeding up of depreciation of other capital additions to its power system.

This power company—and it is not the only one in the country to do so—last year paid out dividends to its stockholders of which 40 percent were tax free. And this year it is estimated that 35 to 40 percent of its dividends will be tax free, thanks to a gimmick in Federal tax laws.

Mr. Chairman, I do not want to favor legislation which will grant additional Federal subsidies to Idaho Power Co. Federal aid for Idaho Power Co. has gone far enough. We read reports of mismanagement of foreign aid programs. How many Americans know of the aid to private power companies through the liberalized depreciation bonanza?

But the proponents of this bill say we should pay these subsidies to entice the power companies to coordinate their operations with Federal projects. I believe the present Federal Power Act provides sufficient authority for the Federal Power Commission to require coordination as a condition of the issuance of a license to a non-Federal owner. So I say the Government does not have to rely on subsidized voluntary agreements to accomplish this highly desirable purpose. As a case in point, the FPC license to Idaho Power Co. for its massive underdevelopment of the middle Snake requires coordination. Whatever else may be said of FPC's action in approving Idaho Power's comprehensive plan for developing the river, the fact is that FPC did require coordination as a condition of the license. If a coordination requirement is good enough for Idaho Power Co., it is good enough for any other non-Federal interest which applies to FPC for a license to build a dam across navigable waters of the United States.

Let us get our thinking on the main track, and not on misleading sidetracks. Idaho Power Co. did not acquire permanent rights to the use of the middle Snake when it obtained a license from FPC. It obtained the right to build a dam—under certain conditions—and the Federal Government retained the right to recapture this dam after the expiration of a 50-year license. Any control over the waters of the middle Snake River which the Idaho Power Co. dams make possible is due entirely to the granting of this terminable 50-year privilege. Idaho Power Co., or any other power company in the future, would not apply for an FPC license if it thought it was entering into a losing proposition.

I have heard that the proponents of these bills say private power company customers should share in the benefits of Federal power projects. In the Pacific Northwest, they already share, since a great part of federally generated power goes to private companies and private industries. But if this bill were passed, do you think the power companies would pass the benefits along to their customers? Idaho Power Co. today is taking money from its ratepayers, through the liberalized depreciation provisions of the Internal Revenue Code, and is passing this money out to its stockholders as tax-free dividends. Montana Power Co., another prime beneficiary of this proposed legislation, is taking more than 40 cents per share of stock from its ratepayers through Federal tax gimmicks and is not passing a cent of it back to the ratepayers. This is a bill which would benefit power company stockholders, if past experience is any indication, and not the ratepayers.

I would like to ask this committee what the cost would be if these bills were passed. If 20 non-Federal upstream dams were constructed in the next 20 years over the country, what would it cost the Federal Government over a 50-year period in downstream benefit payments? My guess is that the cost would run into millions of dollars. This is a sort of back-door financing for the private power companies. And for the Congress, it represents an authorization for blank dollars in appropriations, or in power revenues.

Mr. MORSE. It will help our thinking on these bills if we separate the coordination concept from the downstream benefits idea. Everybody is in favor of real coordination, the kind that is enforced and is workable. I urge your committee to pass legislation which will bring about this kind of coordination. This can be achieved through the same means as that proposed in these bills, through an amendment to the Federal Power Act. Such an amendment would require the Federal Power Commission to require coordination as a condition of any future FPC license, and as a part of a comprehensive plan for the development of the water resources of a river basin. If inequities result, or if any project owner is penalized because of basinwide coordination, then that owner should be properly compensated.

But I cannot stand aside and see a reversal of fundamental concepts of river

development policy in the name of "coordination." I cannot condone the idea that the road to coordination is Federal subsidy. I urge this committee to examine closely the effects of these bills, and to pass legislation which will bring about better coordination among water project owners without further subsidizing the private power companies.

ADJOURNMENT

Mr. MORSE. Mr. President, in accordance with the agreement previously reached, I move that the Senate stand in adjournment until tomorrow at 12 o'clock noon.

The motion was agreed to; and (at 6 o'clock and 21 minutes p.m.) the Senate adjourned until tomorrow, Tuesday, August 4, 1959, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate August 3, 1959:

U.S. DISTRICT JUDGE

Charles F. Paul, of West Virginia, to be U.S. district judge for the northern district of West Virginia, vice Herbert S. Boreman, elevated.

INDIAN CLAIMS COMMISSION

Arthur V. Watkins, of Utah, to be an Associate Commissioner of the Indian Claims Commission, vice Louis J. O'Marr, resigning.

WITHDRAWAL

Executive nomination withdrawn from the Senate August 3, 1959:

U.S. DISTRICT JUDGE

John G. Tucker, of Texas, to be U.S. district judge for the eastern district of Texas.

HOUSE OF REPRESENTATIVES

MONDAY, AUGUST 3, 1959

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

I Samuel 16: 7: *The Lord seeth not as man seeth; for man looketh on the outward appearance, but the Lord looketh on the heart.*

Almighty God, we are now approaching Thy throne of grace with a humble spirit and a contrite heart for we feel constrained by Thy great love and compelled by our many needs to call upon Thee.

We beseech Thee to inspire us to be more conscientious and scrupulous about discharging faithfully every appointed task.

Illumine with the spirit of wisdom and understanding the minds and hearts of all who administer and have charge of our civic affairs.

May the laws that are being enacted by the Congress be the expressions of Thy divine will.

Hear us in Christ's name. Amen.

The Journal of the proceedings of Thursday, July 30, 1959, 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. 2210. An act to provide for the disposition of the Philadelphia Army Base, Philadelphia, Pa.

HOUSE AND SENATE AMENDMENTS TO VARIOUS BILLS

The SPEAKER laid before the House the following message from the Clerk of the House:

JULY 31, 1959.

The Honorable the SPEAKER,
House of Representatives.

SIR: Pursuant to the authority previously granted, the Clerk received from the Secretary of the Senate today the following message:

That the Senate agree to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 5674) entitled "An act to authorize certain construction at military installations, and for other purposes"; and

That the Senate agree to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6769) entitled "An act making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1959, and for other purposes"; and

That the Senate agree to the amendments of the House of Representatives to the amendments of the Senate numbered 4, 6, 9, and 26 to the said bill; and

That the Senate agree to the report of the committee of conference on the disagreeing votes of the two Houses on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7040) entitled "An act making appropriations for the sundry independent bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1960, and for other purposes"; and

That the Senate agree to the amendments of the House of Representatives to Senate amendments Nos. 25 and 29 to said bill;

That the Senate further insist on its amendment No. 1 and ask a further conference with the House on the disagreeing votes of the two Houses thereon;

That Mr. MAGNUSON, Mr. HILL, Mr. ELLENDER, Mr. ROBERTSON, Mr. HOLLAND, Mr. ALLOTT, Mr. SALTONSTALL, and Mr. YOUNG of North Dakota be the conferees on the part of the Senate; and

That the Senate disagree to the amendment of the House of Representatives to the bill (S. 994) entitled "An act to authorize the Secretary of the Interior to construct, operate, and maintain the Spokane Valley project, Washington and Idaho, under Federal reclamation laws;" and request a conference with the House of Representatives on the disagreeing votes of the two Houses thereon;

That Mr. ANDERSON, Mr. JACKSON, and Mr. KUCHEL be the conferees on the part of the Senate.

Respectfully yours,
RALPH R. ROBERTS,
Clerk, U.S. House of Representatives.

HOUSE BILLS ENROLLED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had on July 31, 1959, examined and found truly enrolled bills of the House of the following titles:

H.R. 5674. An act to authorize certain construction at military installations, and for other purposes; and

H.R. 6769. An act making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1960, and for other purposes.

SIGNING OF ENROLLED BILLS

The SPEAKER. The Chair desires to announce that, pursuant to the authority granted him on Thursday, July 30, 1959, he did on July 31, 1959, sign the following enrolled bills of the House:

H.R. 5674. An act to authorize certain construction at military installations, and for other purposes; and

H.R. 6769. An act making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1960, and for other purposes.

DEPARTMENT OF DEFENSE APPROPRIATION BILL

Mr. MAHON submitted a conference report and statement on the bill (H.R. 7454) making appropriations for the Department of Defense for the fiscal year ending June 30, 1960, and for other purposes.

SPOKANE VALLEY PROJECT

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 994) to authorize the Secretary of the Interior to construct, operate, and maintain the Spokane Valley project, Washington and Idaho, under Federal reclamation laws, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Colorado? The Chair hears none and appoints the following conferees: Messrs. ASPINALL, ROGERS of Texas, UDALL, WESTLAND, and HOSMER.

RECEPTION FOR VICE PRESIDENT NIXON ON HIS VISIT TO POLAND

Mr. BENTLEY. 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 Michigan?

There was no objection.

Mr. BENTLEY. Mr. Speaker, as one who suggested more than 2 months ago to Vice President NIXON that he stop in Poland during the course of his trip to Moscow, I have been delighted to read of the outstanding reception which he has received in Warsaw. This clearly indicates the warm and deep friendship which the people of Poland, as distinguished from their Communist government, feel for the people of our own country.

I note that according to the press, Mr. NIXON has indicated he would favor a visit of Prime Minister Khrushchev for sometime to the United States and now that invitation has been extended by President Eisenhower. While he is in Poland, I hope that the opportunity will arise for Mr. NIXON to let it be known to Cardinal Wyszynski that, as the greatest figure today in Poland, I am certain he would be most welcome should he desire to visit our country.

I am confident this visit of Mr. NIXON's to Poland, which I suggested to him in a letter last May, will be yet another proof to the people of Poland as well as to all captive peoples, that the U.S. Government maintains the closest friendship and concern for them and has a deep and abiding conviction that they will continue to progress on the road to free government and complete self-determination.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

ADDITIONAL COMPENSATION FOR DEAFNESS OF BOTH EARS

The Clerk called the bill (H.R. 268) to amend title 38 of the United States Code to provide additional compensation for veterans having the service-incurred disability of deafness of both ears.

Mr. PELLY. Mr. Speaker, on behalf of a Member who could not be present, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

INCREASED COMPENSATION FOR CERTAIN DISABLED VETERANS

The Clerk called the bill (H.R. 283) to amend section 314(k) of title 38, United States Code, to provide an increased statutory rate of compensation for veterans suffering the loss or loss of use of an eye in combination with the loss or loss of use of a limb.

Mr. PELLY. Mr. Speaker, on behalf of a Member who could not be present, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

CONVEYANCE OF CERTAIN PROPERTY TO FORT WALTON BEACH, FLA.

The Clerk called the bill (H.R. 2934) to provide for the conveyance of certain real property of the United States to the city of Fort Walton Beach, Fla.

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

Mr. PELLY. Mr. Speaker, reserving the right to object, I understand an amendment will be offered and, if it is, there will be no objection on the part of the objectors on this side of the aisle.

Mr. SIKES. Mr. Speaker, will the gentleman yield?

Mr. PELLY. I yield to the gentleman from Florida.

Mr. SIKES. Mr. Speaker, I am prepared to offer an amendment which I understand will remove the objections which have been raised to 50 percent of the fair market value and, if the amendment is adopted, the language of the bill would then say, fair market value. I have such an amendment at the Clerk's desk.

Mr. PELLY. Mr. Speaker, under those conditions, I withdraw my reservation of objection.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, subject to section 3 of this Act, the Secretary of the Air Force shall convey to the city of Fort Walton Beach, Florida, all right, title, and interest of the United States in and to the real property described in section 2 of this Act for use as a municipal golf course and for other recreational purposes.

SEC. 2. The real property referred to in the first section of this Act is more particularly described as follows: 338.7549 acres of the Eglin Air Force Base Reservation, all being a portion of sections 26, 34, and 35, township 1 south, range 24 west, Okaloosa County, Florida, beginning with the General Land Office monument marking the southeast corner of the northeast quarter of section 35, township 1 south, range 24 west, to north 1 degree 09 minutes east along the east line of said section a distance of 2,662.40 feet to the General Land Office monument at the northeast corner of section 35, thence continue on the previous bearing a distance of 949.76 feet to a point on the southwest right-of-way line of Mooney Road, thence north 56 degrees 06 minutes 20 seconds west along said right-of-way line a distance of 364.73 feet to a State road department concrete monument marking the point of intersection of the aforementioned right-of-way line and the south right-of-way line of Florida State Highway No. 189, thence south 64 degrees 28 minutes west along said south right-of-way line to a distance of 4,103.01 feet to a point where the east line of the northwest quarter of the northwest quarter, section 35, intersects said right-of-way line, thence south 0 degrees 42 minutes west along said quarter-quarter section line go a distance of 613.71 feet to an Eglin Air Force Base boundary marker at the southeast corner of the northwest quarter of the northwest quarter of section 35, thence north 88 degrees 22 minutes 30 seconds west a distance of 1,206.04 feet to the point of intersection of the south right-of-way line of Florida State Highway No. 189, thence south 64 degrees 28 minutes west along said right-of-way line go a distance of 1,626.12 feet to a point where the west line of the southeast quarter of the northeast quarter of section 34 intersects said right-of-way line, thence south 0 degrees 13 minutes west along said quarter-quarter section a distance of 615.50 feet to an Eglin Air Force Base boundary marker at the southwest corner of the southeast quarter of the northeast quarter of section 34, thence south 88 degrees 35 minutes 40 seconds east along the quarter section line of sections 34 and 35 a distance of 6,611.65 feet to the point of beginning.

SEC. 3. The conveyance authorized by the first section of this Act shall be subject to the condition that the real property so conveyed shall be used by the city of Fort Walton Beach, Florida, for a municipal golf course and other recreational purposes only, and if such city shall ever cease to use such real property for a municipal golf course and other recreational purposes the title thereto shall revert to the United States, which shall have the right of immediate entry thereon.

With the following committee amendment:

Page 3, line 12, strike all of section 3 and insert in lieu thereof the following:

"SEC. 3. The conveyance authorized by the first section of this Act shall be subject to—

"(a) the condition that the real property so conveyed shall be used by the city of Fort Walton Beach, Florida, for a municipal golf course and other recreational purposes only, and if such city shall ever cease to use such real property for a municipal golf course and other recreational purposes the title thereto shall revert to the United States, which shall have the right of immediate entry thereon.

"(b) the condition that the city of Fort Walton Beach, Florida, shall pay to the Secretary of the Air Force as consideration for the tract of land conveyed under the provisions of this Act, a price equal to 50 per centum of the fair value of the property conveyed, based on the highest and best use of the property on the date of enactment of this law, regardless of its former character or use, as determined by the Chief of Engineers, Department of the Army, or his designee."

Mr. SIKES. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SIKES to the committee amendment: On page 4, lines 9 and 10, strike out "50 per centum of."

The amendment to the committee amendment was agreed to.

The committee amendment, as amended, 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.

EXCHANGE OF LANDS—MASSACHUSETTS PORT AUTHORITY

The Clerk called the bill (H.R. 5888) to authorize the Secretary of the Navy to transfer to the Massachusetts Port Authority, an instrumentality of the Commonwealth of Massachusetts, certain lands and improvements thereon comprising a portion of the so-called E Street Annex, South Boston Annex, Boston Naval Shipyard, in South Boston, Mass., in exchange for certain other lands.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Navy is authorized to convey to the Massachusetts Port Authority, an instrumentality of the Commonwealth of Massachusetts, subject to the terms and conditions hereinafter in this Act expressly stated, and to such other terms and conditions as the said Secretary of the Navy shall deem to be in the public interest, all the right, title, and interest of the United States in and to that portion of the property known as E Street Annex, South Boston Annex, Boston Naval Shipyard, in South Boston, Massachusetts, including the improvements thereon, and described as follows:

Beginning at a point, said point being the intersection of the easterly side line of E

Street, and the northerly side line of West First Street, thence running north 40 degrees 59 minutes 00 seconds east by the easterly side of said E Street, a distance of 1,325.78 feet to a point, thence turning and running south 49 degrees 01 minutes 00 seconds east a distance of 206.25 feet to a point bounded by land of United States of America (United States Naval Station), thence turning and running south 40 degrees 59 minutes 00 seconds west a distance of 389.83 feet to a point bounded by land of United States of America (United States Navy, Boston Naval Shipyard), thence turning and running south 49 degrees 01 minutes 00 seconds east a distance 447.75 feet to a point bounded by land of United States of America (United States Navy, Boston Naval Shipyard), thence turning and running south 40 degrees 59 minutes 00 seconds west a distance of 935.95 feet to a point on the northerly side line of West First Street and bounded by land of the United States of America (United States Navy, District Public Works Officer, First Naval District) and now or formerly by land of Mary I. Murphy, thence turning and running north 49 degrees 01 minutes 00 seconds west a distance of 654.00 feet to the point of beginning; containing in area 15.9 acres of land, more or less, and shown on Public Works Drawing Numbered 981-391-28 titled "Plan of Land in Boston, Massachusetts, South Boston District, Portion of E Street Annex, South Boston, Massachusetts, dated 18 November 1958", reserving to the Government a railroad right-of-way to building numbered 61 on lands retained by the Government and an easement for a water line and subject to a right-of-way for railroad purposes granted to the Port of Boston Authority and a drainage easement to the city of Boston, in consideration of the conveyance by the Massachusetts Port Authority to the United States of America, free of all encumbrances, the following lands, together with any improvements thereon: (a) An area of approximately 60,300 square feet occupied by the United States under permit A-260 issued by the Port of Boston Commission of the Commonwealth of Massachusetts, bearing Department of the Navy instrument numbered NOy (R)-65507; and (b) an area of approximately 109,264 square feet occupied by the United States under permit A-261 issued by the Port of Boston Commission of the Commonwealth of Massachusetts, bearing Department of the Navy instrument numbered NOy (R)-65508.

SEC. 2. The conveyance to the Massachusetts Port Authority authorized by the first section of this Act shall be made subject to the following express conditions: (a) That the Massachusetts Port Authority, at its own expense, will preserve and maintain in a condition suitable for, and not inconsistent with, the purposes of the Authority, the lands and the improvements existing on said property on the date of enactment of this Act, and those which may be constructed thereon after such date of enactment; (b) that in a time of war or national emergency the United States shall have the right of the free and unlimited use of all said property including any improvements which may be erected by the grantee, but the United States shall pay a fair rental for any improvements made after the date of enactment of this Act and shall be responsible during the period of such use for the entire cost of maintaining said property.

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.

AUTHORIZING COAST GUARD TO SELL CERTAIN UTILITIES

The Clerk called the bill (S. 577) to amend title 10, United States Code, section 2481, to authorize the U.S. Coast Guard to sell certain utilities in the immediate vicinity of a Coast Guard activity not available from local sources.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2481 of title 10, United States Code, is amended as follows:

(1) Subsection (a) is amended as follows:

(A) By striking out the words "of a military department" and inserting in place thereof the word "concerned".

(B) By striking out the word "or" immediately following the words "Air Force," and inserting the words "or Coast Guard," immediately following the words "Marine Corps,".

(2) Subsection (c) is amended by striking out the words "of the military department".

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING COAST GUARD TO SELL SUPPLIES TO VESSELS

The Clerk called the bill (S. 1367) to amend title 14, United States Code, entitled "Coast Guard", to authorize the Coast Guard to sell supplies and furnish services not available from local sources to vessels and other watercraft to meet the necessities of such vessels and watercraft.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 17 of title 14, United States Code, is amended by adding the following new section:

"SEC. 654. The Secretary under such regulations as he may prescribe, may sell to public and commercial vessels and other watercraft, such fuel, supplies and furnish such services as may be required to meet the necessities of the vessel or watercraft if such vessel or watercraft is unable—

"(1) to procure the fuel, supplies, or services from other sources at its present location; and

"(2) to proceed to the nearest port where they may be obtained without endangering the safety of the ship, the health and comfort of its personnel, or the safe condition of the property carried aboard.

Sales under this section shall be at such prices as the Secretary considers reasonable. Payment will be made on a cash basis or on such other basis as will reasonably assure prompt payment. Amounts received from such a sale shall, unless otherwise directed by another provision of law, be credited to the current appropriation concerned and are available for the same purposes as that appropriation."

SEC. 2. The analysis of chapter 17 of title 14, United States Code, is amended by adding the following new item:

"654. Public and commercial vessels and other watercraft; sale of fuel, supplies, and services."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INCREASED COMPENSATION OF KEEPERS OF LIGHTHOUSES

The Clerk called the bill (H.R. 2245) to amend subsection 432(g) of title 14, United States Code, so as to increase the limitation on basic compensation of civilian keepers of lighthouses and civilians employed on lightships and other vessels of the Coast Guard from $3,750 to $5,100 per annum.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 14 of the United States Code, subsection 432(g), is amended by striking the amount "$3,750" therein and inserting in lieu thereof the amount "$5,100".

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.

TRANSFER BY NAVY TO COAST GUARD OF CERTAIN PROPERTY

The clerk called the bill (H.R. 7943) to authorize the Coast Guard to accept, operate, and maintain a certain defense housing facility at Yorktown, Va., and for other purposes.

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

There was no objection.

Mr. DURHAM. Mr. Speaker, I ask unanimous consent that an identical Senate bill, S. 2153, be considered in lieu of the House bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States Coast Guard is authorized to accept from the Department of the Navy, without reimbursement, the forty-two unit defense housing facility at Yorktown, Virginia, and to operate and maintain such facility on a rental basis for occupancy by Coast Guard personnel and their dependents pursuant to the provisions of the Act of July 2, 1945 (59 Stat. 316; 37 U.S.C. 111a).

SEC. 2. Until June 30, 1960, rents collected may be utilized in operating and maintaining the facility, after which date they shall be deposited in the Treasury to the credit of miscellaneous receipts. Coast Guard appropriations shall be available for the cost of operating and maintaining the housing facility.

SEC. 3. The administration of the housing facility by the Coast Guard shall, except as provided in section 2, be in conformity with the administration of similar housing projects by the other Armed Forces.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 7943) was laid on the table.

DISPOSAL FROM THE NATIONAL STOCKPILE

The Clerk called the concurrent resolution (H. Con. Res. 166) providing the

express approval of the Congress under section 3(e) of the Strategic and Critical Materials Stock Piling Act, of the disposal of rough cuttable gem-quality diamonds, cut and polished gem-quality diamonds, osmium, rhodium, ruthenium, and zircon concentrates from the national stockpile.

There being no objection, the Clerk read the concurrent resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Congress expressly approves, pursuant to section 3(e) of the Strategic and Critical Materials Stock Piling Act (53 Stat. 811, as amended; 50 U.S.C. 98b(e)), the disposal of the following materials from the national stockpile in accordance with the plans of disposal published by General Services Administration in the Federal Register on the dates indicated—

(a) approximately forty-seven thousand and forty-nine carats of rough cuttable gem-quality diamonds and eight thousand four hundred and twelve carats of cut and polished gem-quality diamonds, Federal Register of August 5, 1958 (23 F.R. 5944);

(b) approximately twenty-seven troy ounces of osmium, two thousand five hundred and fifteen troy ounces of rhodium and fifty-one ounces of ruthenium, Federal Register of August 15, 1958 (23 F.R. 6311); and

(c) approximately fifteen thousand nine hundred and two short dry tons of zircon concentrates, Federal Register of March 13, 1959 (24 F.R. 1844).

All funds derived from the sales authorized by this concurrent resolution shall be deposited into the Treasury as miscellaneous receipts.

The concurrent resolution was agreed to, and a motion to reconsider was laid on the table.

COCONUT OIL

The Clerk called the joint resolution (H.J. Res. 441) relating to the disposition of coconut oil from the national stockpile under the Strategic and Critical Materials Stockpiling Act.

Mr. WEAVER. Mr. Speaker, at the request of another Member who is unable to be present today, I ask unanimous consent that this measure be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska.

There was no objection.

RETIREMENT OF U.S. COMMISSIONERS

The Clerk called the bill (H.R. 163) to amend the Civil Service Retirement Act with respect to the crediting of service of U.S. commissioners for purposes of such act.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3(i) of the Civil Service Retirement Act (5 U.S.C. 2253(i)) is amended—

(1) by striking out in the first sentence thereof "on the basis of one three hundred and thirteenth of a year for each day on which such United States commissioner renders service in such capacity" and inserting in lieu thereof "on the basis of one two hundred and thirty-eighth of a year for each day on which such United States commissioner renders service in such capacity", and

(2) by striking out in the second sentence thereof "three hundred and thirteen days in any one year" and inserting in lieu thereof "two hundred and thirty-eight days in any one year".

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That section 3(i) of the Civil Service Retirement Act (5 U.S.C. 2253(i)) is amended—

"(1) by striking out in the first sentence thereof 'on the basis of one three-hundred-and-thirteenth of a year for each day on which such United States commissioner renders service in such capacity' and inserting in lieu thereof 'on the basis of one three-hundred-and-thirteenth of a year for each day prior to July 1, 1945, and one two-hundred-and-sixtieth of a year for each day after June 30, 1945, on which such United States commissioner renders service in such capacity', and

"(2) by striking out in the second sentence thereof 'for more than three hundred and thirteen days in any one year' and inserting in lieu thereof 'for more than three hundred and thirteen days in any one year prior to July 1, 1945, or for more than two hundred and sixty days in any one year after June 30, 1945'.

"SEC. 2. Notwithstanding any other provision of law, benefits payable by reason of the amendments made by the first section of this Act shall be paid from the civil service retirement and disability fund.

The committee 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.

SPECIAL MILK PROGRAM FOR CHILDREN

The Clerk called the bill (S. 1289) to increase and extend the special milk program for children.

Mr. PELLY. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

PEANUTS FOR BOILING

The Clerk called the bill (H.R. 4938) to amend the Agricultural Adjustment Act of 1938 to make permanent the definition of "peanuts" which is now in effect on a temporary basis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the last paragraph of the Act entitled "An Act to amend the peanut marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended, and for other purposes", approved August 13, 1957 (7 U.S.C. 1359 note), is repealed.

With the following committee amendment:

Page 1, line 7, strike the word "repealed" and insert "amended by striking the word 'and' and inserting after the figure '1959' the words ', 1960 and 1961' ".

The committee amendment was agreed to.

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

The title was amended so as to read: "A bill to amend the Agricultural Adjustment Act of 1938 to extend for 2 years the definition of "peanuts" which is now in effect."

A motion to reconsider was laid on the table.

AMENDING ACT OF AUGUST 4, 1955, (PUBLIC LAW 237, 84TH CONGRESS)

The Clerk called the bill (H.R. 4697) to amend the Act of August 4, 1955 (Public Law 237, 84th Cong.) to provide for conveyance of certain interests in the lands covered by such act.

Mr. DORN of South Carolina. Mr. Speaker, I ask unanimous consent for the present consideration of the Senate bill (S. 1110) to amend the act of August 4, 1955 (Public Law 237, 84th Cong.), to provide for conveyance of certain interests in the lands covered by such act.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to direct the Secretary of Agriculture to release on behalf of the United States conditions in two deeds conveying certain submarginal lands to Clemson Agricultural College of South Carolina so as to permit such college, subject to certain conditions, to sell, lease, or otherwise dispose of such lands", approved August 4, 1955 (Public Law 237, Eighty-fourth Congress; 69 Stat. 496), is amended by adding at the end thereof the following:

"SEC. 3. (a) Upon application and subject to subsection (b) of this section, all the undivided mineral interests of the United States in any parcel or tract of land released pursuant to this Act from the said conditions as to such lands may be conveyed to the Clemson Agricultural College of South Carolina by the Secretary of the Interior upon the payment of an amount equal to the fair market value of such interests as determined by appraisal or otherwise.

"(b) This section shall not apply to the mineral interests of the United States in the seven thousand three hundred eighty and one-half acres of land taken by eminent domain in Civil Action 2446 in the United States District Court for the Western District of South Carolina."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill was laid on the table.

AMENDING FEDERAL FARM LOAN ACT

The Clerk called the bill (H.R. 6353) 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.

The Clerk read the title of the bill.

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

Mr. MURRAY. Mr. Speaker, reserving the right to object, I have an amendment to this bill. I have discussed it with the chairman of the Committee on Agriculture, the gentleman from North Carolina [Mr. COOLEY]. I do not think there is any objection to the amendment on his part. The amendment has been gone through very fully with the gentleman from North Carolina [Mr. COOLEY].

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. MURRAY. I yield.

Mr. COOLEY. Mr. Speaker, I have discussed the proposed amendment with the gentleman from Tennessee. While I have no right to accept the amendment, I have agreed to accept it for the purpose of taking it to conference at least. So I have no objection.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Farm Credit Act of 1959".

TITLE I—FEDERAL LAND BANKS

SEC. 101. Section 3 of the Federal Farm Loan Act, as amended, is amended—

(a) by changing the paragraph thereof relating to the appointment of registrars, appraisers, and examiners (12 U.S.C. 656) to read:

"The Farm Credit Administration shall appoint a farm loan registrar for each farm credit district to receive applications for issues of farm loan bonds and to perform such other services as are prescribed by this Act, and may appoint a deputy registrar who shall during the unavoidable absence or disability of the registrar perform the duties of that office. It shall also appoint as many farm credit appraisers and farm credit examiners as it shall deem necessary. Such farm loan registrars, deputy registrars, farm credit appraisers, and farm credit examiners shall have no connection with or interest in any institution, association, or partnership engaged in banking or in the business or making land mortgage loans or selling land mortgages but they may perform such duties as are authorized by the Farm Credit Administration in connection with the business of the banks and associations it supervises: *Provided,* That this limitation shall not apply to persons employed by the Farm Credit Administration on a temporary basis.";

(b) by deleting the paragraph thereof relating to the compensation of appraisers and inspectors (12 U.S.C. 658);

(c) by deleting the paragraph thereof relating to the employment of certain personnel by the Farm Credit Administration (12 U.S.C. 659); and

(d) by deleting the second sentence of the third paragraph from the end thereof (12 U.S.C. 662).

SEC. 102. (a) The second paragraph of section 9 of the Federal Farm Loan Act, as amended (12 U.S.C. 742), is amended to read:

"Any person desiring to secure a loan through a Federal land bank association under the provisions of this Act may, at his option, borrow from the Federal land bank through such association the sum necessary to pay for shares of stock subscribed for by him in the Federal land bank association. Any such sum for the purchase of stock shall be made a part of the face amount of the loan and such sum shall for all purposes be additional to the 65 per centum of the normal value of the farm as specified in any provision of this Act."

(b) Section 10 of the Federal Farm Loan Act, as amended (12 U.S.C. 751–757), is amended to read:

"SEC. 10. (a) Whenever an application for a mortgage loan is made to a Federal land bank association, the loan committee provided for in section 7 of this Act shall cause to be made such investigation as it may deem necessary as to the character and solvency of the applicant and the sufficiency of the security offered. When it appears that a loan may be approved, the loan committee shall obtain a written report on the security by an appraiser designated or appointed by the Federal land bank of the district and such appraiser shall investigate and make a written report upon the security offered. Such appraisal, investigation, and report shall be made in accordance with appraisal standards prescribed by the Farm Credit Administration and may be made by any competent person (including an employee of a Federal land bank association) when designated for that purpose by the Federal land bank of the district. The loan committee shall cause a written report to be made of the results of such investigations of the applicant and the security and shall, if it concurs in such report, approve the same in writing. After the loan committee has reached an agreement as to the amount and terms of the loan which may be offered to the applicant, if such amount is not in excess of 65 per centum of the normal value of the security offered as determined by said appraiser, the association may notify the applicant of the amount and terms of the loan approved by the loan committee: *Provided,* That any such notice shall contain a statement that the amount and terms of the loan offered to the applicant are subject to and conditioned upon subsequent approval or disapproval by the Federal land bank.

"(b) The written report of the loan committee and the report made by an appraiser designated or appointed by the Federal land bank shall be submitted to the Federal land bank with the application for the loan, and the land bank shall examine said reports when it passes on the loan application which they accompany. No loan shall be made unless the report of the loan committee and the report of the appraiser are favorable.

"(c) All appraisal reports shall be made on forms approved by the Farm Credit Administration.

"(d) No farm credit appraiser and no appraiser designated or appointed by a Federal land bank shall make any appraisal in connection with a loan in which he is interested, directly or indirectly. No member of a loan committee or of a board of directors of a Federal land bank association shall participate in the consideration of or action on any loan in which he is interested, directly or indirectly.

"(e) Each Federal land bank shall conduct studies in such manner and to such extent as the Farm Credit Administration deems necessary in connection with the appraisal standards prescribed for the district.

"(f) Notwithstanding the foregoing provisions of this section—

"(1) appraisal reports made by appraisers heretofore or hereafter appointed by the Farm Credit Administration pursuant to section 3 of this Act may be used as a basis for Federal land bank loans;

"(2) the Farm Credit Administration may, in its discretion and in such circumstances and for such periods as it deems necessary, direct that any or all appraisals in connection with loans by any Federal land bank, or appraisal standards studies required by subsection (e), shall be made by farm credit appraisers appointed pursuant to section 3 of this Act; and

"(3) for purposes of paragraph (2) of this subsection, the Farm Credit Administration is authorized to employ additional farm credit appraisers, including such appraisers as it may select who have been designated or appointed by a Federal land bank, and to require that the salaries and other expenses of all such additional appraisers be paid by the Federal land bank served by them in such manner as the Farm Credit Administration shall determine.

"(g) Farm credit appraisers appointed pursuant to section 3 of this Act shall make such reviews and investigations as the Farm Credit Administration determines to be necessary to assure compliance with the appraisal standards prescribed by it pursuant to subsection (a) of this section; make such additional reviews and investigations concerning the quality of first mortgages securing farm loan bonds as the Farm Credit Administration shall direct; and perform such other duties as may be prescribed by the Farm Credit Administration. Any first mortgage which is found not to conform to the appraisal and loan standards prescribed by the Farm Credit Administration shall not be credited toward meeting the amount of bond collateral which a Federal land bank is required to maintain with a farm loan registrar except in such amount as the Farm Credit Administration shall approve."

SEC. 103. On the effective date of this title each land bank appraiser shall be transferred from the Farm Credit Administration to the Federal land bank served by him immediately prior to said effective date, without reduction in salary and accumulated leave, unless the Farm Credit Administration, in its discretion, determines that individual appraisers shall be retained as farm credit appraisers. The selection of personnel for transfer, or for retention as farm credit appraisers, shall be without regard to section 12 of the Veterans' Preference Act of 1944, as amended (5 U.S.C. 861). Land bank appraisers shall be subject to the same employment conditions as other bank employees after transfer under this section. At least sixty days prior to the effective date of this title the Farm Credit Administration shall notify each land bank appraiser that he is to be transferred to a Federal land bank or that he is to be retained in the Farm Credit Administration. Any land bank appraiser who notifies the Farm Credit Administration in writing at least thirty days before the effective date of this title that he does not desire to accept employment as stated in the notice from the Farm Credit Administration shall be separated from employment on said effective date and such separation shall be deemed involuntary.

SEC. 104. (a) Section 12 of the Federal Farm Loan Act, as amended (12 U.S.C. 771), is amended by (1) changing the last proviso of paragraph "Second" thereof to read: "*And provided further,* That any land bank may make loans on an unamortized or partially amortized basis, under rules and regulations issued by the Farm Credit Administration."; (2) striking out of paragraph "Seventh" thereof "loans to any one borrower shall in no case exceed a maximum of $200,000, but".

(b) Section 20 of the Federal Farm Loan Act, as amended, is amended by deleting the second sentence thereof (12 U.S.C. 861, second sentence) and by inserting the following immediately before the period at the end of the last sentence thereof (12 U.S.C. 864, last sentence): ", except that, with the approval of the Farm Credit Administration, an issue of bonds may be limited to bearer or coupon bonds".

(c) The first and second sentences of section 23 of the Federal Farm Loan Act, as amended (12 U.S.C. 901), are amended by substituting "at the end of each fiscal year" for "semiannually" therein.

(d) The first and second sentences of section 24 of the Federal Farm Loan Act, as amended (12 U.S.C. 911), are amended by substituting "at the end of each fiscal year" for "semiannually" therein.

(e) The seventh paragraph of section 29 of the Federal Farm Loan Act, as amended (12 U.S.C. 967), is amended by changing "land bank appraiser" in the second and third sentences thereof to "farm credit appraiser".

(f) Section 202(c) of the Federal Farm Loan Act, as amended (12 U.S.C. 1033), is amended by changing the period at the end thereof to a comma and adding the following: "and any Federal intermediate credit bank may in its discretion purchase such loans or discounts with or without such endorsement.".

(g) Section 208(c) of the Federal Farm Loan Act, as amended (12 U.S.C. 1093) is amended by changing "Land bank appraisers" in the first sentence thereof to "Farm credit appraisers".

(h) The Federal Farm Loan Act, as amended (12 U.S.C. 641 et seq.), and any other Act of Congress in which the words appear, are amended by changing "national farm loan association" and "national farm loan associations" to "Federal land bank association" and "Federal land bank associations", respectively.

(i) The Federal Farm Loan Act, as amended (12 U.S.C. 641 et seq.), and any other Act of Congress in which the words appear, are amended by changing "secretary-treasurer" and "secretary-treasurers", when used to mean the secretary-treasurer of a national farm loan association (herein renamed "Federal land bank association"), to "manager" and "managers", respectively.

(j) The first sentence of section 5(d) of the Farm Credit Act of 1953 (12 U.S.C. 636(d)) is amended by inserting immediately before the period at the end thereof ": *Provided*, That the salary of not more than three positions of deputy governor shall each be fixed by the Board at a rate not exceeding $17,500 per annum".

(k) This title shall become effective December 31, 1959.

TITLE II—STATUS OF FARM CREDIT BANKS AND EMPLOYEES

SEC. 201. Notwithstanding any other provision of law, and in order to encourage and facilitate increased borrower participation in the management and control of institutions operating under the supervision of the Farm Credit Administration in accordance with the policy declared in section 2 of the Farm Credit Act of 1953 (12 U.S.C., supp. IV, 636a), section 6 of the Farm Credit Act of 1937, as amended (12 U.S.C. 6401), is amended—

(a) by inserting "(a)" immediately following "SEC. 6.", by redesignating subsections "(a)" and "(b)" as paragraphs "(1)" and "(2)", respectively, and by deleting subsection "(c)";

(b) by adding the following at the end of paragraph (1) of subsection (a) thereof (as redesignated herein): "The employment, compensation, leave, retirement (except as provided in subsection (e) hereof), hours of duty, and all other conditions of employment of such joint officers and employees employed by the district farm credit board, and of separate officers and employees of the Federal land bank, Federal intermediate credit bank, and bank for cooperatives of the district employed by the board of directors of such banks, shall be determined by the respective boards without regard to the laws from which exemption is granted in this section, but all such determinations shall be consistent with the laws under which such banks are organized and operate. Appointments, promotions, and separations so made shall be based on merit and efficiency and no political test or qualification shall be permitted or given consideration. The district farm credit board shall, under rules and regulations prescribed by the Farm Credit Administration, provide for veterans' preference and limitations against political activity for such officers and employees substantially similar to the preference and limitations to which such officers and employees were subject upon enactment of this sentence."; and

(c) by adding the following new subsections after subsection (a) thereof (as redesignated herein):

"(b) The provisions of section 1753 of the Revised Statutes (5 U.S.C. 631) and the Act of January 16, 1883, entitled 'An Act to regulate and improve the civil service of the United States', as amended (22 Stat. 403; 5 U.S.C. 632 et seq.), any laws supplementary thereto, including but not limited to the Act of August 24, 1912, as amended (5 U.S.C. 652), section 1 of the Act of November 26, 1940, as amended (5 U.S.C. 631a), and section 1310 of the Supplemental Appropriation Act, 1952, as amended (5 U.S.C. 43, note), and any rules, orders, or regulations promulgated for carrying such Acts or laws into effect, shall not apply to a Federal land bank, Federal intermediate credit bank, or bank for cooperatives, or to its directors, officers, or employees.

"(c) The Federal Employees' Compensation Act, as amended (5 U.S.C., ch. 15), shall not be applicable in respect to the injury, disability, or death of any employee of a Federal land bank, Federal intermediate credit bank, or bank for cooperatives unless such injury, disability, or death (or cause thereof) occurred before January 1, 1960.

"(d) Section 9 of the Hatch Act, as amended (5 U.S.C. 118i), and the Veterans' Preference Act of 1944, as amended (5 U.S.C. 851–869), shall not be deemed to apply to a Federal land bank, Federal intermediate credit bank, or bank for cooperatives, or to its directors, officers, or employees.

"(e) Each officer and employee of a Federal land bank, Federal intermediate credit bank, or bank for cooperatives who, on December 31, 1959, is within the purview of the Civil Service Retirement Act, as amended (5 U.S.C., supp. IV, ch. 30), shall continue so during his continuance as an officer or employee of any such banks without break in continuity of service. Any other officer or employee of such banks and any other person entering upon employment with any such banks after December 31, 1959, shall not be covered under the civil service retirement system by reason of such employment, except that (1) a person who, on December 31, 1959, is within the purview of the Civil Service Retirement Act, as amended, and thereafter becomes an officer or employee of any such banks without break in continuity of service shall continue under the civil service retirement system during his continuance as an officer or employee of any such banks without break in continuity of service and (2) a person who has been within the purview of said Act as an officer or employee of such banks and, after a break in such employment, again becomes an officer or employee of any such banks may elect to continue under the civil service retirement system during his continuance as such officer or employee by so notifying the Civil Service Commission in writing within thirty days after such reemployment.

"(f) In addition to such amounts as they are required to contribute to the civil service retirement and disability fund under section 4(a) of the Civil Service Retirement Act, as amended (5 U.S.C., supp. IV, 2254(a)), each Federal land bank, Federal intermediate credit bank, and bank for cooperatives shall, for each fiscal year after June 30, 1960, pay to the Farm Credit Administration to be covered into the Treasury as miscellaneous receipts, its fair portion of the cost of administration of said fund as determined in annual billings by the Civil Service Commission.

"(g) Any Federal land bank, Federal intermediate credit bank, or bank for cooperatives may, subject to the approval of the Farm Credit Administration, establish a retirement system for its officers and employees either separately or jointly with any other corporation under the supervision of the Farm Credit Administration. In determining eligibility for or the amount of any benefit under any such retirement system, there shall not be taken into account any service which is creditable under the Civil Service Retirement Act, as amended, but service which constitutes employment as defined in section 210(a) of the Social Security Act, as amended (42 U.S.C., supp. IV, 410(a)), may be so taken into account notwithstanding section 115 of the Social Security Amendments of 1954 (42 U.S.C., supp. IV, 410, note) or any other provision of law.

"(h) Subsections (b), (c), (d), (e), (f), and (g) of this section shall apply to the Central Bank for Cooperatives and its personnel and the board of directors of the Central Bank for Cooperatives shall have all the authority and responsibility with respect to personnel of such central bank as is vested in the farm credit board of a district or the board of directors of a district bank for cooperatives with respect to personnel of any such district bank under subsection (a)(1) of this section.

SEC. 202. (a) Section 210(a)(6)(B)(ii) of title II of the Social Security Act, as amended (42 U.S.C., supp. IV, 410(a)(6)(B)(ii)), and section 3121(b)(6)(B)(ii) of the Internal Revenue Code of 1954, as amended (26 U.S.C., supp. IV, 3121(b)(6)(B)(ii)), are each amended by inserting "a Federal land bank, a Federal intermediate credit bank, a bank for cooperatives," immediately before the words "a national farm loan association" therein.

(b) Section 2680 of title 28, United States Code, is amended by adding at the end thereof the following new subsection: "(n) Any claim arising from the activities of a Federal land bank, a Federal intermediate credit bank, or a bank for cooperatives.".

(c) Section 102(b) of the Federal Employees Pay Act of 1945, as amended (5 U.S.C. 902(b)), is amended by striking out "and" immediately preceding "(6)" therein and by inserting before the period at the end thereof "; and (7) officers and employees of a Federal land bank, a Federal intermediate credit bank, or a bank for cooperatives".

(d) Section 303 of the Government Employees' Incentive Awards Act (5 U.S.C., supp. IV, 2122) is amended by inserting within the parentheses after the words "the Tennessee Valley Authority" the words "or the Central Bank for Cooperatives".

(e) Section 205(e) of the Annual and Sick Leave Act of 1951, as added by section 4(b) of the Act of July 2, 1953 (5 U.S.C., supp. IV, 2064(e)), and section 1 of the Act of December 21, 1944, as amended by section 4(a) of the Act of July 2, 1953 (5 U.S.C., supp. IV, 61b), are each amended by substituting "(C), (H), or (I)" for "(C), or (H)" therein.

SEC. 203. (a) Nothing in this bill shall be deemed to amend, alter, repeal, or restrict the application of (1) section 190 of the Revised Statutes (5 U.S.C. 99), relating to the prosecution of claims against the United States by former employees; (2) the Act of August 26, 1950 (5 U.S.C. 22–1, 22–2, 22–3), relating to the suspension and separation of employees for security reasons; (3) section 710(e) of the Defense Production Act of 1950, as amended (50 U.S.C., app., supp. IV, 2160(e)), relating to the authority of the President to provide for an executive reserve training program; or (4)

any Act of Congress the violation of which is punishable by a fine or imprisonment, or both.

(b) Any Act of Congress enacted after the effective date of this title and which states that it shall be applicable to agencies or instrumentalities of the United States or to corporations controlled or owned, in whole or in part, by the United States, or to officers and employees of the United States or such agencies or instrumentalities or corporations, shall not be applicable to a Federal land bank, Federal intermediate credit bank, or bank for cooperatives, or to its directors, officers, or employees unless such Act specifically so provides by naming such banks.

(c) This title shall become effective January 1, 1960.

Mr. MURRAY. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MURRAY: Page 14, strike out lines 8 to 17, inclusive, and insert in lieu thereof the following:

"(f) Each Federal land bank, Federal intermediate credit bank, and bank for cooperatives shall contribute to the civil service retirement and disability fund, for each fiscal year after June 30, 1960, a sum as provided by section 4(a) of the Civil Service Retirement Act, as amended (5 U.S.C. 2254(a)), except that such sum shall be determined by applying to the total basic salaries (as defined in that Act) paid to the employees of said banks who are covered by that Act, the per centum rate determined annually by the U.S. Civil Service Commission to be the excess of the total normal cost per centum rate of the civil service retirement system over the employee deduction rate specified in such section 4(a). Each bank shall also pay into the Treasury as miscellaneous receipts such portion of the cost of administration of the fund as is determined by the U.S. Civil Service Commission to be attributable to its employees."

The SPEAKER. The question is on the amendment offered by the gentleman from Tennessee [Mr. MURRAY].

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.

Mr. MURRAY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. MURRAY. Mr. Speaker, section 201(c) of H.R. 6353 adds at the end of section 6 of the Farm Credit Act of 1937 certain new subsections, including a new subsection (f) appearing at page 14, lines 8 through 17, of the reported bill. The new subsection (f) will continue under coverage of the Civil Service Retirement Act approximately 1,600 employees of Federal land banks, Federal intermediate credit banks, and banks for cooperatives, although they will no longer be Federal employees after enactment of H.R. 6353. This represents a departure from the established principle that the Civil Service Retirement Act shall apply only to Federal employees.

The equities in favor of these employees have been most ably explained to me by the distinguished gentleman from North Carolina, the chairman of the Committee on Agriculture, and I concur in his view that they are entitled to all possible consideration. They have served for a number of years in positions in the banks which have been covered by the Civil Service Retirement Act since 1942. I understand that the average length of service rendered is 20 years or more. It would be unfair to the employees and possibly adverse to the interests of the banks were the employees, through no fault of their own, to be deprived of retirement protection they have had for many years.

Without this amendment, the new subsection (f) would have one further effect which is undesirable. The reported bill provides for continued contribution by the employees at the rate of 6½ percent of their annual salaries. The banks would match this contribution and pay a fair share of the cost of administration of the retirement fund. This provision would result in an unwarranted additional cost to the civil service retirement and disability fund, which already is in serious financial condition. The recent actuarial valuation of the fund discloses obligations exceeding assets by $27 billion. This amount actually represents a deficit in the fund.

The reported bill makes no provision for payment by the employees or the banks of the difference between their combined contributions and the current annual cost of the retirement coverage provided—generally referred to as the "normal cost." Presently, approximately 19.5 percent of annual payroll is required to maintain the retirement fund on a current basis and to pay interest on the past deficit. The 19.5 percent consists of 6½ percent of salary contributed by the employees, 6½ percent matching contribution by the agencies, approximately one-half of 1 percent to cover the normal, or currently accruing, costs for each year, and 6 percent interest on the deficit.

Thus, the current or normal cost of civil service retirement coverage for the employees in the instant case will be approximately 13½ percent of payroll, rather than the total of 13 percent provided for by the bill. The difference of one-half of 1 percent of payroll represents an unwarranted expense to the already overburdened retirement fund.

In summary, the amendment will continue retirement coverage for the employees concerned, as is done by the reported bill, with the employees contributing 6½ percent of their salaries. However, the amendment requires the banks to contribute an amount each year equal to the difference between the employees' 6½-percent contribution and the normal cost of the fund for that year—presently 13½ percent. The banks would contribute approximately 7 percent of payroll, compared to 6½ percent under the reported bill, in addition to their fair share of the cost of administering the retirement fund.

The amendment continues the obligations of the Government to bear the normal cost and interest related to service rendered by the employees up to the date of enactment of the bill. The banks will assume the obligation for retirement coverage of the employees after enactment of H.R. 6353—that is, when they will no longer be Federal employees but will continue under the Federal retirement system—beginning with the first full fiscal year commencing after enactment of the bill.

I believe that this amendment is desirable and will assure fair treatment of the employees while at the same time preventing any undue drain on the civil service retirement fund.

Mr. SMITH of Iowa. 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 Iowa?

There was no objection.

Mr. SMITH of Iowa. Mr. Speaker, this bill S. 1512 provides authority for the Federal land bank to make loans on an unamortized or partially amortized basis. As a general rule, a loan would be made on an amortized basis, and several citizens in Iowa have expressed opposition to the violation of this general rule. I have made inquiry of members of the committee concerning the intent of this provision and found overwhelming support for the provision. In response to inquiries, the Farm Credit Administration has made a statement which I believe expresses the intent of the members with whom I have discussed this matter. The statement is as follows:

Under present law, Federal land banks may make loans only under an amortization plan calling for a fixed number of annual or semiannual payments. The bill would authorize the land banks to make loans on an unamortized or partially amortized basis under rules and regulations issued by the Farm Credit Administration.

Generally, amortized loans are considered to be in the best interest of both borrower and lender. The making of such loans would continue to be the primary business of the banks. There are special circumstances, however, where some land bank borrowers, after paying off a substantial portion of their loans, would prefer to use their income for farm improvements or other expenses. Also, in some instances, older borrowers would prefer to have a certain amount of debt against their farms and use the money for living expenses which would otherwise go to reduce the debt. There are other farmers who, like many business concerns, prefer to carry on their normal operations with a certain amount of mortgage indebtedness against the farm. The land banks could better serve the needs of all these farmers if they were authorized to make unamortized or partially amortized loans. It is intended, however, that the banks use this authority only in special situations such as those indicated above and they would not be permitted to do so in any case if there would likely be a deterioration in the security for the loan. It will be noted that under the language of the bill the authority of the banks in this respect is subject to close supervision by the Farm Credit Administration, since loans of this kind could be made only under rules and regulations issued by the Farm Credit Administration. The Farm Credit Administration can be relied upon to prevent any abuse of this authority.

Mr. Speaker, I know there are special situations where it is better business to reduce indebtedness secured by chattel mortgages that bear a higher interest rate than to reduce the land mortgage.

The bill as a whole provides some good improvements.

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the Senate bill (S. 1512) 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, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Farm Credit Act of 1959".

TITLE I—FEDERAL LAND BANKS

SEC. 101. Section 3 of the Federal Farm Loan Act, as amended, is amended—

(a) by changing the paragraph thereof relating to the appointment of registrars, appraisers, and examiners (12 U.S.C. 656) to read:

"The Farm Credit Administration shall appoint a farm loan registrar for each farm credit district to receive applications for issues of farm loan bonds and to perform such other services as are prescribed by this Act; and may appoint a deputy registrar who shall during the unavoidable absence or disability of the registrar perform the duties of that office. It shall also appoint as many farm credit appraisers and farm credit examiners as it shall deem necessary. Such farm loan registrars, deputy registrars, farm credit appraisers, and farm credit examiners shall have no connection with or interest in any institution, association, or partnership engaged in banking or in the business of making land mortgage loans or selling land mortgages but they may perform such duties as are authorized by the Farm Credit Administration in connection with the business of the banks and associations it supervises: *Provided,* That this limitation shall not apply to persons employed by the Farm Credit Administration on a temporary basis.";

(b) by deleting the paragraph thereof relating to the compensation of appraisers and inspectors (12 U.S.C. 658);

(c) by deleting the paragraph thereof relating to the employment of certain personnel by the Farm Credit Administration (12 U.S.C. 659); and

(d) by deleting the second sentence of the third paragraph from the end thereof (12 U.S.C. 662).

SEC. 102. (a) The second paragraph of section 9 of the Federal Farm Loan Act, as amended (12 U.S.C. 742), is amended to read:

"Any person desiring to secure a loan through a Federal land bank association under the provisions of this Act may, at its option, borrow from the Federal land bank through such association the sum necessary to pay for shares of stock subscribed for by him in the Federal land bank association. Any such sum for the purchase of stock shall be made a part of the face amount of the loan and such sum shall for all purposes be additional to the 65 per centum of the normal value of the farm as specified in any provision of this Act."

(b) Section 10 of the Federal Farm Loan Act, as amended (12 U.S.C. 751–757), is amended to read:

"SEC. 10. (a) Whenever an application for a mortgage loan is made to a Federal land bank association, the loan committee provided for in section 7 of this Act shall cause to be made such investigation as it may deem necessary as to the character and solvency of the applicant and the sufficiency of the security offered. When it appears that a loan may be approved, the loan committee shall obtain a written report on the security by an appraiser designated or appointed by the Federal land bank of the district and such appraiser shall investigate and make a written report upon the security offered. Such appraisal investigation and report shall be made in accordance with appraisal standards prescribed by the Farm Credit Administration and may be made by any competent person (including an employee of a Federal land bank association) when designated for that purpose by the Federal land bank of the district. The loan committee shall cause a written report to be made of the results of such investigations of the applicant and the security and shall, if it concurs in such report, approve the same in writing. After the loan committee has reached an agreement as to the amount and terms of the loan which may be offered to the applicant, if such amount is not in excess of 65 per centum of the normal value of the security offered as determined by said appraiser, the association may notify the applicant of the amount and terms of the loan approved by the loan committee: *Provided,* That any such notice shall contain a statement that the amount and terms of the loan offered to the applicant are subject to and conditioned upon subsequent approval or disapproval by the Federal land bank.

"(d) The written report of the loan committee and the report made by an appraiser designated or appointed by the Federal land bank shall be submitted to the Federal land bank with the application for the loan, and the land bank shall examine said reports when it passes on the loan application which they accompany. No loan shall be made unless the report of the loan committee and the report of the appraiser are favorable.

"(c) All appraisal reports shall be made on forms approved by the Farm Credit Administration.

"(d) No farm credit appraiser and no appraiser designated or appointed by a Federal land bank shall make any appraisal in connection with a loan in which he is interested, directly or indirectly. No member of a loan committee or of a board of directors of a Federal land bank association shall participate in the consideration of or action on any loan in which he is interested, directly or indirectly.

"(e) Each Federal land bank shall conduct studies in such manner and to such extent as the Farm Credit Administration deems necessary in connection with the appraisal standards prescribed for the district.

"(f) Notwithstanding the foregoing provisions of this section—

"(1) appraisal reports made by appraisers heretofore or hereafter appointed by the Farm Credit Administration pursuant to section 3 of this Act may be used as a basis for Federal land bank loans;

"(2) the Farm Credit Administration may, in its discretion and in such circumstances and for such periods as it deems necessary, direct that any or all appraisals in connection with loans by any Federal land bank, or appraisal standards studies required by subsection (e), shall be made by farm credit appraisers appointed pursuant to section 3 of this Act; and

"(3) for purposes of paragraph (2) of this subsection, the Farm Credit Administration is authorized to employ additional farm credit appraisers, including such appraisers as it may select who have been designated or appointed by a Federal land bank, and to require that the salaries and other expenses of all such additional appraisers be paid by the Federal land bank served by them in such manner as the Farm Credit Administration shall determine.

"(g) Farm credit appraisers appointed pursuant to section 3 of this Act shall make such reviews and investigations as the Farm Credit Administration determines to be necessary to assure compliance with the appraisal standards prescribed by it pursuant to subsection (a) of this section; make such additional reviews and investigations concerning the quality of first mortgages securing farm loan bonds as the Farm Credit Administration shall direct; and perform such other duties as may be prescribed by the Farm Credit Administration. Any first mortgage which is found not to conform to the appraisal and loan standards prescribed by the Farm Credit Administration shall not be credited toward meeting the amount of bond collateral which a Federal land bank is required to maintain with a farm loan registrar except in such amount as the Farm Credit Administration shall approve."

SEC. 103. On the effective date of this title each land bank appraiser shall be transferred from the Farm Credit Administration to the Federal land bank served by him immediately prior to said effective date, without reduction in salary and accumulated leave, unless the Farm Credit Administration, in its discretion, determines that individual appraisers shall be retained as farm credit appraisers. The selection of personnel for transfer, or for retention as farm credit appraisers, shall be without regard to section 12 of the Veterans' Preference Act of 1944 as amended. Land bank appraisers shall be subject to the same employment conditions as other bank employees after transfer under this section. At least sixty days prior to the effective date of this title the Farm Credit Administration shall notify each land bank appraiser that he is to be transferred to a Federal land bank or that he is to be retained in the Farm Credit Administration. Any land bank appraiser who notifies the Farm Credit Administration in writing at least thirty days before the effective date of this title that he does not desire to accept employment as stated in the notice from the Farm Credit Administration shall be separated from employment on said effective date and such separation shall be deemed involuntary.

SEC. 104. (a) Section 12 of the Federal Farm Loan Act, as amended (12 U.S.C. 771), is amended by (1) changing the last proviso of paragraph second thereof to read: "*And provided further,* That any land bank may make loans on an unamortized or partially amortized basis, under rules and regulations issued by the Farm Credit Administration."; (2) striking out of paragraph seventh thereof "loans to any one borrower shall in no case exceed a maximum of $200,000, but".

(b) Section 20 of the Federal Farm Loan Act, as amended, is amended by deleting the second sentence thereof (12 U.S.C. 861, second sentence) and by inserting the following immediately before the period at the end of the last sentence thereof (12 U.S.C. 864, last sentence): ", except that, with the approval of the Farm Credit Administration, an issue of bonds may be limited to bearer or coupon bonds".

(c) The first and second sentences of section 23 of the Federal Farm Loan Act, as amended (12 U.S.C. 901), are amended by substituting "at the end of each fiscal year" for "semiannually" therein.

(d) The first and second sentences of section 24 of the Federal Farm Loan Act, as amended (12 U.S.C. 911), are amended by substituting "at the end of each fiscal year" for "semiannually" therein.

(e) The seventh paragraph of section 29 of the Federal Farm Loan Act, as amended (12 U.S.C. 967), is amended by changing "land bank appraiser" in the second and third sentences thereof to "farm credit appraiser".

(f) Section 202(c) of the Federal Farm Loan Act, as amended (12 U.S.C. 1033), is amended by changing the period at the end thereof to a comma and adding the following: "and any Federal intermediate credit bank may in its discretion purchase such loans or discounts with or without such endorsement."

(g) Section 208(c) of the Federal Farm Loan Act, as amended (12 U.S.C. 1093), is amended by changing "Land bank appraisers" in the first sentence thereof to "Farm credit appraisers".

(h) The Federal Farm Loan Act, as amended (12 U.S.C. 641 and the following), and any other Act of Congress in which the words appear, are amended by changing "national farm loan association" and "national farm loan associations" to "Federal land bank association" and "Federal land bank associations", respectively.

(i) The Federal Farm Loan Act, as amended (12 U.S.C. 641 and the following), and any other Act of Congress in which the words appear, are amended by changing "secretary-treasurer" and "secretary-treasurers", when used to mean the secretary-treasurer of a national farm loan association (herein renamed "Federal land bank association"), to "manager" and "managers", respectively.

(j) The first sentence of section 5(d) of the Farm Credit Act of 1953 (12 U.S.C. 636d(d)) is amended by inserting immediately before the period at the end thereof ": *Provided*, That the salary of not more than three positions of deputy governor shall each be fixed by the Board at a rate not exceeding $17,500 per annum".

SEC. 105. This title shall become effective December 31, 1959.

TITLE II—STATUS OF FARM CREDIT BANKS AND EMPLOYEES

SEC. 201. Notwithstanding any other provision of law, and in order to encourage and facilitate increased borrower participation in the management and control of institutions operating under the supervision of the Farm Credit Administration in accordance with the policy declared in section 2 of the Farm Credit Act of 1953 (12 U.S.C. 636a), section 6 of the Farm Credit Act of 1937, as amended (12 U.S.C. 6401), is amended as follows:

(a) By inserting "(a)" immediately following "SEC. 6.", by redesignating subsections "(a)" and "(b)" as paragraphs "(1)" and "(2)", respectively, and by deleting subsection "(c)".

(b) By adding the following at the end of paragraph (1) of subsection (a) thereof (as redesignated herein): "The employment, compensation, leave, retirement (except as provided in subsection (e) hereof), hours of duty, and all other conditions of employment of such joint officers and employees employed by the district farm credit board, and of separate officers and employees of the Federal land bank, Federal intermediate credit bank, and bank for cooperatives of the district employed by the board of directors of such banks, shall be determined by the respective boards without regard to the laws from which exemption is granted in this section, but all such determinations shall be consistent with the laws under which such banks are organized and operate. Appointments, promotions, and separations so made shall be based on merit and efficiency and no political test or qualification shall be permitted or given consideration. The district farm credit board shall, under rules and regulations prescribed by the Farm Credit Administration, provide for veterans' preference and limitations against political activity for such officers and employees substantially similar to the preference and limitations to which such officers and employees were subject upon enactment of this sentence."

(c) By adding the following new subsections after subsection (a) thereof (as redesignated herein):

"(b) The provisions of section 1753 of the Revised Statutes (5 U.S.C. 631) and the Act of January 16, 1883, entitled 'An Act to regulate and improve the civil service of the United States', as amended (22 Stat. 403; 5 U.S.C. 632 and the following), any laws supplementary thereto, including but not limited to the Act of August 24, 1912, as amended (5 U.S.C. 652), section 1 of the Act of November 26, 1940, as amended (5 U.S.C. 631a), and section 1310 of the Supplemental Appropriation Act, 1952, as amended (5 U.S.C. 43, note), and any rules, orders, or regulations promulgated for carrying such Acts or laws into effect, shall not apply to a Federal land bank, Federal intermediate credit bank, or bank for cooperatives, or to its directors, officers, or employees.

"(c) The Federal Employees' Compensation Act, as amended (5 U.S.C., ch. 15), shall not be applicable in respect to the injury, disability, or death of any employee of a Federal land bank, Federal intermediate credit bank, or bank for cooperatives unless such injury, disability, or death (or cause thereof) occurred before January 1, 1960.

"(d) Section 9 of the Hatch Act, as amended (5 U.S.C. 118i), and the Veterans' Preference Act of 1944, as amended (5 U.S.C. 851–869), shall not be deemed to apply to a Federal land bank, Federal intermediate credit bank, or bank for cooperatives, or to its directors, officers, or employees.

"(e) Each officer and employee of a Federal land bank, Federal intermediate credit bank, or bank for cooperatives who, on December 31, 1959, is within the purview of the Civil Service Retirement Act, as amended (5 U.S.C., ch. 30), shall continue so during his continuance as an officer or employee of any such banks without break in continuity of service. Any other officer or employee of such banks and any other person entering upon employment with any such banks after December 31, 1959, shall not be covered under the civil service retirement system by reason of such employment, except that (1) a person who, on December 31, 1959, is within the purview of the Civil Service Retirement Act, as amended, and thereafter becomes an officer or employee of any such banks without break in continuity of service shall continue under the civil service retirement system during his continuance as an officer or employee of any such banks without break in continuity of service and (2) a person who has been within the purview of said Act as an officer or employee of such banks and, after a break in such employment, again becomes an officer or employee of any such banks may elect to continue under the civil service retirement system during his continuance as such officer or employee by so notifying the Civil Service Commission in writing within thirty days after such reemployment.

"(f) In addition to such amounts as they are required to contribute to the civil service retirement and disability fund under section 4(a) of the Civil Service Retirement Act, as amended (5 U.S.C. 2254(a)), each Federal land bank, Federal intermediate credit bank, and bank for cooperatives shall, for each fiscal year after June 30, 1960, pay to the Farm Credit Administration to be covered into the Treasury as miscellaneous receipts, its fair portion of the cost of administration of said fund as determined in annual billings by the Civil Service Commission.

"(g) Any Federal land bank, Federal intermediate credit bank, or bank for cooperatives may, subject to the approval of the Farm Credit Administration, establish a retirement system for its officers and employees either separately or jointly with any other corporation under the supervision of the Farm Credit Administration. In determining eligibility for or the amount of any benefit under any such retirement system, there shall not be taken into account any service which is creditable under the Civil Service Retirement Act, as amended, but service which constitutes employment as defined in section 210(a) of the Social Security Act, as amended (42 U.S.C. 410(a)), may be so taken into account notwithstanding section 115 of the Social Security Amendments of 1954 (42 U.S.C. 410, note) or any other provision of law.

"(h) Subsections (b), (c), (d), (e), (f), and (g) of this section shall apply to the Central Bank for Cooperatives and its personnel and the board of directors of the Central Bank for Cooperatives shall have all the authority and responsibility with respect to personnel of such Central Bank as is vested in the farm credit board of a district or the board of directors of a district bank for cooperatives with respect to personnel of any such district bank under subsection (a)(1) of this section."

SEC. 202. (a) Section 210(a)(6)(B)(ii) of title II of the Social Security Act, as amended (42 U.S.C. 410(a)(6)(B)(ii)), and section 3121(b)(6)(B)(ii) of the Internal Revenue Code of 1954, as amended (26 U.S.C. 3121(b)(6)(B)(ii)), are each amended by inserting "a Federal land bank, a Federal intermediate credit bank, a bank for cooperatives," immediately after the words "employ of" therein.

(b) Section 2680 of title 28, United States Code, is amended by adding at the end thereof the following new subsection:

"(n) Any claim arising from the activities of a Federal land bank, a Federal intermediate credit bank, or a bank for cooperatives."

(c) Section 102(b) of the Federal Employees Pay Act of 1945, as amended (5 U.S.C. 902(b)), is amended by striking out "and" immediately preceding "(6)" therein and by inserting before the period at the end thereof "; and (7) officers and employees of a Federal land bank, a Federal intermediate credit bank, or a bank for cooperatives".

(d) Section 303 of the Government Employees' Incentive Awards Act (5 U.S.C. 2122) is amended by inserting within the parentheses after the words "the Tennessee Valley Authority" the words "or the Central Bank for Cooperatives".

(e) Section 205(e) of the Annual and Sick Leave Act of 1951, as added by section 4(b) of the Act of July 2, 1953 (5 U.S.C. 2064(e)), and section 1 of the Act of December 21, 1944, as amended by section 4(a) of the Act of July 2, 1953 (5 U.S.C. 61b), are each amended by substituting "(C), (H), or (I)" for "(C), or (H)" therein.

SEC. 203. (a) Nothing in this title shall be deemed to amend, alter, repeal, or restrict the application of (1) section 190 of the Revised Statutes (5 U.S.C. 99), relating to the prosecution of claims against the United States by former employees; (2) the Act of August 26, 1950 (5 U.S.C. 22–1, 22–2, 22–3), relating to the suspension and separation of employees for security reasons; (3) section 710(e) of the Defense Production Act of 1950, as amended (50 U.S.C., App., 2160(e)), relating to the authority of the President to provide for an executive reserve training program; or (4) any Act of Congress the violation of which is punishable by a fine or imprisonment, or both.

(b) Any Act of Congress enacted after the effective date of this title and which states that it shall be applicable to agencies or instrumentalities of the United States or to

corporations controlled or owned, in whole or in part, by the United States, or to officers and employees of the United States or such agencies or instrumentalities or corporations, shall not be applicable to a Federal land bank, Federal intermediate credit bank, or bank for cooperatives, or to its directors, officers, or employees unless such Act specifically so provides by naming such banks.

(c) This title shall become effective January 1, 1960.

Mr. COOLEY. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COOLEY: Strike out all after the enacting clause of the bill, S. 1512, and insert the provisions of the bill, H.R. 6353, as passed, as follows: "That this Act may be cited as the 'Farm Credit Act of 1959'.

"TITLE I—FEDERAL LAND BANKS

"SEC. 101. Section 3 of the Federal Farm Loan Act, as amended, is amended—

"(a) by changing the paragraph thereof relating to the appointment of registrars, appraisers, and examiners (12 U.S.C. 656) to read:

"'The Farm Credit Administration shall appoint a farm loan registrar for each farm credit district to receive applications for issues of farm loan bonds and to perform such other services as are prescribed by this Act, and may appoint a deputy registrar who shall during the unavoidable absence or disability of the registrar perform the duties of that office. It shall also appoint as many farm credit appraisers and farm credit examiners as it shall deem necessary. Such farm loan registrars, deputy registrars, farm credit appraisers, and farm credit examiners shall have no connection with or interest in any institution, association, or partnership engaged in banking or in the business of making land mortgage loans or selling land mortgages but they may perform such duties as are authorized by the Farm Credit Administration in connection with the business of the banks and associations it supervises: *Provided*, That this limitation shall not apply to persons employed by the Farm Credit Administration on a temporary basis.';

"(b) by deleting the paragraph thereof relating to the compensation of appraisers and inspectors (12 U.S.C. 658);

"(c) by deleting the paragraph thereof relating to the employment of certain personnel by the Farm Credit Administration (12 U.S.C. 659); and

"(d) by deleting the second sentence of the third paragraph from the end thereof (12 U.S.C. 662).

"SEC. 102. (a) The second paragraph of section 9 of the Federal Farm Loan Act, as amended (12 U.S.C. 742), is amended to read:

"'Any person desiring to secure a loan through a Federal land bank association under the provisions of this Act may, at his option, borrow from the Federal land bank through such association the sum necessary to pay for shares of stock subscribed for by him in the Federal land bank association. Any such sum for the purchase of stock shall be made a part of the face amount of the loan and such sum shall for all purposes be additional to the 65 per centum of the normal value of the farm as specified in any provision of this Act.'

"(b) Section 10 of the Federal Farm Loan Act, as amended (12 U.S.C. 751–757), is amended to read:

"'SEC. 10. (a) Whenever an application for a mortgage loan is made to a Federal land bank association, the loan committee provided for in section 7 of this Act shall cause to be made such investigation as it may deem necessary as to the character and solvency of the applicant and the sufficiency of the security offered. When it appears that a loan may be approved, the loan committee shall obtain a written report on the security by an appraiser designated or appointed by the Federal land bank of the district and such appraiser shall investigate and make a written report upon the security offered. Such appraisal, investigation, and report shall be made in accordance with appraisal standards prescribed by the Farm Credit Administration and may be made by any competent person (including an employee of a Federal land bank association) when designated for that purpose by the Federal land bank of the district. The loan committee shall cause a written report to be made of the results of such investigations of the applicant and the security and shall, if it concurs in such report, approve the same in writing. After the loan committee has reached an agreement as to the amount and terms of the loan which may be offered to the applicant, if such amount is not in excess of 65 per centum of the normal value of the security offered as determined by said appraiser, the association may notify the applicant of the amount and terms of the loan approved by the loan committee: *Provided*, That any such notice shall contain a statement that the amount and terms of the loan offered to the applicant are subject to and conditioned upon subsequent approval or disapproval by the Federal land bank.

"'(b) The written report of the loan committee and the report made by an appraiser designated or appointed by the Federal land bank shall be submitted to the Federal land bank with the application for the loan, and the land bank shall examine said reports when it passes on the loan application which they accompany. No loan shall be made unless the report of the loan committee and the report of the appraiser are favorable.

"'(c) All appraisal reports shall be made on forms approved by the Farm Credit Administration.

"'(d) No farm credit appraiser and no appraiser designated or appointed by a Federal land bank shall make any appraisal in connection with a loan in which he is interested, directly or indirectly. No member of a loan committee or of a board of directors of a Federal land bank association shall participate in the consideration of or action on any loan in which he is interested, directly or indirectly.

"'(e) Each Federal land bank shall conduct studies in such manner and to such extent as the Farm Credit Administration deems necessary in connection with the appraisal standards prescribed for the district.

"'(f) Notwithstanding the foregoing provisions of this section—

"'(1) appraisal reports made by appraisers heretofore or hereafter appointed by the Farm Credit Administration pursuant to section 3 of this Act may be used as a basis for Federal land bank loans;

"'(2) the Farm Credit Administration may in its discretion and in such circumstances and for such periods as it deems necessary, direct that any or all appraisals in connection with loans by any Federal land bank, or appraisal standards studies required by subsection (e), shall be made by farm credit appraisers appointed pursuant to section 3 of this Act; and

"'(3) for purposes of paragraph (2) of this subsection, the Farm Credit Administration is authorized to employ additional farm credit appraisers, including such appraisers as it may select who have been designated or appointed by a Federal land bank, and to require that the salaries and other expenses of all such additional appraisers be paid by the Federal land bank served by them in such manner as the Farm Credit Administration shall determine.

"'(g) Farm credit appraisers appointed pursuant to section 3 of this Act shall make such reviews and investigations as the Farm Credit Administration determines to be necessary to assure compliance with the appraisal standards prescribed by it pursuant to subsection (a) of this section; make such additional reviews and investigations concerning the quality of first mortgages securng farm loan bonds as the Farm Credit Administration shall direct; and perform such other duties as may be prescribed by the Farm Credit Administration. Any first mortgage which is found not to conform to the appraisal and loan standards prescribed by the Farm Credit Administration shall not be credited toward meeting the amount of bond collateral which a Federal land bank is required to maintain with a farm loan registrar except in such amount as the Farm Credit Administration shall approve.'

"SEC. 103. On the effective date of this title each land bank appraiser shall be transferred from the Farm Credit Administration to the Federal land bank served by him immediately prior to said effective date, without reduction in salary and accumulated leave, unless the Farm Credit Administration, in its discretion, determines that individual appraisers shall be retained as farm credit appraisers. The selection of personnel for transfer or for retention as farm credit appraisers, shall be without regard to section 12 of the Veterans' Preference Act of 1944, as amended (5 U.S.C. 861). Land bank appraisers shall be subject to the same employment conditions as other bank employees after transfer under this section. At least 60 days prior to the effective date of this title the Farm Credit Administration shall notify each land bank appraiser that he is to be transferred to a Federal land bank or that he is to be retained in the Farm Credit Administration. Any land bank appraiser who notifies the Farm Credit Administration in writing at least 30 days before the effective date of this title that he does not desire to accept employment as stated in the notice from the Farm Credit Administration shall be separated from employment on said effective date and such separation shall be deemed involuntary.

"SEC. 104. (a) Section 12 of the Federal Farm Loan Act, as amended (12 U.S.C. 771), is amended by (1) changing the last proviso of paragraph 'Second' thereof to read: '*And provided further*, That any land bank may make loans on an unamortized or partially amortized basis, under rules and regulations issued by the Farm Credit Administration.'; (2) striking out of paragraph "Seventh" thereof 'loans to any one borrower shall in no case exceed a maximum of $200,000, but'.

"(b) Section 20 of the Federal Farm Loan Act, as amended, is amended by deleting the second sentence thereof (12 U.S.C. 861, second sentence) and by inserting the following immediately before the period at the end of the last sentence thereof (12 U.S.C. 864, last sentence): ', except that, with the approval of the Farm Credit Administration, an issue of bonds may be limited to bearer or coupon bonds'.

"(c) The first and second sentences of section 23 of the Federal Farm Loan Act, as amended (12 U.S.C. 901), are amended by substituting 'at the end of each fiscal year' for 'semiannually' therein.

"(d) The first and second sentences of sesction 24 of the Federal Farm Loan Act, as amended (12 U.S.C. 911), are amended by substituting 'at the end of each fiscal year' for 'semiannually' therein.

"(e) The seventh paragraph of section 29 of the Federal Farm Loan Act, as amended (12 U.S.C. 967), is amended by changing 'land bank appraiser' in the second and third sentences thereof to 'farm credit appraiser'.

"(f) Section 202(c) of the Federal Farm Loan Act, as amended (12 U.S.C. 1033), is amended by changing the period at the end

thereof to a comma and adding the following: 'and any Federal intermediate credit bank may in its discretion purchase such loans or discounts with or without such endorsement.'

"(g) Section 208(c) of the Federal Farm Loan Act, as amended (12 U.S.C. 1093), is amended by changing 'Land bank appraisers' in the first sentence thereof to 'Farm credit appraisers'.

"(h) The Federal Farm Loan Act, as amended (12 U.S.C. 641 et sec.), and any other Act of Congress in which the words appear, are amended by changing 'national farm loan association' and 'national farm loan associations' to 'Federal land bank association' and 'Federal land bank associations', respectively.

"(i) The Federal Farm Loan Act, as amended (12 U.S.C. 641 et seq.), and any other Act of Congress in which the words appear, are amended by changing "secretary-treasurer' and 'secretary-treasurers', when used to mean the secretary-treasurer of a national farm loan association (herein renamed 'Federal land bank association'), to 'manager' and 'managers', respectively.

"(j) The first sentence of section 5(d) of the Farm Credit Act of 1953 (12 U.S.C. 636d (d) is amended by inserting immediately before the period at the end thereof ': *Provided*, That the salary of not more than three positions of deputy governor shall each be fixed by the Board at a rate not exceeding $17,500 per annum'.

"(k) This title shall become effective December 31, 1959.

"TITLE II—STATUS OF FARM CREDIT BANKS AND EMPLOYEES

"SEC. 201. Notwithstanding any other provision of law, and in order to encourage and facilitate increased borrower participation in the management and control of institutions operating under the supervision of the Farm Credit Administration in accordance with the policy declared in section 2 of the Farm Credit Act of 1953 (12 U.S.C., supp. IV, 636a), section 6 of the Farm Credit Act of 1937, as amended (12 U.S.C. 6401), is amended—

"(a) by inserting '(a)' immediately following 'SEC. 6.', by redesignating subsections '(a)' and '(b)' as paragraphs '(1)' and '(2)', respectively, and by deleting subsection '(c)';

"(b) by adding the following at the end of paragraph (1) of subsection (a) thereof (as redesignated herein): 'The employment, compensation, leave, retirement (except as provided in subsection (e) hereof), hours of duty, and all other conditions of employment of such joint officers and employees employed by the district farm credit board, and of separate officers and employees of the Federal land bank, Federal intermediate credit bank, and bank for cooperatives of the district employed by the board of directors of such banks, shall be determined by the respective boards without regard to the laws from which exemption is granted in this section, but all such determinations shall be consistent with the laws under which such banks are organized and operate. Appointments, promotions, and separations so made shall be based on merit and efficiency and no political test or qualification shall be permitted or given given consideration. The district farm credit board shall, under rules and regulations prescribed by the Farm Credit Administration, provide for veterans' preference and limitations against political activity for such officers and employees substantially similar to the preference and limitations to which such officers and employees were subject upon enactment of this sentence."; and

"(c) by adding the following new subsections after subsection (a) thereof (as redesignated herein):

"'(b) The provisions of section 1753 of the Revised Statutes (5 U.S.C. 631) and the Act of January 16, 1883, entitled "An Act to regulate and improve the civil service of the United States", as amended (22 Stat. 403; 5 U.S.C. 632 et seq.), any laws supplementary thereto, including but not limited to the Act of August 24, 1912, as amended (5 U.S.C. 652), section 1 of the Act of November 26, 1940, as amended (5 U.S.C. 631a), and section 1310 of the Supplemental Appropriation Act, 1952, as amended (5 U.S.C. 43, note) and any rules, orders, or regulations promulgated for carrying such Acts or laws into effect, shall not apply to a Federal land bank, Federal intermediate credit bank, or bank for cooperatives, or to its directors, officers, or employees.

"'(c) The Federal Employees' Compensation Act, as amended (5 U.S.C., ch. 15), shall not be applicable in respect to the injury, disability, or death of any employee of a Federal land bank, Federal intermediate credit bank, or bank for cooperatives unless such injury, disability, or death (or cause thereof) occurred before January 1, 1960.

"'(d) Section 9 of the Hatch Act, as amended (5 U.S.C. 118i), and the Veterans' Preference Act of 1944, as amended (5 U.S.C. 851–869), shall not be deemed to apply to a Federal land bank, Federal intermediate credit bank, or bank for cooperatives, or to its directors, officers, or employees.

"'(e) Each officer and employee of a Federal land bank, Federal intermediate credit bank, or bank for cooperatives who, on December 31, 1959, is within the purview of the Civil Service Retirement Act, as amended (5 U.S.C., supp. IV, ch. 30), shall continue so during his continuance as an officer or employee of any such banks without break in continuity of service. Any other officer or employee of such banks and any other person entering upon employment with any such banks after December 31, 1959, shall not be covered under the civil service retirement system by reason of such employment, except that (1) a person who, on December 31, 1959, is within the purview of the Civil Service Retirement Act, as amended, and thereafter becomes an officer or employee of any such banks without break in continuity of service shall continue under the civil service retirement system during his continuance as an officer or employee of any such banks without break in continuity of service and (2) a person who has been within the purview of said Act as an officer or employee of such banks and, after a break in such employment, again becomes an officer or employee of any such banks may elect to continue under the civil service retirement system during his continuance as such officer or employee by so notifying the Civil Service Commission in writing within thirty days after such reemployment.

"'(f) Each Federal land bank, Federal intermediate credit bank, and bank for cooperatives shall contribute to the civil service retirement and disability fund, for each fiscal year after June 30, 1960, a sum as provided by section 4(a) of the Civil Service Retirement Act, as amended (5 U.S.C. 2254(a)), except that such sums shall be determined by applying to the total basic salaries (as defined in that Act) paid to the employees of said banks who are covered by that Act, the per centum rate determined annually by the United States Civil Service Commission to be the excess of the total normal cost per centum rate of the civil service retirement system over the employee deduction rate specified in such section 4(a). Each bank shall also pay into the Treasury as miscellaneous receipts such portion of the cost of administration of the fund as is determined by the United States Civil Service Commission to be attributable to its employees.

"'(g) Any Federal land bank, Federal intermediate credit bank, or bank for cooperatives may, subject to the approval of the Farm Credit Administration, establish a retirement system for its officers and employees either separately or jointly with any other corporation under the supervision of the Farm Credit Administration. In determining eligibility for or the amount of any benefit under any such retirement system, there shall not be taken into account any service which is creditable under the Civil Service Retirement Act, as amended, but service which constitutes employment as defined in section 210(a) of the Social Security Act, as amended (42 U.S.C., supp. IV, 410(a)), may be so taken into account notwithstanding section 115 of the Social Security Amendments of 1954 (42 U.S.C., supp. IV., 410, note) or any other provision of law.

"'(h) Subsections (b), (c), (d), (e), (f), and (g) of this section shall apply to the Central Bank for Cooperatives and its personnel and the board of directors of the Central Bank for Cooperatives shall have all the authority and responsibility with respect to personnel of such central bank as is vested in the farm credit board of a district or the board of directors of a district bank for cooperatives with respect to personnel of any such district bank under subsection (a)(1) of this section.'

"SEC. 202. (a) Section 210(a)(6)(B)(ii) of title II of the Social Security Act, as amended (26 U.S.C., supp. IV, 3121(b)(6)(B)(ii), and section 3121(b)(6)(B)(ii) of the Internal Revenue Code of 1954, as amended (26 U.S., supp. IV, 3121(b)(6)(B)(ii)), are each amended by inserting 'a Federal land bank, a Federal intermediate credit bank, a bank for cooperatives,' immediately before the words 'a national farm loan association' therein.

"(b) Section 2680 of title 28, United States Code, is amended by adding at the end thereof the following new subsection: '(n) Any claim arising from the activities of a Federal land bank, a Federal intermediate credit bank, or a bank for cooperatives.'.

"(c) Section 102(b) of the Federal Employees Pay Act of 1945, as amended (5 U.S.C. 902(b)), is amended by striking out 'and' immediately preceding '(6)' therein and by inserting before the period at the end thereof '; and (7) officers and employees of a Federal land bank, a Federal intermediate credit bank, or a bank for cooperatives'.

"(d) Section 303 of the Government Employees' Incentive Awards Act (5 U.S.C., supp. IV, 2122) is amended by inserting within the parentheses after the words 'the Tennessee Valley Authority' the words 'or the Central Bank for Cooperatives'.

"(e) Section 205(e) of the Annual and Sick Leave Act of 1951, as added by section 4(b) of the Act of July 2, 1953 (5 U.S.C., supp. IV, 2064(e)), and section 1 of the Act of December 21, 1944, as amended by section 4(a) of the Act of July 2, 1953 (5 U.S.C., supp. IV, 61b), are each amended by substituting '(C), (H), or (I)' for '(C), or (H)' therein.

"SEC. 203. (a) Nothing in this title shall be deemed to amend, alter, repeal, or restrict the application of (1) section 190 of the Revised Statutes (5 U.S.C. 99), relating to the prosecution of claims against the United States by former employees; (2) the Act of August 26, 1950 (5 U.S.C. 22–1, 22–2, 22–3), relating to the suspension and separation of employees for security reasons; (3) section 710(e) of the Defense Production Act of 1950, as amended (50 U.S.C., app., supp. IV, 2160(e)), relating to the authority of the President to provide for an executive reserve training program; or (4) any Act of Congress the violation of which is punishable by a fine or imprisonment, or both.

"(b) Any Act of Congress enacted after the effective date of this title and which states that it shall be applicable to agencies or instrumentalities of the United States or

to corporations controlled or owned, in whole or in part, by the United States, or to officers and employees of the United States or such agencies or instrumentalities or corporations, shall not be applicable to a Federal land bank, Federal intermediate credit bank, or bank for cooperatives, or to its directors, officers, or employees unless such Act specifically so provides by naming such banks.

"(c) This title shall become effective January 1, 1960."

The SPEAKER. The question is on the amendment offered by the gentleman from North Carolina.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill was laid on the table.

LANDS SET ASIDE FOR QUINAULT TRIBE IN WASHINGTON

The Clerk called the bill (H.R. 2188) to set aside certain lands in Washington for Indians of the Quinault Tribe.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That lands heretofore reserved for school purposes at Queets Village, within the Quinault Indian Reservation, State of Washington, and constituting 15.3 acres of land, more or less, in lot numbered 7, section 35, township 24 north, range 13 west, Willamette meridian, a portion of which has been subdivided into lots and partially occupied by certain Quinault Indians, and all of which is surplus to present Government needs, shall be disposed of as follows:

(a) As to lots actually occupied and improved by individual Indians on February 1, 1958, each lot shall be patented to the individual occupants in accordance with section 10 of the Act of June 25, 1910 (36 Stat. 855, 858).

(b) All remaining lands of the said 15.3 acres shall be and the same are hereby set aside in trust for the Quinault Tribe of Indians.

With the following committee amendments:

Page 1, line 3, strike out the word "reserved" and insert in lieu thereof the word "purchased".

Page 1, line 8, strike out the word "partially".

Page 1, lines 9 and 10, strike out the words "and all of which is surplus to present Government needs, shall be disposed of as follows:" and insert in lieu thereof the following: "and all of which are surplus to the needs of the Department of the Interior, shall, with the improvements thereon, be disposed of by the Secretary of the Interior as follows:".

Page 1, line 11, through page 2, line 3, strike out all of subsection (a) and insert in lieu thereof the following:

"(a) Lots actually occupied and improved by individual Indians on February 1, 1958, shall be patented in trust to their occupants, as under sections 5 and 6 of the Act of February 8, 1887 (24 Stat. 389), as amended (25 U.S.C. 348, 349), but such lots may nevertheless be alienated to any member of the Quinault Tribe or, with the approval of the Secretary of the Interior, to another in which latter event they shall cease to be trust lands."

Page 2, after line 6, add a new section reading as follows:

"SEC. 2. Prior to disposition of the lands, as provided in section 1 of this Act, the Quinault Tribe of Indians shall have agreed to eliminate from their suit now pending before the Indian Claims Commission under the Act of August 13, 1946 (60 Stat. 1049, any claim based on alleged inadequate compensation for said lands and to renounce any other claim they may have with respect thereto. Neither the lands herein authorized to be disposed of, nor the cost or value of said lands, shall be considered by way of offset under section 2 of said Act. Nothing contained in this Act shall be construed as an admission of liability on the part of the United States with respect to these or any other lands."

Mr. HOFFMAN of Michigan. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I take this time, before we have a rollcall and before we go to lunch, to call the attention of the Speaker and the Members of the House to the fact that we have appropriated a good many dollars to the Health Department and also to the Food and Drug Administration. This you should know before you go to lunch, especially if you eat over in the House cafeteria: That in the subway I just passed a handtruck carrying raw beef over there. There was a paper over the top, but nothing on the sides to protect it from the sides of the meat—an open space about 3 to 4 feet long, 2½ feet wide.

Last week I noticed a food truck, a little truck—I do not mean a motortruck, but a hand-pushed truck—taking food through the underground passage with nothing over the top.

Before you go to lunch, I want to let you know that that situation exists here in the Capitol itself. I am not so sure that we are in a position to try to protect public health or the health of millions abroad when we do not protect our own.

The SPEAKER. The question is on the committee amendments.

The committee amendments were 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.

NONNAVIGABLE WATERS IN CHICAGO

The Clerk called the bill (H.R. 7948) to declare nonnavigable a part of the west arm of the south fork of the south branch of the Chicago River, situated in the city of Chicago, in the State of Illinois, as hereinafter described.

There being no objection, the Clerk read the bill, as follows:

Whereas that part of the west arm of the South Fork of the South Branch of the Chicago River situated in the city of Chicago in the State of Illinois hereinafter more particularly described, is not being used and is not usable as a navigable stream and in its present condition is more or less a nuisance; and

Whereas the said city of Chicago owns land bordering on said portion of said stream and wishes to fill in the same: Now, therefore,

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the said portion of said stream described as follows: "That part of the west arm of the South Fork of the South Branch of the Chicago River, as established by the ordinance of the city of Chicago on July 17, 1911, in the southwest quarter of section 32, township 39 north, range 14 east of the third principal meridian, in the city of Chicago, county of Cook, State of Illinois, lying westerly of a straight line drawn from a point in south dock line of the said west arm 203.94 feet westerly of the point of intersection of the south dock line of the said west arm with the west dock line of the east arm of the South Fork of the South Branch of the Chicago River, as established by said city of Chicago ordinance of July 17, 1911, measured along the south dock line of said west arm, thence to a point in the north dock line of the said west arm said point being 278 feet westerly of the intersection of the north dock line of the said west arm with the west dock line of the South Fork of the South Branch of the Chicago River as established by said city of Chicago ordinance of July 17, 1911, measured along the north dock line of said west arm of the South Fork of the South Branch of the Chicago River, is hereby declared to be and is hereafter to be regarded as a nonnavigable body of water."

With the following committee amendments:

On page 1, strike out the preamble.

On page 2, line 3, strike out the words beginning with "said" down through the word "part" in line 4 and insert in lieu thereof "portion".

Page 2, strike out lines 23, 24, and 25, and insert in lieu thereof the following: "of the South Branch of the Chicago River, is hereby declared to be and is hereafter to be regarded as a nonnavigable water of the United States within the meaning of the Constitution and laws of the United States: *Provided,* That plans for a suitable bulkhead to retain any fill to be placed in the waterway shall be submitted to and approved by the Corps of Engineers, United States Army, prior to the placing of such fill."

The committee amendments were 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.

INTERSTATE COMPACTS FOR AIRPORT FACILITIES

The Clerk called the bill (S. 2183) granting the consent of Congress to interstate compacts for the development or operation of airport facilities.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the consent of Congress is hereby given to each of the several States to enter into any agreement or compact, not in conflict with any law of the United States, with any other State or States for the purpose of developing or operating airport facilities. The right to alter, amend, or repeal this Act is expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION AND EXPANSION OF REFINANCING LOAN AUTHORITY

The Clerk called the bill (H.R. 7629) to make permanent the authority of the Secretary of Agriculture to make loans under section 17 of the Bankhead-Jones Farm Tenant Act, as amended, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 17 of the Bankhead-Jones Farm Tenant Act, as amended, is amended (1) by striking out at the beginning of such section "Until June 30, 1959, the" and inserting in lieu thereof "The" and (2) by striking out of the second sentence the words "livestock and farm equipment" and inserting in lieu thereof the words "other assets".

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.

PRESERVATION OF SULLY PLANTATION BUILDINGS

The Clerk called the bill (H.R. 4329) to prohibit the immediate demolition of certain dwellings being acquired in connection with the Chantilly airport site, Virginia, and for other purposes.

Mr. ASPINALL. Mr. Speaker, reserving the right to object, I wonder if the gentleman who wrote the report on this bill will answer a question.

Mr. HARRIS. I should be glad to undertake to answer any questions the gentleman may have.

Mr. ASPINALL. The question is whether there will be at a later time a request to have this property made a historic site under the jurisdiction of the Federal Government.

Mr. HARRIS. I have no information on that. I believe the gentleman from Virginia [Mr. BROYHILL], author of the bill, might have some information.

Mr. BROYHILL. Mr. Speaker, will the gentleman yield?

Mr. ASPINALL. I yield to the gentleman from Virginia.

Mr. BROYHILL. This is a historic residence and we want to preserve it as such a residence. The bill provides for the conveyance of the title of the building to a public organization for maintenance and preservation and for public display.

Mr. ASPINALL. Will my friend be in here later asking the Federal Government to accept it as a historical site?

Mr. BROYHILL. No, because the Fairfax County Park Authority has already agreed to accept and maintain it.

Mr. ASPINALL. Mr. Speaker, I withdraw my reservation of objection.

Mr. GROSS. Mr. Speaker, reserving the right to object, what is this historical site?

Mr. BROYHILL. It was the home of Richard Bland Lee, the brother of Light Horse Harry Lee and the uncle of Robert E. Lee. Richard Bland Lee was also the first Representative in Congress from my congressional district.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the frame and brick dwellings known respectively as Sully and Leeton, located on the former Sully Plantation near Chantilly in Fairfax County, Virginia, shall not be demolished for a period of two years after they are acquired by the United States through the Civil Aeronautics Administration for use in connection with the proposed Chantilly airport site. During this period the Civil Aeronautics Administration may convey to public or private organizations of the State or locality, without cost, title to either or both of said dwellings and an easement in the immediate land upon which they are situated: *Provided,* That such conveyance or conveyances shall be upon the condition that the organization or organizations preserve, exhibit, and maintain said structure or structures for the use and benefit of the public.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That the frame and brick dwellings known respectively as Sully and Leeton, located on the former Sully Plantation near Chantilly in Fairfax County, Virginia, acquired by the United States pursuant to the Act of September 7, 1950 (64 Stat. 770), shall not be demolished by any agency of the United States prior to December 31, 1959. Upon request, therefore, prior to December 31, 1959, the Administrator of the Federal Aviation Agency is authorized—

"(a) to convey to any public or private organization of the State of Virginia, without cost, title to the buildings known as Sully and to grant an easement for use of such land as the Administrator considers necessary for maintenance of such buildings for historic purposes; provided that any such conveyance and easement shall be conditioned upon (1) continued preservation, maintenance and exhibition of such buildings for historic purposes, (2) a covenant not to use the property as a place of public assembly, (3) a covenant not to use the property for commercial purposes, and (4) such other conditions as the Administrator considers necessary to protect the interests of the United States; and upon a provision that if such conditions are not complied with the title to such buildings shall revert to the United States and such easement shall terminate; and

"(b) to grant a right to any applicant to which a conveyance is made pursuant to paragraph (a) hereof, without cost, to dismantle the buildings known as Leeton, and to salvage and remove any and all material considered by such grantee to have a historic value: *Provided,* That the grant of such right shall be conditioned upon an obligation of the grantee to remove all material and structures, whether or not of historic value, from the land occupied by such buildings and to restore the land to a condition satisfactory to the Administrator, including, but not limited to, the removal of all debris and the filling of all wells and basement and septic tank excavations."

The committee amendment was agreed to.

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

The title of the bill was amended to read as follows: "A bill to provide for the conveyance to any public or private organization of the State of Virginia of certain dwellings acquired in connection with the Chantilly airport site, Virginia, and for other purposes."

A motion to reconsider was laid on the table.

AUTHORIZING USE OF CERTIFIED MAIL FOR SERVICE OF PROCESS

The Clerk called the bill (H.R. 7112) to amend section 1005(c) of the Federal Aviation Act of 1958 to authorize the use of certified mail for service of process, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1005(c) of the Federal Aviation Act of 1958 (49 U.S.C. 1485(c)) is amended to read as follows:

"OTHER METHODS OF SERVICE

"(c) Service of notices, processes, orders, rules, and regulations upon any person may be made by personal service, or upon an agent designated in writing for the purpose, or by registered or certified mail addressed to such person or agent. Whenever service is made by registered or certified mail, the date of mailing shall be considered as the time when service is made."

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.

INCREASED ACREAGE LIMITATIONS IN ALASKA

The Clerk called the bill (H.R. 6940) to amend the Mineral Leasing Act of 1920 in order to increase certain acreage limitations with respect to the State of Alaska.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 27 of the Act entitled "An Act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain", approved February 25, 1920, as amended (30 U.S.C. 184), is amended—

(1) in the second sentence thereof, by striking out the word "Territory" and substituting therefor the word "State" and by striking out the words "one hundred thousand acres granted hereunder" and substituting therefor the words "for both such types of leases and options, one million acres";

(2) in the sixth sentence thereof, by inserting after the word "State" at the end thereof and before the period a comma and the following words: "except as is provided in this section in the case of the State of Alaska".

With the following committee amendments:

Page 1, line 7, strike out the word "second" and insert in lieu thereof the word "ninth".

Page 2, line 2, strike out the words "one million" and insert in lieu thereof the words "six hundred thousand".

Page 2, line 3, strike out the word "sixth" and insert in lieu thereof the word "thirteenth".

The committee amendments were 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.

LEASING OF COAL MINES IN ALASKA

The Clerk called the bill (H.R. 6939) to amend the act providing for the leasing of coal mines in Alaska in order to increase the acreage limitation in such act.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to provide for the leasing of coal lands in the Territory of Alaska, and for other purposes", approved October 20, 1914 (38 Stat. 741), is amended by striking out "two thousand five hundred and sixty acres" wherever it appears in such Act and inserting in lieu thereof "thirty thousand seven hundred and twenty acres".

With the following committee amendment:

Strike out all after the enacting clause and insert: "That the Act entitled 'An Act to provide for the leasing of coal lands in the Territory of Alaska, and for other purposes', approved October 20, 1914 (38 Stat. 741), is repealed.

"SEC. 2. The first sentence of section 2 of the Act of February 25, 1920 (41 Stat. 437, 438), as amended (30 U.S.C., sec. 201), is further amended by the deletion of the words 'outside of the Territory of Alaska,'."

The committee amendment was agreed to.

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

The title was amended so as to read: "A bill to repeal the act of October 20, 1914 (38 Stat. 741), as amended (48 U.S.C., secs. 432–452), and for other purposes."

A motion to reconsider was laid on the table.

CHANGES OF COURSES UNDER KOREAN VETERANS' EDUCATION PROVISIONS OF TITLE 38, UNITED STATES CODE

The Clerk called the bill (S. 906) to amend section 1622 of title 38 of the United States Code in order to clarify the meaning of the term "change of program of education or training" as used in such section.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1622 of title 38 of the United States Code is amended by adding at the end of such section the following new subsection:

"(c) As used in this section the term 'change of program of education or training' shall not be deemed to include a change from the pursuit of one program to pursuit of another where the first program is prerequisite to, or generally required for, entrance into pursuit of the second."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MEDICAL CARE FOR PEACETIME SERVICE-CONNECTED VETERANS TEMPORARILY RESIDING ABROAD

The Clerk called the bill (S. 1694) to extend the existing authority to provide hospital and medical care for veterans who are U.S. citizens temporarily residing abroad to include those with peacetime service-incurred disabilities.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 624(b) of title 38, United States Code, is amended to read as follows:

"(b) The Administrator may furnish necessary hospital care and medical services to any otherwise eligible veteran for any service-connected disability if the veteran (1) is a citizen of the United States temporarily sojourning or residing abroad, or (2) is in the Republic of the Philippines."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING DEFINITION OF THE TERM "CHILD" IN VETERANS' LAWS

The Clerk called the bill (H.R. 2405) to amend section 101 of title 38, United States Code, to provide that a child shall be deemed to be the adopted child of a veteran where the child was a member of the veteran's household and is adopted by the spouse of the veteran within 2 years of the veteran's death.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph (4) of section 101 of title 38, United States Code, is amended by adding at the end thereof the following new sentence: "A person shall be deemed, as of the date of death of a veteran, to be the legally adopted child of such veteran if such person was at the time of the veteran's death living in the veteran's household and was legally adopted by the veteran's surviving spouse within two years after the veterans' death; however, this sentence shall not apply if at the time of the veteran's death, such person was receiving regular contributions toward his support from some individual other than the veteran or his spouse.

With the following committee amendments:

On page 2, line 2, immediately after "death" insert the following: "or the date of enactment of this sentence."

On page 2, line 6, immediately after "spouse" insert the following: ", or from any public or private welfare organization which furnishes services or assistance for children.

The committee amendments were 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.

AUTHORIZING THE EXCHANGE OF CERTAIN LANDS IN ARLINGTON COUNTY, VA.

The Clerk called the bill (H.R. 2465) to authorize the exchange of certain lands in Arlington County, Va.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized to exchange certain parcels of unimproved real property of the United States located in Arlington County, Virginia, not needed for any governmental purposes, for certain parcels of unimproved real property in Arlington County, Virginia, owned by Roy G. Allman, C. J. Weetman, and others, needed in connection with the proposed widening of Army-Navy Drive: *Provided,* That the lands so exchanged shall be of approximately equal value.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That the Secretary of Commerce is hereby authorized to convey to Roy G. Allman, C. J. Weetman, and others, certain parcels of land, totaling 15,090.22 square feet, adjacent to Army-Navy Drive ("G" Road) in Arlington County, Virginia, acquired for use as right-of-way for the Pentagon Building road network, as shown on the plat indicating dedication of right-of-way for Army-Navy Drive and vacation of certain streets in Arlington County, as prepared and approved by the Department of Public Service, Arlington County, Virginia. As consideration for such conveyance, the Secretary is authorized to accept the sum of $1,800 and the conveyance from Roy G. Allman, C. J. Weetman, and others, of certain parcels of land, totaling 14,132.99 square feet, in Arlington County adjoining the said right-of-way, all as shown on the aforesaid plat."

The committee amendment was agreed to.

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

The title was amended to read: "A bill to authorize the conveyance by the Secretary of Commerce of certain lands in Arlington County, Va."

A motion to reconsider was laid on the table.

EXTENDING WAR ORPHANS SCHOLARSHIP TO CHILDREN OF SPANISH-AMERICAN WAR VETERANS

The Clerk called the bill (H.R. 2773) to amend section 1701 of title 38, United States Code, to provide the same educational benefits for children of Spanish-American War veterans who died of a service-connected disability as are provided for children of veterans of World War I, World War II, and the Korean conflict.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That sections 1701(a)(1) and 1701(d) of title 38, United States Code, are each amended by inserting "the Spanish-American War," immediately before "World War I" each place it appears.

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.

EDUCATIONAL ASSISTANCE FOR ORPHANS

The Clerk called the bill (H.R. 4306) to provide education and training for the children of veterans dying of a service-connected disability incurred after January 31, 1955, and before the end of compulsory military service.

Mr. WEAVER. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

SPECIALLY ADAPTED HOUSING GRANT FOR SERVICE-CONNECTED DISABLED VETERANS

The Clerk called the bill (H.R. 7373) to amend section 801 of title 38, United States Code, to provide assistance in acquiring specially adapted housing to certain veterans seriously disabled during a period of war.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 801 of title 38, United States Code, is amended by inserting immediately after the first sentence the following: "The Administrator is also authorized under such regulations as he may prescribe, to assist any veteran who is entitled to compensation under chapter 11 of this title, based on service during a period of war (as defined in section 301(2) of this title), for a permanent and total service-connected disability of a nature such as to preclude locomotion without the aid of braces, crutches, canes, or a wheelchair, in acquiring a suitable housing unit with special fixtures or movable facilities made necessary by the nature of the veteran's disability, and necessary land therefor."

With the following committee amendment:

Strike out all after the enacting clause and insert the following:

"That section 801 of title 38, United States Code is amended to read as follows:

" 'The Administrator is authorized, under such regulations as he may prescribe, to assist any veteran, who is entitled to compensation under chapter 11 of this title, based on service after April 20, 1898, for permanent and total service-connected disability due to the loss, or loss of use, of both lower extremities, such as to preclude locomotion without the aid of braces, crutches, canes, or a wheelchair, in acquiring a suitable housing unit with special fixtures or movable facilities made necessary by the nature of the veterans' disability, and necessary land therefor. If a veteran is entitled to compensation under chapter 11 based on service during a period of war (as defined for the purposes of chapter 11) for permanent and total service-connected disability, which includes (1) blindness in both eyes, having only light perception, plus (2) loss or loss of use of one lower extremity, and such permanent and total disability is such as to preclude locomotion without the aid of a wheelchair, the Administrator is authorized, under such regulations as he may prescribe, to assist the veteran in acquiring a suitable housing unit with special fixtures or movable facilities made necessary by the nature of the veteran's disability, and necessary land therefor.

" 'The regulations of the Administrator shall include, but not be limited to, provisions requiring findings that (1) it is medically feasible for such veteran to reside in the proposed housing unit and in the proposed locality; (2) the proposed housing unit bears a proper relation to the veteran's present and anticipated income and expenses; and (3) the nature and condition of the proposed housing unit are such as to be suitable to the veteran's needs for dwelling purposes.' "

The committee amendment was agreed to.

Mr. TEAGUE of Texas. 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 Texas?

There was no objection.

Mr. TEAGUE of Texas. Mr. Speaker, the House has today passed five bills on the call of the Consent Calendar which were recently reported by the Committee on Veterans' Affairs.

I want to say a word of explanation about the measures which we have approved, even though the committee reports went into considerable detail.

The first bill passed today was S. 906. The purpose of this legislation is to permit a veteran taking training under "The Veterans' Readjustment Assistance Act", chapter 33, United States Code—Korean G.I. bill of rights—to make a change of program or training when the first program is a prerequisite to, or generally required for, entrance into pursuit of the second. This bill is identical to H.R. 7724, sponsored by the gentleman from Texas [Mr. BECKWORTH]. Hearings were held by the Subcommittee on Education and Training on July 21, at which time my colleague, the gentleman from Texas [Mr. BECKWORTH], appeared and testified.

This assistance act, first passed in the 82d Congress, was designed to be restrictive in course changes due to abuses which occurred in the World War II program. Experience has shown that the relaxation permitted by this bill will not be unwise from administrative standpoint and will be reasonable and fair to the veteran.

The Veterans' Administration recommends favorable consideration and estimates a small cost.

S. 1694 would extend the authority of the Veterans' Administration to provide hospital and medical care to U.S. citizens temporarily residing abroad and who require such care for peacetime service-incurred disabilities. At the present this is restricted to wartime disabilities. I introduced an identical bill at the request of the Veterans' Administration, which was designated H.R. 6380. The legislation is estimated to cost not more than $10,000 in any one year.

The gentleman from Alabama [Mr. HUDDLESTON] is the sponsor of H.R. 2405, which amends section 101 of title 38, United States Code, to redefine the term "child" to include a child who was a member of the veteran's household prior to the veteran's death and who was adopted within 2 years after the veteran's death by the surviving spouse. The Veterans' Administration recommends favorable consideration. There is no estimate of cost but obviously it would be very small.

H.R. 2773 was introduced by the gentleman from Minnesota, [Mr. JUDD], and it would amend section 1701 of title 38, United States Code, to make children of Spanish-American War veterans eligible for war orphans' educational assistance. Today this benefit is limited to children whose fathers died of service-connected disabilities during World War I, World War II, or Korea. The age limit for the children is 18 to 23, generally; length of education may not exceed 36 months and monthly payments of $110.

The Veterans' Administration recommends favorable action. There is record of only 33 war orphans in this classification. It is estimated the lifetime cost of the program would not exceed $35,000.

The last veterans' bill approved today, H.R. 7373, was introduced by the gentleman from Ohio [Mr. DEVINE]. Section 801 of title 38, United States Code, which was enacted originally as Public Law 702, 80th Congress, provides grants for so-called paraplegic housing. This is limited to 50 percent of the cost of the house, not to exceed $10,000. In addition the veteran may receive a guaranteed or direct loan to purchase the house. The grant is made to provide specially adapted housing due to the veteran's disability. Generally speaking, the present law requires inability to walk without crutches, canes, braces, or wheelchairs due to the loss of use of both lower extremities. It applies to all service-connected cases, wartime and peacetime, which occur on or after April 20, 1898.

The amendment presented by the committee in H.R. 7373 limits the application of the proposed bill to approximately 50 wartime cases and would generally cover those individuals who have been severely disabled but still have one leg which is partially useful. Assuming that there are 50 such cases, the cost would be approximately $500,000.

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.

SELECTION BY THE STATE OF ALASKA OF CERTAIN LANDS MADE SUBJECT TO LEASE, PERMIT, LICENSE, OR CONTRACT

The Clerk called the bill (H.R. 5849) to amend the act of July 7, 1958, providing for the admission of the State of Alaska into the Union, relating to selection by the State of Alaska of certain lands made subject to lease, permit, license, or contract.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 6(h) of Public Law

85-508 (72 Stat. 339) is amended to read as follows: "Any lease, permit, license, or contract issued under the Mineral Leasing Act of February 25, 1920 (41 Stat. 437; 30 U.S.C. 181 and the following), as amended, or under the Alaska Coal Leasing Act of October 20, 1914 (38 Stat. 741; 30 U.S.C. 432 and the following), as amended, shall have the effect of withdrawing the lands subject thereto from selection by the State of Alaska under this act, unless an application to select such lands is filed with the Secretary of the Interior within a period of five years after the date of the admission of Alaska into the Union."

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.

AUTHORIZING THE ANNEXATION OF CERTAIN REAL PROPERTY OF THE UNITED STATES BY THE CITY OF WYANDOTTE, MICH.

The Clerk called the bill (H.R. 383) to authorize the annexation of certain real property of the United States by the city of Wyandotte, Mich.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior shall, within two years after the date of enactment of this Act, petition the city of Wyandotte, Michigan, for the annexation as a part of such city of all that real property known as Grassy Island which is located in the Detroit River offshore from such city in section 21, township 3 south, range 11 east, Michigan meridian, Michigan, and comprising ninety acres, more or less.

With the following committee amendments:

Page 1, strike out all of lines 6, 7, 8, and 9, and insert in lieu thereof the following: "city of any lands owned by the United States which were formerly within the boundaries of Ecorse Township and which lie due east of said city in the Detroit River."

Page 1, after line 9, add a new section reading as follows:

"SEC. 2. Said annexation shall be without prejudice to the full right of the United States and its lessees, licensees, and permittees to hold and enjoy said property and to make such use thereof and erect such structures thereon as may be provided for by the laws of the United States or, in the case of a lessee, licensee, or permittee, by the terms of his lease, license or permit."

The committee amendments were 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.

LEGISLATIVE PROGRAM

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ARENDS. Mr. Speaker, I take this time to ask the majority leader what the legislative program is for tomorrow.

Mr. McCORMACK. Mr. Speaker, the program for today is as carried in the whip's notice. I notice that H.R. 6940, the second bill on the suspension list, was passed by unanimous consent, so that will be taken off the list.

On tomorrow the conference report on the Defense Department appropriation bill will be called up.

It is understood, of course, that any rollcalls on today or tomorrow, with the exception of rollcalls on any rule, and I cannot see the possibility of any rules coming out today, will be postponed until Wednesday.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman from Iowa.

Mr. GROSS. The bill S. 1512 was passed. That was on the Consent Calendar, and it is the third bill on the whip notice.

Mr. McCORMACK. I appreciate the gentleman's calling that to my attention.

Mr. ARENDS. That leaves four suspensions?

Mr. McCORMACK. That leaves four suspensions for today, yes.

ROLLCALLS POSTPONED UNTIL WEDNESDAY

Mr. McCORMACK. Mr. Speaker, in the event there are any rollcalls on today or tomorrow, with the exception of on a rule, I ask unanimous consent that they be postponed until Wednesday of this week.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

HONORARY DESIGNATION OF ST. ANN'S CHURCHYARD IN THE CITY OF NEW YORK AS A NATIONAL HISTORIC SITE

Mrs. PFOST. Mr. Speaker, I move to suspend the rules and pass House Joint Resolution 113.

The Clerk read House Joint Resolution 113, as follows:

Whereas the historical burial ground of Saint Ann's Churchyard, New York, New York, is the final resting place of such men as the Honorable Gouverneur Morris, the chief stylist of the Constitution of the United States; Lewis Morris, a New York signer of the Declaration of Independence; and other notable patriots who devoted themselves to the service of our Nation: Therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the historical burial ground located at Saint Ann's Avenue and East One Hundred and Fortieth Street, borough of the Bronx, city of New York, be designated as a national historic site in memorial of certain founders of the Nation buried therein.

SEC. 2. This Act shall become effective if and when the Saint Ann's Church, through its duly authorized representatives, has executed an agreement in terms and conditions satisfactory to the Secretary of the Interior, providing for the continuing administration, care, and maintenance, without expense to the United States, of the Saint Ann's Churchyard burial grounds, whereupon said Secretary shall issue a notice declaring that said requirement has been met and that the Saint Ann's Churchyard is formally designated as a national historic site.

The SPEAKER. Is a second demanded?

If not, the question is on suspending the rules and passing the resolution.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the House joint resolution was passed.

Mr. ASPINALL. 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 Colorado?

There was no objection.

Mr. ASPINALL. Mr. Speaker, House Joint Resolution 113 designates the burial grounds in St. Ann's Churchyard in the Borough of the Bronx, New York City, as a national historic site. This would be done in memory of certain founders of the Nation buried in the churchyard. Among those buried there are the Honorable Gouverneur Morris, chief stylist of the Constitution of the United States, and General Lewis Morris, a signer of the Declaration of Independence.

No expenditure by the United States is involved except possibly a very small amount for a plaque or marker. The Government would assume no obligation to maintain the burial plot itself.

It is true that this proposal has not met with a favorable recommendation from the National Park Service's Advisory Board on National Parks, Historic Sites, Buildings, and Monuments. However, the Committee on Interior and Insular Affairs unanimously recommends enactment of this legislation on the basis that the advisory board has not given full attention to the broad national historic significance to American history of the patriots whose remains are buried in this churchyard.

ACREAGE HISTORY AND ALLOTMENTS

Mr. COOLEY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 7740) to amend the Agricultural Adjustment Act of 1939, as amended, with respect to the preservation of acreage history and the reallocation of unused cotton acreage allotments, with amendments.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 377 of the Agricultural Adjustment Act of 1938, as amended, is amended to read as follows:

"SEC. 377. In any case in which, during any year beginning with 1956, the acreage planted to a commodity on any farm is less than the acreage allotment for such farm, the entire acreage allotment for such farm (excluding any allotment released from the farm or reapportioned to the farm and any allotment provided for the farm pursuant to subsection (f) (7) (A) of section 344) shall, except as provided herein, be considered for the purpose of establishing future State, county and farm acreage allotments to have been planted to such commodity in such year on such farm, but the 1956 acreage allotment of any commodity shall be regarded as

planted under this section only if the owner or operator on such farm notified the county committee prior to the sixtieth day preceding the beginning of the marketing year for such commodity of his desire to preserve such allotment: *Provided*, That beginning with the 1960 crop, the current farm acreage allotment established for a commodity shall not be preserved as history acreage pursuant to the provisions of this section unless for the current year or either of the two preceding years an acreage equal to 75 per centum or more of the farm acreage allotment for such year was actually planted or devoted to the commodity on the farm (or was regarded as planted under provisions of the Soil Bank Act or the Great Plains program): *Provided, further*, That this section shall not be applicable in any case, within the period 1956 to 1959, in which the amount of the commodity required to be stored to postpone or avoid payment of penalty has been reduced because the allotment was not fully planted. Acreage history credits for released or reapportioned acreage shall be governed by the applicable provisions of this title pertaining to the release and reapportionment of acreage allotments."

SEC. 2. Section 344 of the Agricultural Adjustment Act of 1938, as amended, is amended as follows:

(1) Subsection (f) is amended by changing paragraph (8) thereof to read as follows:

"(8) Notwithstanding the foregoing provisions of paragraphs (2) and (4) of this subsection, the Secretary shall, if allotments were in effect the preceding year, provide for the county acreage allotment for the 1959 and succeeding crops of cotton, less the acreage reserved under paragraph (3) of this subsection, to be apportioned to farms on which cotton has been planted in any one of the three years immediately preceding the year for which such allotment is determined, on the basis of the farm acreage allotment for the year immediately preceeding the year for which such apportionment is made, adjusted as may be necessary (i) for any change in the acreage of cropland available for the production of cotton, or (ii) to meet the requirements of any provision (other than those contained in paragraphs (2) and (6)) with respect to the counting of acreage for history purposes: *Provided*, That, beginning with allotments established for the 1961 crop of cotton, if the acreage actually planted (or regarded as planted under the Soil Bank Act, the Great Plains program, and the release and reapportionment provisions of subsection (m) (2) of this section) to cotton on the farm in the preceding year was less than 75 per centum of the farm allotment for such year, in lieu of using such allotment as the farm base as provided in this paragraph, the base shall be the average of (1) the cotton acreage for the farm for the preceding year as determined for purposes of this proviso and (2) the allotment established for the farm pursuant to the provisions of this subsection (f) for such preceding year; and the 1958 allotment used for establishing the minimum farm allotment under paragraph (1) of this subsection (f) shall be adjusted to the average acreage so determined. The base for a farm shall not be adjusted as provided in this paragraph if the county committee determines that failure to plant at least 75 per centum of the farm allotment was due to conditions beyond the control of producers on the farm. The Secretary shall establish limitations to prevent allocations of allotment to farms not affected by the foregoing proviso, which would be excessive on the basis of the cropland, past cotton acreage, allotments for other commodities, and good soil conservation practices on such farms."

(2) Paragraph (3) of subsection (g) is hereby repealed.

(3) Subsection (l) is amended by adding the following at the end thereof: "Notwithstanding any other provision of this act, beginning with the 1960 crop the planting of cotton on a farm in any of the immediately preceding three years that allotments were in effect but no allotment was established for such farm for any year of such three year period shall not make the farm eligible for an allotment as an old farm under subsection (f) of this section: *Provided, however*, That by reason of such planting the farm need not be considered as ineligible for a new farm allotment under subsection (f)(3) of this section."

(4) Paragraph (2) of subsection (m) is changed to read as follows:

"(2) Any part of any farm cotton acreage allotment on which cotton will not be planted and which is voluntarily surrendered to the county committee shall be deducted from the allotment to such farm and may be reapportioned by the county committee to other farms in the same county receiving allotments in amounts determined by the county committee to be fair and reasonable on the basis of past acreage of cotton, land, labor, equipment available for the production of cotton, crop rotation practices, and soil and other physical facilities affecting the production of cotton. If all of the allotted acreage voluntarily surrendered is not needed in the county, the county committee may surrender the excess acreage to the State committee to be used for the same purposes as the State acreage reserve under subsection (e) of this section. Any allotment released under this provision shall be regarded for the purposes of establishing future allotments as having been planted on the farm and in the county where the release was made rather than on the farm and in the county to which the allotment was transferred, except that this shall not operate to make the farm from which the allotment was transferred eligible for an allotment as having cotton planted thereon during the three-year base period: *Provided*, That notwithstanding any other provisions of law, any part of any farm acreage allotment may be permanently released in writing to the county committee by the owner and operator of the farm, and reapportioned as provided herein. Acreage released under this paragraph shall be credited to the State in determining future allotments. The provisions of this paragraph shall apply also to extra long staple cotton covered by section 347 of this Act (7 U.S.C. 1344 (m))."

The SPEAKER. Is a second demanded?

Mr. HOEVEN. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. COOLEY. Mr. Speaker, this bill has been considered by people in all phases of the cotton industry. It was reported by an overwhelming vote in the Committee on Agriculture.

Our committee, after due notice, held comprehensive hearings on H.R. 7740, and not one witness appeared to oppose it, while numerous leaders among cotton farmers came all the way to Washington to testify in behalf of it.

I personally received numerous letters and telegrams supporting the bill, and to the time our committee voted to report it I cannot recall that I received one communication in opposition.

The language in the present bill was written in the Department of Agriculture in a conference which was arranged at my suggestion. The Department of Agriculture has approved the bill, and I hope that it will now pass without any difficulty and soon be enacted into law.

Mr. Speaker, H.R. 7740 deals with the acreage history and allotments for crops in the operation of production adjustment programs.

Crops subject to acreage allotments are affected by the first section of the bill which provides that, beginning with the 1960 crop, the entire current farm allotment shall be regarded as planted if during the current year or either one of the 2 preceding years the acreage actually planted or devoted to the commodity on the farm—or regarded as planted because of participation in the soil bank—was 75 percent or more of the farm allotment. Acreage history credited to the farm under this provision also would be credited to the State and county. This procedure was recommended by the Department of Agriculture.

The automatic preservation of history for allotment purposes, which coincided with the authorization of the acreage reserve of the soil bank, expires with the 1959 crops. Unless H.R. 7740 or some other legislation is enacted, producers of allotted crops beginning with the 1960 crops must plant each year in order to maintain the acreage history for their farms, county, and State. Thus if no action is taken, the result would be an increased production of crops already in surplus.

Other sections of the bill relate specifically to the orderly transfer of unused cotton acreage allotments.

Under H.R. 7740 the unused cotton allotments would be transferred to other farms, first, within each county, and then within the State. Allotted cotton acreage not used within the State subsequently would become available for distribution in other States.

The purpose is to require that a farmer holding a cotton acreage allotment plant it, voluntarily release it to retain the acreage history on his farm, or gradually forfeit it to other farmers who want to use it.

By this legislation, as long as a farm maintains cotton acreage history equal to the farm allotment by planting or voluntarily releasing acreage for use by other farmers, the county and State would not lose any acreage history credit because of any underplanting of the farm allotment. But, to the extent that a farm fails in any year to receive acreage history equal to the farm allotment, the county and State would lose an equal amount of history for that year.

H.R. 7740 would reduce the allotment base of all farms, regardless of size, where operators fail to plant or release at least 75 percent of the allotment each year, and allotments of these farms would shift gradually to other farms with bases which had not been reduced.

Under this bill it is likely that the volume of released allotments would be greater than at present and that more released acreage would be surrendered to the State committees for reallocation within the State.

Mr. Speaker, if there are any questions that anyone desires to ask about the bill, I will be glad to try to answer such questions. The gentleman from Arkansas [Mr. GATHINGS] as chairman of the Cotton Subcommittee of the House

Committee on Agriculture, conducted extensive hearings. All persons desiring to be heard were accorded an opportunity to be heard and, as I said a moment ago, the farm organizations, the farm leaders, people in all phases of the cotton industry, are supporting the bill.

Mr. BASS of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Tennessee.

Mr. BASS of Tennessee. The first title of the bill deals also with tobacco, does it not?

Mr. COOLEY. It does, along with all other crops. There has been no particular interest indicated from those in the tobacco-growing areas because the situation of the tobacco industry is entirely different, as you know.

Mr. BASS of Tennessee. Yes, I understand. I have one further question. Now, the acreage transfer provision in this bill does not deal with tobacco, does it?

Mr. COOLEY. No.

Mr. BASS of Tennessee. I thank the gentleman.

Mr. COOLEY. That is all I have, Mr. Speaker, unless there are some questions.

Mr. HOEVEN. Mr. Speaker, H.R. 7740 is a very complex piece of legislation that contains two main provisions. The first provision found in section 1 of the bill affects all crops which are subject to acreage allotments—wheat, cotton, rice, tobacco, and peanuts. This section simply extends with some modification a provision of existing law which automatically preserves the acreage histories of these crops.

Under this bill, beginning in 1960, the entire current farm allotment will be regarded as planted, if during the current year or either of the 2 preceding years the acreage actually planted or devoted to the commodity or considered as planted due to soil-bank participation, was at least 75 percent of the farm allotment. This bill modified and extends the present law which provides that all allotments will be regarded as fully planted for the purpose of establishing future allotments, if the owner or operator of the farm notifies the county committee prior to the beginning of the marketing year of his desire to preserve such allotment. In order to eliminate unnecessary clerical work and inconvenience to farmers, Congress amended section 377 in 1957 to make the preservation of history automatic. This was done by eliminating the requirement that the farm operator actually request preservation of the allotment. In other words, under present law which expires this year an allotment is automatically preserved, no matter what percentage of planting was made in the 1956–59 period, whereas this bill will preserve the farm acreage history only if the farmer plants 75 percent of his allotment in 1 of 3 years.

Section 2 of the bill relates solely to cotton. It is a compromise worked out by representatives of cotton producers, the Department of Agriculture and the Committee on Agriculture after the committee had rejected various bills which would have allowed the sale, lease, or exchange of acreage allotments. Section 2 of the bill is designed to allow the reapportionment of cotton allotments within counties and States where farmers do not use their entire allotments.

Although there is some opposition to the bill at this time, during the hearings on the bill no opposition was expressed to the compromise language. The committee bill is supported by the Department of Agriculture as a practical compromise between those cotton producers who would like to maintain forever the cotton acreage "status quo" and those producers who would perhaps desire to see all cotton grown in irrigated and more efficient areas of the United States.

Mr. Speaker, I have no objection to the passage of this bill. I now yield 5 minutes to the gentleman from California [Mr. HAGEN].

Mr. HAGEN. Mr. Speaker, I speak in opposition to this bill which has the opposition of the bulk of the cotton growers in the area of the United States that grows cotton west of Texas. I want to remind you that this area that I am speaking of has produced the smallest burden on the Federal Government in the form of what amounts to sales of cotton to the Government. The cotton grown in these areas is taken out of the loan and sold on the open market to a much greater proportion than the cotton grown in other areas.

The cotton law is one of the worst laws on the statute books dealing with any commodity, and this is merely another attempt to get out of a box which was the creation of the Committees on Agriculture of the Congress.

Basically the problem stems from the unwise action in creating minimum acreages over the course of years, a minimum which was put up to 10 acres in 1958. Now, this legislation basically is designed to provide a penalty against the farmer who does not plant his acreage; in other words, it seeks to provide him an incentive for engaging in planting which he might otherwise conclude was unnecessary or uneconomical so far as he is concerned and so far as the country is concerned.

Mr. Speaker, we have a vast surplus of cotton at this time and the Federal Government is going through rigorous steps in order to reduce that surplus at some great cost to the taxpayers. It is my proposition that this legislation, providing as it does a penalty to every grower forcing him to plant every acre or surrendering it to a neighbor who will plant it, will result in an increase in the surplus which we currently have at great cost to the Federal Government.

Now, I know that you are all aware that there is vocal public opinion in this country that the agricultural program which we have is costing too much and that Congress is only temporizing with that cost and with that program. This bill is another example of the kind of temporizing that is being condemned, because it will not reduce the cost of the program, but rather increase it. It will add to the cost of the program with every new acre it brings into production. There have been some statements made that this bill has the endorsement of the Secretary of Agriculture. I might add that I privately know that it is a very reluctant endorsement, because the Secretary is aware of the surplus. He is aware of the cost of the program, and he could not wholeheartedly endorse a proposition which would add to that surplus and to that cost. This has his endorsement only because he felt that some kind of legislation was necessary to cover the situation of the expiration of an automatic preservation law which expires at the end of this year, and this bill goes beyond his original recommendation to cover that situation.

Mr. GATHINGS. Mr. Speaker, will the gentleman yield?

Mr. HAGEN. I yield to the gentleman.

Mr. GATHINGS. As a matter of fact, if this bill is not enacted, the cotton farmer would have to plant 90 percent of his allotment every year in order to maintain his history and that of the county and the State; whereas, under the terms of H.R. 7740 which is before us, he would have to plant only 75 percent once every 3 years.

Mr. HAGEN. That is true under the provisions of section 1 of the bill. But under the provisions of section 2 of the bill he has to plant at least 75 percent every year.

Mr. GATHINGS. Yes; and he would have to plant 90 percent every year if you did not have the bill H.R. 7740 that we now seek to pass. That would mean that there would be added cotton planted if we did not act under H.R. 7740.

Mr. HAGEN. Of course, under the present law, it is guaranteed that he will go completely out of business a lot faster than he will under this bill. In other words, you keep him in business longer and at the same time you put the pressure on him to plant more and the opportunity you create for his neighbors planting acres he does not want to plant; and you ignore the sections of this bill with reference to the so-called 10-acre farmer which, for the first time, annually threaten him with reduction of acreage if he does not plant. We very generously provide in the law for every farmer who had a history of planting as many as 10 acres in any single year of the preceding 3-year period. The requirement of action only once in every 3 years for complete protection of his right to plant left him some sensible discretion as to planting based on his observation of supply and demand related to the conditions on his farm. H.R. 7740 narrows this area of discretion and says plant annually or let your neighbor plant your allotment and thereby deteriorate the overall market situation when you want to come back into the cotton business. The penalty for not following this foolish course of procedure is reduction of and forfeiture of allotment.

The key to this bill is the language on page 2 of the report accompanying it. The sixth paragraph on that page reads as follows:

> Under this bill it is likely that the volume of released allotments (allotments surrendered for planting by someone else) would be greater than at present and that more released acreage would be surrendered

to the State committees for reallocation within the State.

This is a euphemistic way of saying that more cotton would be planted annually. This conclusion was verified by the North Carolinian who was the principal witness for the bill. He admitted, in response to my questions, that more planting would annually occur. The only question in his mind would be whether or not such greater planting would be substantial. As a matter of fact, this bill would not have the endorsement of its sponsors if it were not believed that it would encourage greater planting of acreages that are now unneeded, as the present owners of the allotments thereon have wisely concluded.

The letter from True Morse, Acting Secretary of Agriculture, printed on pages 10 and 11 of the committee report supports the premise that this bill will cause increased planting. In such letter he urges that the bill be amended to provide for preservation of acreage history on Government lands even though no planting occurs. He states that if such language is not provided the allotments will be shifted to private lands and the Government prohibition against planting on Government lands will be meaningless. The same statement can be made with respect to the application of the bill to purely private allotments. In other words he seeks a Government lands exemption from its provision to hold down planting. Logic demands that the same criteria be applied as criticism of the bill as a whole.

The cost aspects of this bill represent one criticism of it. An equally valid criticism deals with the inequities it will create among different producing areas of the Cotton Belt.

Through no fault of mine assignments of a national right to produce are first made in terms of State boundaries with a secondary breakdown to county boundaries and a final breakdown to the farm itself. Good sense would dictate a national allotment stemming directly from the national total to the farm but that is not the case. In these circumstances the farmer earns the right to produce by his production. Neither the county nor the State earned his allotment. It follows that if his allotment lapses by reason of his failure to produce it should disappear. This bill will not permit this. Rather it preserves each allotment for the purpose of distribution to other growers in a very limited area—first the county and then the State. Cottongrowers elsewhere are thereby saddled with alloted production which was not earned by past history—surpluses are perpetuated to their detriment. It is no coincidence that the growers most adversely affected by this bill are the most efficient in the United States—those most willing to accept lower support levels.

The dilemma of cotton in the South will not be solved by legislation like this which on the one hand restricts the so-called family farmer and on the other hand penalizes the most efficient cotton areas. Proper legislation will come only when the dilemma becomes so deep that only sensible action will solve it. I am talking about lower, more realistic, price supports and ground rules of acreage allocation which treat all growing areas equally.

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. COOLEY. 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. 122]

Abbitt	Flood	Multer
Abernethy	Flynn	Nix
Addonizio	Fogarty	Norblad
Alexander	Ford	O'Brien, N.Y.
Alford	Fountain	Philbin
Ashley	Frazier	Pilcher
Ashmore	Frelinghuysen	Powell
Auchincloss	Fulton	Prokop
Barrett	Gallagher	Quigley
Barry	Gary	Rabaut
Bass, N.H.	Giaimo	Reece, Tenn.
Bennett, Mich.	Glenn	Rees, Kans.
Blitch	Goodell	Reuss
Bolton	Green, Oreg.	Rodino
Bonner	Green, Pa.	Rogers, Tex.
Boyle	Halpern	Rostenkowski
Brewster	Healey	St. George
Brooks, La.	Hess	Santangelo
Buckley	Holland	Scott
Byrne, Pa.	Holtzman	Short
Canfield	Jackson	Smith, Miss.
Carnahan	Jennings	Spence
Carter	Johansen	Staggers
Celler	Keith	Taber
Chenoweth	Kelly	Taylor
Collier	Kilburn	Teller
Cook	Lesinski	Thompson, N.J.
Curtis, Mass.	McDowell	Thomson, Wyo.
Curtis, Mo.	Macdonald	Toll
Daniels	Machrowicz	Tuck
Delaney	Mason	Udall
Derwinski	Meader	Whitener
Diggs	Merrow	Whitten
Dooley	Meyer	Widnall
Dorn, N.Y.	Miller, N.Y.	Williams
Dulski	Moore	Winstead
Farbstein	Morgan	Yates
Fino	Moulder	Zelenko

The SPEAKER pro tempore (Mr. BOLAND). On this rollcall 317 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

ACREAGE HISTORY AND ALLOTMENTS

Mr. HOEVEN. Mr. Speaker, I yield 2 minutes to the gentleman from Arizona [Mr. RHODES].

Mr. RHODES of Arizona. Mr. Speaker, this bill in my opinion not only represents a danger as far as the orderly allocation of the acreage for cotton is concerned, but it also represents another attempt to preserve what I think is a very artificial situation as regards the allotment of acreage for cotton. This specified fictitious system under which, if a person complies with these artificial rules, he may preserve his history for planting cotton even though he does not now plant cotton. This is fast coming to a situation, Mr. Speaker, in which, if a person has ever grown a cotton crop and if he wants to play the rules of the game from then on out, he can retain the reputation of a cottongrower without ever growing cotton again in his life.

Now, to me there is something slightly ridiculous in this situation. I understand the motives behind the committee's action and the motives behind the Department of Agriculture in approving this measure. There is a hope that if you let a man retain title to certain allotments, perhaps he will not plant that cotton. Well, to me that is begging the question.

I hope that sooner or later the House will face up to the fact that the system under which we now allocate crop acreage is obsolete, is archaic, and needs to be worked over in the interest of making this agricultural program make more sense.

Mr. HAGEN. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from California.

Mr. HAGEN. Is it not true that this legislation provides an incentive for overplanting with the further proviso that if the fellow so situated does not plant, his neighbors in a given area will plant it? In other words, it is an expensive program because it will force planting in areas where there is currently large underplanting by giving growers only the dreadful alternative of planting or surrendering to neighbors who will plant on penalty of reduction of allotment but it is also inequitable to those cotton areas in the West, shall I say, which seek to reduce the surplus by accepting lower price supports with the hope that quotas will ultimately become either unnecessary or only sporadic. This bill attempts to establish ground rules to establish large production in the least efficient growing areas, those areas which have consistently asked for high support levels.

Mr. RHODES of Arizona. The gentleman is absolutely correct. I want to congratulate the gentleman from California on the remarks he made previously. The remarks made by the gentleman from California set forth the case against this bill much better than I could possibly do it myself. The facts certainly are as the gentleman stated, that this bill will have the effect of transferring acreage and perpetuating what we think is an artificial situation in that it will continue the growth of cotton of a quality which is not as good as could be grown elsewhere, at a cost that is higher than that which would prevail if the cotton is grown in other areas and will, in effect, prevent cotton from being grown where it can be grown the best and the cheapest, which is mainly in the cotton producing areas of the West.

Mr. HAGEN. Mr. Speaker, if the gentleman will yield further, very briefly the background of this situation is that the Congress created a 10-acre minimum which was designed principally to help the southern cotton areas. Experience has demonstrated that in 1958, for example, out of 900,000 cotton farmers less than 500,000 of them planted any cotton at all, and the bulk of those nonplanters were these so-called 10-acre farmers located largely in the old Cotton Belt.

This bill is designed to force those farmers to plant cotton annually, which we do not need and increase the taxes that go with that kind of an operation.

Mr. RHODES of Arizona. The gentleman is correct. I call the attention of the House to the situation of the burley tobacco farmer. The burley tobacco farmer has been ruined by the minimum acreage provision of the bill under which he now operates. I do not want the cotton farmer to find himself in the same situation as the burley farmer now is.

Mr. TEAGUE of California. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from California.

Mr. TEAGUE of California. May I point out that I joined the gentleman from California [Mr. HAGEN] in signing the minority report. I want to associate myself with his remarks as well as those of the gentleman from Arizona and point out that as I see this legislation, it will increase the surplus of cotton and be more costly to the American taxpayers and, therefore, I think it should be defeated.

Mr. RHODES of Arizona. I thank the gentleman. That is a point which should be remembered by everybody, whether they are interested in agriculture or not. They have taxpayers in their districts, many of them, and, in my opinion, this bill cannot be good news for the taxpayers of the United States.

Mr. COOLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Arkansas [Mr. GATHINGS].

Mr. GATHINGS. Mr. Speaker, the main objection that has been raised to this bill is that it will grow too much cotton. As a matter of fact, H.R. 7740, the bill that is before us, will mean less production of cotton in that under the terms of this bill a farmer can maintain his history by releasing his acreage or by growing only 75 percent of his acreage allotment. A farmer with an allotment of more than 10 acres would have to grow 90 percent of his allotment of cotton each year under the law on the statute books now, or release it as a part of it, if we do not pass H.R. 7740.

The gentleman speaks of the 10-acre provision. The gentleman from California [Mr. HAGEN] has consistently opposed that 10-acre provision. He has always been against it. He does not want the small farmer to grow cotton. These people in the original Cotton Belt have the small acreages and they are entitled to a livelihood, they are entitled to continue in the cotton business as well as the larger farmers.

Under the terms of this bill, the 10-acre man would be brought under the law just as is the man who grows more than 10 acres. He would be able to plant 75 percent of his allotment whereas, under the present law, he only has to plant one-tenth of an acre in order to maintain that 10-acre history.

Mr. HAGEN. Mr. Speaker, will the gentleman yield?

Mr. GATHINGS. I yield to the gentleman.

Mr. HAGEN. In other words, the gentleman now wants to take away from the 10-acre grower something that the Congress gave him a few years ago.

Mr. GATHINGS. What we want to do is to put him on the same basis. That would eliminate the gentleman's argument. The gentleman wants to eliminate the 10-acre man completely. Under the terms of this bill, a 10-acre man will be on the same, identical footing. That is, he would have to plant at least 75 percent of his allotment in order to maintain his history.

This bill is brought to us because of the fact that in the 1956 Soil Bank Act there was a provision, section 477, which automatically preserved the history of all these basic crops. That provision was written in in 1956 and applied to the 1956, 1957, 1958, and 1959 crops. It expires at the end of this year. Something needs to be done because of the fact that otherwise we will have no automatic preservation of this history after this year. So the Department has come in and recommended approval of this bill. As a matter of fact, the groups from across the whole belt, with very few exceptions, approved this legislation. There was only one letter in opposition, and that came from the State of Arizona.

On the last day of the hearings the chairman asked the question—and we had 4 days of hearings—whether there was anyone present who opposed this legislation and no one responded.

Everyone who appeared before us was in favor of it. The bill has been worked out carefully down in the Department by those who are interested in this proposal and throughout the whole belt. It is good, sound legislation and I do trust that it will be approved.

The two gentlemen from California [Mr. HAGEN and Mr. TEAGUE] filed a minority report on this bill. I would like to discuss this report paragraph by paragraph.

Page 21, paragraph 3: Section 1 of the bill does not freeze all current allotment relationships among States and among counties within a State. Mr. H. L. Manwaring, an official in the Department of Agriculture who participated in drafting and recommending the provisions in section 1 to the Congress, has recently explained that it was the Department's intention that a county and State be credited with acreage history only to the extent that farms are credited, and that after reviewing the matter again it is his belief that the language is clear on this point.

Paragraph 4: As indicated above, the acreage history for a county and State under section 1 of the bill will depend entirely on the acreage credited to farms in the county and State. If there is no credit for a farm, then there will be none for the county and State.

Paragraph 5: This paragraph implies that the question of providing for the preservation of acreage history for the several basic commodities has not been thoroughly considered.

It is generally understood among persons who follow agricultural legislation and programs that section 377 of the Agricultural Adjustment Act of 1938, which provides for the automatic preservation of acreage history equal to the farm allotment, expires with the 1959 crops. Evidence of the widespread information on this fact and the action taken to extend section 377 beyond the 1959 crops is as follows:

First. In December 1958 the American Farm Bureau Federation at its annual convention adopted a resolution that farmers should not be required to plant their allotments in order to keep history.

Second. In January 1959 Senator STENNIS introduced a bill to make section 377 permanent law.

Third. In March 1959 the Department of Agriculture recommended to the Senate and the House that section 377 be extended in modified form. H.R. 5741 and S. 1418 were introduced containing the Department's recommended provisions.

Fourth. On June 1, 1959, at a hearing before the House Committee on Agriculture, Assistant Secretary McLain renewed the Department's recommendation that section 377 be extended in modified form.

Fifth. On June 15, 1959, H.R. 7740 was introduced, containing in section 1 the provisions for history preservation as previously introduced in H.R. 5741.

Sixth. On July 15, 1959, a press release was issued by Chairman COOLEY requesting persons interested in H.R. 7740 to forward their views or testify at a hearing scheduled for July 22, 1959.

Seventh. At the hearing on July 22, 1959, numerous witnesses were heard, and several messages from coast to coast, all endorsing H.R. 7740, except one letter from Arizona, were placed in the record.

Paragraph 7: This paragraph refers to section 1 of the bill as a stimulant to the planting of unneeded acres of cotton. This is entirely wrong. If section 1 becomes law, acreage history equal to the farm allotment will be credited to the farm, county and State each year if once during each 3-year period at least 75 percent of the farm allotment is planted—or regarded as planted under the soil bank program. If section 1 or a similar provision is not enacted, a cotton farmer can provide acreage history equal to the farm allotment for his farm, county and State by planting not less than 90 percent of the farm allotment each year.

Paragraph 8: It is stated that section 2 attaches "a penalty of loss of allotment to the farmer who wisely decides not to plant because of the overall supply-demand situation." This statement is wrong. Section 2 does not penalize a farmer with loss of allotment if he fails to plant. Under section 2 a farmer who in a given year finds or decides the allotment should not be planted may protect his allotment base for the following year by releasing the unused allotment to the county committee.

Page 22, paragraph 1: The bill does not say "plant annually to the maximum of your allotment." It says a farmer may receive full credit for planting an acreage equal to his farm allotment by planting at least 75 percent of the farm allotment.

Paragraph 2: The year 1958 is not a representative year for illustrating operation of the cotton allotment program. The terms of the soil bank acreage reserve program for 1958 were extremely attractive to thousands of small cotton farmers and many of them placed their entire allotments under the program. It might be added that many large cotton farmers found the 1958 program attractive and placed as much of his allotment in it for payment as the limitation allowed.

Paragraph 3: No statistics can be assembled to prove or disprove the statement that "H.R. 7740 will do long-range harm to the whole cotton industry." The bill will permit cotton allotment to shift to farms which annually meet the rigid requirements as to planting and releasing of allotment. From a long-range standpoint, it is likely that generally, these will be the farms on which cotton can be produced efficiently and economically and that having cotton production in the hands of the operators of these farms will be in the best interests of the whole cotton industry.

Mr. COOLEY. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may extend their remarks in the RECORD on the bill now under consideration.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. HOEVEN. Mr. Speaker, the first section of the bill relating to all of the allotment crops was recommended to the Congress by the Department of Agriculture. Section 2 on cotton represents a compromise between the Department and agricultural leaders from North Carolina to Texas. For the past 2 years these leaders sought statutory authority for the selling or leasing of allotments by one farmer to another. The Department strongly opposed this approach to solving the allotment problems of farmers in certain areas. At hearings before our committee in early June it was agreed that some of these persons and the Department would try to work out some changes in the cotton program. The provisions in section 2 represent the results of that effort.

H.R. 7740 is not major farm legislation. It deals solely with the procedures for establishing farm cotton allotments and calculating farm, county, and State acreage history for cotton as well as other crops for which acreage allotments are now used; namely, wheat, rice, tobacco, and peanuts. The bill does not drastically alter procedures now in effect for these commodities. But it makes several changes which are considered important by representatives of most of the affected farmers, especially for cotton.

The first section of the bill extends, in modified form, a provision of present law which recognizes the interest farmers have in maintaining their yearly acreage history on which the size of future allotments is predicated. This provision recognizes the proposition that the Congress should not require, at a time when the Nation is overstocked with all of the affected crops, each farmer annually to plant an acreage approximating the farm allotment in order to protect his future allotment position. For the years 1956 through 1958 the Government paid farmers under the Soil Bank Act for not planting the full farm allotment. H.R. 7740 is expected to accomplish a reduction in production of the allotment crops at no cost to the Government. It permits and encourages the wheat, cotton, peanut, rice, and tobacco farmers to produce less and still keep their allotments. Specifically, it provides that the full farm allotment will be considered as planted if in the year then current—beginning with 1960 crops—the acreage planted—or regarded under the Soil Bank Act as planted—is at least 75 percent of the farm allotment.

For cotton the bill will allow farmers to protect their allotment status by meeting each year prescribed requirements as to planting and releasing the allotment. The farmer who fails to safeguard his position, be he a large or small operator, will find his allotment reduced and the acreage so lost will be absorbed by other cotton farms.

In time, it is believed the cotton provisions in section 2 of the bill will result in increasing the allotments, nationwide, for the farms which year after year fully utilize their allotments in accordance with the planting and releasing procedures. It will be assumed that these will be the farms on which cotton is produced most efficiently and economically. This is where cotton must be grown if this wonderful natural fiber is to compete successfully in the future with synthetic fibers and foreign cottons.

Mr. BROCK. Mr. Speaker, during the present session of this Congress I have taken the floor on several occasions to register my protest, and the protest of livestock raisers and farmers in Nebraska and other Farm Belt States, against the importation of livestock and red meats into the United States. These imports, and the importing of the processed meats, have dug deeply into the economy of the American farmer. This is particularly so now, because of the abundant corn crop being harvested which in turn brings about cheaper feeding of livestock and a heavy market of beef cattle and hogs. The heavy market naturally causes lower prices for the producer. If this is not enough to contend with, we now have more grief for the producer by increased importation of livestock and red meats.

While my previous remarks on this floor were directed against the imports of beef and red meats, we now have another importing problem that will materially, if not financially, affect another phase of the livestock business. I am referring to the increased importing of lambs from Australia and New Zealand. We have just received a shipment of 30,000 head, which will help to depress the domestic lamb market. To add insult to injury, the same exporters who sent this trial shipment, are planning to ship us 200,000 or more, head of lambs in the next 2 or 3 months, if the trial shipment is successful. The trial shipment will be on the fat market in 3 or 4 weeks and can and probably will sell for $10 per head less than for what we can produce or sell fat lambs domestically.

How much longer are we to wait before some concrete action is taken by this administration and the Department of Agriculture to halt the increasing importation of livestock and red meats, now the lambs, before the American livestock raiser and the farmer is forced to the wall and financial ruin by cheap imports. This latest action could very well be the beginning of the end for the sheep industry in the United States.

Mr. JONES of Alabama. Mr. Speaker, I rise to support H.R. 7740, a bill to provide for the automatic preservation of acreage history for basic commodities and to permit a farm, county, and State to retain its full cotton acreage history.

On June 17, 1959, I introduced H.R. 7783, a similar bill to H.R. 7740. I am particularly interested in this legislative proposal since it will do much for our cotton producers who are in great need of consideration at this time. In my congressional district of Alabama there is more cotton grown than in any other district of the State. Cotton growing is still a major crop in my area, and many people there are dependent upon cotton for their livelihood. When this industry is in a healthy condition, our whole section feels the economic impact. Conversely, when cotton is depressed, my people are very adversely affected.

I understand that the U.S. Department of Agriculture has announced its acceptance of the provisions of H.R. 7740 and has placed its stamp of approval on the bill. This action on the part of the Department should pave the way for prompt passage by both Houses of Congress, so that the bill may be sent to the White House for the President's signature before this session of Congress is over.

Section 1 of H.R. 7740 continues on a permanent basis the preservation of acreage history for the six basic commodities. This provision in the present basic Farm Act expired on June 30, 1959, and unless steps are taken to continue this provision, great hardships will be experienced by the producers of basic commodities. Producers of some of these commodities are already faced with the fall planting season within a few weeks. In addition, all farmers would like to know whether this provision of law will be kept so that they can start making their plans for seed, fertilizer and other essential items for next year's crops.

Section 2 of H.R. 7740 permits a farm, county, and State to retain its full cotton acreage history without full planting of each farm allotment each year. This is done by prescribing certain requirements as to planting cotton or releasing unused allotment to the county committee. During the past several years, many States including Alabama have lost considerable cotton acreage due to the failure of farmers to plant their allotment each year. Under section 2 of this bill, this leak in the barrel would be plugged up to an appreciable extent, and this is exactly what is needed at this time. If certain farmers do not use or want to use their cotton acreage al-

lotment or turn it back each year to the county committee, the county or State acreage history should not have to suffer a decrease for future allotment purposes. This bill affords a workable and practical solution of this problem.

Mr. Speaker, I sincerely urge the House to vote to suspend its rules and pass H.R. 7740 today. This bill is urgently needed, and time is of greatest essence in passing this measure. We need to pass this bill now so that our farmers can have sufficient time in which to make their plans for their next crop. H.R. 7740 is supported by both sides of the aisle and has the cooperation of the Department of Agriculture. With this bipartisan support, H.R. 7740 should be written into law at an early date.

Mr. GRANT. Mr. Speaker, H.R. 7740 is a very simple piece of legislation which deals with the acreage history and allotments for crops in the operation of production adjustment programs. Unless this or some other legislation is enacted, producers of allotted crops, beginning next year, must plant each year in order to maintain the acreage history for their farms, county and State.

If legislation is not enacted, there will necessarily be an increase in production of crops already in surplus. This is true because in order to maintain history, it will be necessary for a grower to plant his allotment. H.R. 7740 would transfer this unused cotton allotment to other farmers, first within each county and then within the State. If not used in the State, it would become available for distribution in other States. This is fair and equitable legislation.

Some may say that if a farmer does not want to plant his allotment, that he should be made to give it up and that it first go to the national allotment. This would not be a fair way to handle it. The bill spells out how it should be handled. Justice can only be done where it first is used, in the county where it belongs, then to the State, and then on a national basis.

Unless this legislation is enacted, farmers with allotments above 10 acres can only protect future allotments by having planted 90 percent, thus adding to the surplus. H.R. 7740 merely permits the farm, county, and State, to retain its full cotton acreage history without full planting of each farm allotment each year. This legislation will mean a great deal to a lot of people and will not contribute to the cotton surplus.

Mr. ROBERTS. Mr. Speaker, I want to put myself on record as commending the gentleman from North Carolina [Mr. COOLEY] and the gentleman from Arkansas [Mr. GATHINGS] and his committee for the devoted efforts put into H.R. 7740; and as supporting the passage of this bill.

I stated in the House on January 15 of this year that it is mandatory that the 86th Congress act at the earliest possible moment to modify the laws regulating the allocation of cotton acreage.

Of course, I am delighted for this opportunity before adjournment to act upon legislation which would have this effect. I think the people expect the Congress to do something on this problem before it goes home.

A few months ago, I received a telegram from the Governor of Alabama, the Honorable John Patterson, and he said, in part:

> A survey conducted in each of Alabama's 67 counties indicates that unless the flexibility in acreage allotments which the leasing measure that you support provides is effected for 1959, Alabama will stand to lose the creation of new wealth on nearly 100,000 acres of good cotton land.

The Governor was referring to the bill which I introduced during the opening month of this session to provide for the lease and transfer of acreage allotments.

I was disappointed that the studies required on this problem made it impossible to take definitive action in time to affect the 1959 cotton crop.

However, our cotton farmers still need the greater flexibility in the cotton acreage allotments that this bill provides.

The sections of the bill dealing with transfer of unused cotton acreage allotments will have the effect of giving the farmer who wants to grow cotton the right to do so.

Under present conditions, we have not provided a ready funnel for the flow of allotted acreage from farmers who are only partially interested in farming to the farmers who want, need, and can utilize additional acreage.

This bill provides that unused cotton allotments would be transferred to other farms, with first preference going to farmers within the same county.

This will require that a farmer plant his cotton acreage allotment, turn it loose to retain the acreage history on his farm, or forfeit it to other farmers who want to use it.

Farmers who plant 75 percent or more of their farm allotment will be regarded as having planted their entire current farm allotment. Those who do not plant or release 75 percent of their allotments will have their allotment bases reduced, and allotments of these farms would shift to other farms with bases not reduced.

This would have a revitalizing effect on production in the cotton States.

A leader in studying Alabama cotton problems tells me that he believes H.R. 7740 will enable greater utilization and planting of Alabama's cotton acreage than any law since allotments have been in effect.

Under this bill, a county or State would not lose any acreage history credit for underplanting as long as the farms maintain their history by planting or releasing acreage to other farmers.

I think this is as it should be. The farmers who are truly interested in farming and preserving their county's acreage history are encouraged to do so.

Mr. Speaker, I urge the action of the House in this regard to give some relief to one portion of the overall farm picture.

Mr. WHITENER. Mr. Speaker, as the Representative of one of the largest cotton-producing congressional districts in North Carolina I am particularly pleased that the House has scheduled action on H.R. 7740.

The provisions of this bill are of great importance to all farmers in the 11th Congressional District of North Carolina, and especially so to the farmers in the four cotton-growing counties of Gaston, Cleveland, Rutherford, and Polk.

We are all aware of the serious hardships with which the cotton farmer in all sections of the country has been confronted during the past several years. Probably no other group of cotton farmers, however, has experienced a greater degree of hardship and economic distress than has been the lot of the cotton farmers in North Carolina.

We in North Carolina are proud that our State has more individual farms than any other State in the Union. Over 267,906 farms dot the landscape of our State, and on approximately 40 percent of these farms cotton is cultivated.

The production of cotton, therefore, is vital to the growth and economic stability of North Carolina. Nowhere is this fact more apparent than in the congressional district I am privileged to represent in this Congress.

During the past several years there has been a steady decline in the number of cotton allotments and cotton acres allocated in North Carolina. In 1954 my State had 91,039 allotments and 624,831 acres allocated for cotton. This year North Carolina only had 82,097 cotton allotments and 485,992 acres allocated for the crop. When we realize that in 1926 the State had 1,802,000 acres of cotton under cultivation and produced 1,208,000 bales of the fiber, the swift decline that has taken place in the cotton economy of the State becomes all the more apparent.

The drop in allotments and acreage during the past several years has been reflected in the situation existing in the four cotton-producing counties in my district.

In 1954 Gaston County had 946 allotments and 5,355 acres allocated. Today the county has only 823 allotments and 3,740 acres set aside for cotton.

Cleveland County, the largest cotton-producing county in North Carolina, had 3,557 allotments in 1954 and 40,826 acres allocated. This year Cleveland County had only 3,331 allotments and 34,359 acres allocated.

In Rutherford County the trend also has been downward. The county had 12,173 acres allocated and 2,160 cotton allotments in 1954. The situation today finds the same county having 11,214 acres allocated and 1,848 allotments.

Polk County had 421 allotments in 1954 and 1,938 acres allocated. The 1959 figures reveal that this county has 1,820 acres allocated with 453 allotments.

Mr. Speaker, I believe the same story would be told if we were to examine the figures for every cotton-producing county in North Carolina. Year after year, allotments and cotton acreage have decreased in the State. As a result, many of our small cotton farmers have been forced to find other means of employment.

It is imperative, therefore, that we enact H.R. 7740. I commend the House Committee on Agriculture for bringing this bill to the floor, and I am pleased

that the Department of Agriculture has realized the seriousness of the situation facing the cotton farmers and has given the Department's endorsement and support to this legislation.

Under the provisions of this bill unused cotton allotments within a county will be distributed among other cotton farmers in the same county. Any of the allotments not used after this has been done will be distributed within the State, and if there is a State surplus, other States will share in it. This is a realistic approach to a situation that has become exceedingly worse with each passing year.

Simply stated, this bill will provide that a farmer must plant his acreage allotment. If he does not do so he can voluntarily release it and retain the acreage history on his farm. Otherwise, he will gradually forfeit his allotment to the use of other farmers who desire to plant a larger cotton crop.

H.R. 7740 has had the support of cotton-producer associations. In talking with the cotton farmers in my congressional district I find that they are likewise heartily in favor of the enactment of this legislation. There is, of course, no cure-all for the problems of the cotton producer, but the enactment of H.R. 7740 will go a long way toward alleviating some of the present difficulties he is experiencing. The bill deserves the support of every Member of the House.

Mr. HEMPHILL. Mr. Speaker, the Committee on Agriculture is to be congratulated for promptly reporting out H.R. 7740, which allows unused cotton allotments to be transferred to other farms, first, within each county and then within the State. Allotted cotton acreage not used within the State subsequently would become available for distribution in other States.

Cotton is a great commodity, and we who live in the original cotton country have seen the Government program disparage the growth of cotton rather than encourage it. Since allotments could not be transferred, we have had great difficulty in justifying an investment to grow a crop which had no great potential for farm income. This bill changes that, and I am delighted.

Many of my farmers have spoken to me about this legislation, and I hope it will pass when the vote is taken on Wednesday. I understand this is approved by the Department of Agriculture.

It is my hope this bill, if enacted into law, will relieve some of the surplus supply, since it will no longer demand that 90 percent of the farm allotment be planted each year in order to protect future allotments.

I hope South Carolina will keep its full cotton acreage history without full planting of each farm allotment each year.

Finally, it gives the farmer the select right to trade off his allotment and use it for some purpose other than his own. He can help his neighbor, he can help his country, and he can help his community.

I urge the passage of H.R. 7740.

Mr. ELLIOTT. Mr. Speaker, for many years I have been interested in legislation which will bring out economic justice for the cotton farmers of our Nation, my State of Alabama, and the Seventh Congressional District of Alabama, which I have the honor to represent. The Seventh Congressional District has, basically, a rural economy. We have around 26,000 farm families, whose farms will average approximately 50 acres. However, the number of farmers in our district has been decreasing in recent years. In many cases, I think, our farmers have left the land because their cotton acreage has been reduced to such a level that planting it is not economically feasible. A real economic squeeze has enveloped our small farmers. The economic distress of our people in the Seventh District has been further accentuated by the closing of many of our coal mines; therefore, in my opinion, something must be done to preserve for our farmers the opportunity to make an adequate living.

Early in this session of Congress I introduced two bills which, in my opinion, would help alleviate the problem of the decreasing cotton allotments in my district. One bill provided for the lease and transfer of cotton allotments; the other provided for a 1-year carryover of cotton farm acreage allotments when planting had been prevented by bad weather conditions.

H.R. 7740, which is now before us, in effect, embodies the concepts of both of the bills which I introduced. I, therefore, urge approval of this bill. This bill provides a reasonable mechanism through which a farm, a county, and a State may retain its full cotton acreage history without full planting of each farm allotment each year.

As you know, under the present law, the basic allotments for counties and States are based on the cotton history for the previous 5 years. As a result, if a farmer does not plant his allotted acreage, the amount not planted will be reflected in a reduction of the acreage history for his county and his State. During the past few years, there have been many farmers who have chosen not to plant their full allotment, or none of their allotment. This underplanting has caused our State and district to lose part of its cotton acreage. Last year alone our Seventh Congressional District's acreage allotment was reduced by almost 4,000 acres.

This legislation now before us would preserve acreage history equal to the farm allotment of an individual farm, if during the current year or during either of the two previous years the acreage planted in cotton on the farm, or regarded as planted according to established regulations, was the equivalent of 75 percent or more of the farm's allotment.

Furthermore, it provides for the transfer of unused cotton acreage allotments to other farmers, first within the county, and then if still unused, to another farmer within the State. Thus, the acreage allotment history for a county may be fully maintained over a period of years even though the full allotment is not being used in any one year. This, I would hope, would result in a county retaining virtually its same allotment year after year. To put it simply, as I see it, this bill will have the effect of requiring a farmer to plant his cotton acreage, voluntarily release it to another farmer within his county, or gradually forfeit his allotment to other farmers who wish to use it.

Early this year I had a letter from the Honorable John Patterson, Governor of Alabama, regarding the problem of leasing or transferring acreage allotments. His letter stated, in part: "Farm leaders from all over Alabama are concerned about the wholesale abandonment of cotton allotments due to the situation on many of our farms where small allotments, coupled with low prices, have rendered cotton production unprofitable. A survey conducted in each of Alabama's 67 counties indicates that unless flexibility in acreage allotments is effected for 1959, that Alabama will stand to lose the creation of new wealth on nearly 100,000 acres of good cotton land. Even at present prices and yields (this bill) has been estimated to prevent the loss of over $15 million worth of new wealth for Alabama in 1960 alone. Consequently, this cotton measure could well be one of the most important measures to come before the Congress in 1959 so far as the economy of the State of Alabama is concerned."

I am happy to note, Mr. Speaker, that provisions of this bill relating to cotton allotments and acreage history were arrived at through a conference with representatives of our cotton producers and officials of the U.S. Department of Agriculture. This is the kind of cooperation we need if we are to arrive at adequate solutions to our farm problems. There is a great deal of sentiment in favor of this bill. It has been supported by communications from every part of the Nation's Cotton Belt, and during the course of the hearings on this legislation not one single witness appeared in opposition to it. I expressed to the Agriculture Committee, during the course of the hearings on this bill, my approval of its purpose. I reaffirm that support now and urge the passage of H.R. 7740.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and on a division (demanded by Mr. HAGEN) there were—ayes 58, noes 31.

Mr. COOLEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Under the unanimous consent agreement heretofore made, that vote will be passed over until Wednesday.

TO ACQUIRE AND TRANSFER CERTAIN REAL PROPERTY TO THE COUNTY OF SOLANO, CALIF.

Mr. DURHAM. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 697) to authorize the Secretary of the Navy to acquire certain real property in the county of Solano, Calif., to transfer certain real property to the county of So-

lano, Calif., and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 6, line 4, strike out "8.26" and insert "78.26."

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. DURHAM]?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

STATE PARTICIPATION IN EMERGENCY FEED, SEED, AND ROUGHAGE PROGRAM

Mr. COOLEY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6861) to provide for a specific contribution by State governments to the cost of feed or seed furnished to farmers, ranchers, or stockmen in disaster areas, and for other purposes, as amended.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, no feed for livestock or seed for planting shall be furnished to farmers, ranchers, or stockmen pursuant to Public Law 875, Eighty-first Congress (42 U.S.C. 1955 and the following); Public Law 115, Eighty-third Congress, first session; Public 357, Eighty-third Congress, second session; Public Law 480, Eighty-third Congress, second session; or pursuant to any other law as a disaster relief measure, unless, in addition to such administrative costs as may be assumed by the State, the State in which such feed or seed is furnished agrees to contribute 25 per centum to that part of the cost, including transportation, of such feed or seed which is not paid for by the recipients thereof: *Provided, however,* That the effective date of the foregoing percentage of cost provision shall be three years after the enactment of this Act: *And provided further,* That feed for livestock deprived of their normal feed sources by extreme emergency conditions may be furnished temporarily by the Secretary without State participation in the cost of such feed.

The SPEAKER. Is a second demanded? [After a pause.] If not, the Chair will put the question.

The question is on the motion to suspend the rules and pass the bill, as amended.

The question was taken, and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

Mr. HOEVEN. 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 Iowa?

There was no objection.

Mr. HOEVEN. Mr. Speaker, H.R. 6861 is sound and needed legislation. It requires that States participate in the cost and the administration of Federal feed, seed and roughage assistance programs. It has the approval of the Department of Agriculture and has been reported almost unanimously by the Committee on Agriculture.

I would, Mr. Speaker, like to review the background and the reasons for this legislation.

The emergency feed program began in 1953 in an effort to deal with an extremely serious drought situation. Some southwestern areas at that time were entering their fourth year of critical drought conditions. The growing shortage of feed and water for livestock caused many farm and ranch families extreme difficulties in maintaining their foundation herds of livestock. In those areas where extreme drought and other major natural disaster conditions have existed, the primary objective of this program has been to give the necessary assistance promptly and efficiently to distressed farmers and ranchers.

The program has been operated on the local level through the agricultural stabilization and conservation committees. The abuses have been relatively slight and the Department has taken action to recover some $4½ million from feed dealers, farmers and ranchers who have misused the program.

Up to the present time the Federal Government has assumed the entire cost and administration of the program. Last year both the House and the Senate passed bills to require State participation in this program, but these bills died in the closing days of the 85th Congress before conferees were appointed. Last year the Senate bill provided for State participation from 25 to 50 percent, while the House bill allowed a 10-percent contribution.

I introduced H.R. 6861 first because I strongly feel that the government closest to the people is the best government and second, because this bill will reduce the cost of the Federal agricultural program.

In addition, Mr. Speaker, the bill provides a 3-year period for State legislatures to make whatever statutory or constitutional changes which may be necessary in order to participate in the program. The bill leaves open the door for special aid in case an extreme emergency such as a flood or a tornado strikes a particular State. In such a case, no State participation in the cost of the feed, seed or roughage would be required. I would also like to point out that this legislation is in accord with the Governors' conference and the President's policy of establishing joint Federal and State responsibility and cooperation in the administration of the affairs of government.

This bill is by no means a precedent. There are many agricultural programs which operate on this principle. A few are as follows:

First. Payments in State departments of agriculture, bureaus of markets, and similar State agencies under section 204(b) of the Agricultural Marketing Act of 1946 for marketing service activities.

Second. National school lunch program: Contributions by State and local interests of $3.50 to each $1 of Federal funds are required by the School Lunch Act of 1946. Payments for meals by children are included in the contributions by the State or local interests.

Third. Payments to State experiment stations: The Hatch Act, as amended, provides that any amount allotted to any State in excess of $90,000 shall be matched by the State out of its own funds for research. Payments are also made to States on a matching basis for marketing research under the Agricultural Marketing Act of 1946.

Fourth. Payments to State extension services: The Smith-Lever Act, as amended, provides that the major portion of the funds appropriated for grants for the cooperative extension program to be matched by the States. Marketing educational work is also conducted under the Agricultural Marketing Act of 1946 on a matching basis.

Fifth. State and private forestry activities: The U.S. Forest Service makes payments to State forestry agencies for forest fire protection, reforestation, and good management of woodlands which must be matched by the cooperating States.

In conclusion, Mr. Speaker, this legislation follows an established and successful principle of government and as such should be enacted.

INCREASED AUTHORIZATION FOR THE 1960 AND 1961 SCHOOL MILK PROGRAM

Mr. COOLEY. Mr. Speaker, I move to suspend the rules and pass the bill (S. 1289) to increase and extend the special milk program for children, as amended.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of Public Law 85-478 (172 Stat. 276), is amended to read as follows: "That for the fiscal year beginning July 1, 1958, not to exceed $78,000,000, and for the fiscal year beginning July 1, 1959, not to exceed $81,000,000, and for the fiscal year beginning July 1, 1960, not to exceed $84,000,000, of the funds of the Commodity Credit Corporation shall be used to increase the consumption of fluid milk by children (1) in nonprofit schools of high school grade and under; and (2) in nonprofit nursery schools, child care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children."

The SPEAKER. Is a second demanded?

Mr. HOEVEN. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. COOLEY. Mr. Speaker, I yield to the gentleman from Wisconsin [Mr. JOHNSON] such time as he may desire to explain the bill. The gentleman from Wisconsin is chairman of the dairy subcommittee of the House Committee on Agriculture who dealt with this problem.

Mr. JOHNSON of Wisconsin. Mr. Speaker, the Dairy Subcommittee held extended hearings on this matter. The testimony before the committee showed

that the $75 million which is now appropriated for the special school milk program would not be enough. It was necessary to raise the appropriation for the year 1959, which was done by separate legislation. It was also necessary to raise the $75 million for the fiscal year 1960 and 1961. The committee amended S. 1289 to provide $81 million for fiscal year 1960, and $84 million for the fiscal year 1961. This was done unanimously by the Dairy Subcommittee, and this action was agreed to unanimously by the full committee. All the bill does is provide $81 million for fiscal 1960 and $84 million for fiscal 1961 from Commodity Credit Corporation funds.

Mr. HOEVEN. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. ALGER].

Mr. ALGER. Mr. Speaker, I thank my colleague for yielding to me.

Mr. Speaker, I would like to ask a direct question, if I may. I was the lone Member of the House last year to oppose the school milk program. I tried to state in the RECORD at that time why I did. I would like to ask the gentleman, the chairman of the subcommittee, a question. Is the primary purpose of this bill the distribution of surplus stocks or to provide food for our children?

Mr. JOHNSON of Wisconsin. We, on the committee, feel that it serves two purposes. It disposes of surplus milk which, if it were not made available to the children, would have to be bought by the Commodity Credit Corporation in the form of butter, cheese, and dried milk. At the same time this helps the health of the children who are in the program by having milk available for them.

Mr. ALGER. I want to compliment the gentleman for making such a clear statement. I was puzzled last year because in the bill last year and in the report, missing this year, there was contained the statement that the primary purpose of the program was to improve nutrition for schoolchildren, and earlier I had questioned the gentleman from North Carolina [Mr. COOLEY] as to whether the primary purpose was not the distribution of surplus stocks of food. I never really did get an exact answer.

Mr. JOHNSON of Wisconsin. May I say this to the gentleman from Texas: When the law was first enacted, it had for its purpose disposing of surplus milk. But, the way the program has developed and is developing all over the country, it is very much a health measure as well as a way of using up our surplus. The testimony before our subcommittee showed the amount of butter, cheese, and dried milk that would accumulate if all this milk were not used in the school milk program.

Mr. ALGER. There is no question then that this does dispose of surplus products. Of course, the thing that puzzles me and concerns me, Mr. Speaker, is the fact, of course, we could very well be building up surpluses just so that we could later dispose of them to the schoolchildren through the milk program as a health program thereby making a very fine program for the dairy folks. I am not opposed to the dairy people doing good business and I am not opposed to schoolchildren drinking milk. But, I would like to cite you a parallel example to show you why I, as one Member, am concerned. Let us say, for example, that the manufacturers of children's clothing were having a tough year and that they got together and the Federal Government agreed that we would subsidize the clothing manufacturers for schoolchildren and that Government would pick up the cost beyond a certain amount as a minimum fee. Under those circumstances, very obviously, the children get clothing. The taxpayers would pick up the difference as the taxpayers now pay the difference for the milk. Children need clothing, of course. I am simply calling to your attention in this case that the Federal Government is actually becoming a provider of clothing, as it has become a provider of milk. I am not opposed to children drinking milk, but I think this House ought to clearly see that we are no longer disposing of surplus milk but we are actually perpetuating a program of providing food for our schoolchildren.

I do not think that is the role of the Federal Government.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. ALGER. I yield.

Mr. COOLEY. Could not the gentleman make exactly the same argument against the school lunch program? Certainly the gentleman is not opposed to that.

Mr. ALGER. I would certainly make the same argument there against the school lunch program. I do not believe it is the role of the Federal Government to feed and clothe our people.

Mr. COOLEY. I say, notwithstanding the gentleman's argument, he is in favor of the school lunch program?

Mr. ALGER. For the same reason I am not in favor of the school lunch program. I thought I made that clear.

Now, Mr. Speaker, under privilege of extending my remarks, I would like to append my remarks of last year. I still do not believe it is the role of the Federal Government to feed and clothe people.

Mr. ALGER. Mr. Speaker, I take this time solely because I was the lone dissenting vote on the preceding vote on the school lunch program. I want to make it clear to my colleagues that I recognize the need to dispose of these surpluses, and I am wholeheartedly for schoolchildren drinking milk, but I am also wholeheartedly opposed to Uncle Sam being the giveaway middleman for American food, clothing, or other necessities of life. This is not the role of Federal Government.

By this vote, too, I am protesting the confusion of Congress' intent. Originally this school milk program was to dispose of surpluses. Now it is contended in the bill itself "An act to continue the special milk program for children in the interest of improved nutrition in fostering the consumption of fluid milk in the schools." This sounds like a business ad for dairy products. I, too, believe in children drinking milk. I do not believe it to be the role of Federal Government to be the distributing agent for milk. Our Constitution does not so empower the Federal Government to use the taxpayers' money. Food surpluses were a wartime emergency, the result of bonuses offered farmers to produce. They overproduced, more than meeting the challenge, and so we had to dispose of the surpluses. Earlier I asked the chairman of the Agriculture Committee, "Is the primary purpose of this legislation to dispose of the surplus stocks or provide food for our children." His answer, "The primary purpose was to dispose of surplus material." This is a clear statement contradicting the bill and committee report which says "the primary purpose of the program is improved nutrition for schoolchildren." Then the chairman went on to confuse his answer by saying, "The real purpose of course, has been accomplished, to improve the diet of many thousands of schoolchildren."

SCHOOL MILK BILL

Mr. Speaker, is there anyone who does not want to see underprivileged children enjoy an adequate and balanced diet? Oh come on now. Certainly all of us do, just as we want to see every child adequately clothed and suitably sheltered. Believe me, this has little or nothing to do with the so-called Federal school milk program.

If a school district participates—a wealthy or a poor one—they can sell milk to all youngsters—needy or not—for considerably less than it costs, and the Federal taxpayer will make up the difference.

The program is pushed in Congress primarily by those interested in boosting milk consumption and keeping the price up. Now, I don't deny that this aim may be good—but I don't believe it is a function of the Federal Government, for which you ought to be compelled to pay ever higher taxes—in effect subsidizing the milk industry. To judge how improper the idea is let us draw a less emotional analogy. Children need clothing too. Suppose a bunch of clothing manufacturers—having trouble moving as much of their merchandise as they would like and not wanting to cut the price, should get together and suggest that we offer clothes through the school system at half price, with the taxpayer making up the difference. Such a setup would undoubtedly move a lot of clothing, and help keep the price up on all clothing sold anywhere. Why wouldn't it? It would be cheaper to get the youngsters new clothes this way than to repair torn or damaged trousers, and all at the taxpayers expense. Incidentally, such a program would benefit a few really needy schoolchildren who might not otherwise be adequately clothed.

But let us not kid one another—the people who would benefit most and who would be pushing to extend this program into even the richest school districts in the land, would be the clothing manufacturers.

Mr. HOEVEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the special school milk program has been a successful and popular program since its inception in the 83d Congress.

In fiscal 1959 the Department of Agriculture operated the program in over 80,000 schools, child-care institutions, and summer camps. Nearly 2.2 billion half pints of healthful, nutritious milk were consumed by American schoolchil-

dren during the same period. Last November in Iowa alone, some 2,166 institutions served over 4.4 million half pints of milk to Iowa schoolchildren. In order to keep this valuable program operating on a desirable level, the Committee on Agriculture has increased the authorization for this program to $81 million for fiscal 1960 and to $84 million for fiscal 1961. The bill is merely a recognition of the fact of our increased school population which is estimated to go up to 43.7 million children in the 1960–61 school year, or some 3 million more than this year.

It should be clear, Mr. Speaker, that this legislation does in no way require the Department to expend all the funds provided in S. 1289. The bill simply authorizes these increased expenditures in order to keep pace with our expanding school population and to continue the program on its present level.

Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. LAIRD].

Mr. LAIRD. Mr. Speaker, I wish to commend the Committee on Agriculture for reporting out this bill. In the 83d Congress I was one of the original cosponsors of this program with our late colleague, the gentleman from Minnesota, Mr. ANDERSEN.

The committee bill increases for the 1960 and 1961 fiscal years by $6 million and $9 million, respectively, the maximum amount of money which may be used by the Secretary of Agriculture for the special school milk program authorized under section 201(c) of the Agricultural Act of 1949 and Public Law 85–478. Public Law 85–478 authorized $75 million for each of the fiscal years 1959, 1960, and 1961.

Under this highly successful and worthwhile program milk service is now available to about three out of every four children in school. That is a fine record. In my opinion, as long as the Department of Agriculture needs to buy surplus dairy products, we should continue full efforts to move milk in fluid form to our young children. I am happy to give my support to the committee amendment. This is good legislation, and it is important that the legislation be passed now and sent to the White House, because only in this way can an adequate program be arranged for the next 2 years.

I also want to commend the Committee on Agriculture for their prompt action on this legislation.

Mr. HOEVEN. Mr. Speaker, I yield one minute to the gentleman from Maine [Mr. McINTIRE].

Mr. McINTIRE. Mr. Speaker, it has been a pleasure to serve on the subcommittee of the House Committee on Agriculture dealing with dairy problems and I want to be recorded in favor of this legislation to provide adequate support for this constructive program.

Mr. HOEVEN. Mr. Speaker, I yield one minute to the gentleman from Minnesota [Mr. ANDERSEN].

(Mr. ANDERSEN of Minnesota asked and was given permission to revise and extend his remarks.)

Mr. ANDERSEN of Minnesota. Mr. Speaker, I would like to compliment the Committee on Agriculture for bringing out this additional authorization. To me this is one of the most worthwhile programs we have ever undertaken, not only to agriculture but also to the schoolchildren of America. The members of the Committee on Agriculture are to be complimented for bringing it out.

Among the bills the committee had under consideration was my own, H.R. 5487, introduced March 10, 1959, and I am especially pleased to note that the Senate bill has been amended to provide a substantial increase in the authorization for future years. We all read stories about the "population explosion" now taking place, and I know of no better program for the health of our children than this special milk program.

Mr. COOLEY. Mr. Speaker, I yield 1 minute to the gentleman from Iowa [Mr. SMITH].

Mr. SMITH of Iowa. Mr. Speaker, I want to compliment the committee for the good work they have done on this program to make it possible for us to use more milk.

Mr. HOEVEN. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota [Mr. QUIE].

Mr. QUIE. Mr. Speaker, I rise in support of the school milk extension bill, S. 1289. This legislation is extremely important because of the number of school children who receive this milk. There are 74,128 schools which participate in the program which distributed 217,682 half-pints of milk per month.

The program's national significance is obvious, when it is noted that in fiscal year 1958 the school milk program amounted to 1,030,774,500 pounds and in fiscal year 1959, 1,162,100,000 pounds.

The importance of the program is apparent, Mr. Speaker. Because of it, schoolchildren all over the country are able to drink nature's most perfect food.

It is true that this authorization is in excess of what is needed next year, just as this year $78 million was authorized but $75 million was used.

There are two important reasons for this.

One stems from simple arithmetic. The fast-growing school population is resulting in many more children who can benefit from enriching, wholesome milk. We must provide enough authorization to meet the growing demand.

Secondly—the needs of some States are greater than others. A State which has met its demands and which has a surplus in its allotment, cannot turn over its excess to a sister State which, because of uncontrollable circumstances, has not enough for its program. We must provide enough authorization to see that the assurances given at the beginning of the school year are met.

In this way, the authorization provides a cushion necessary for full utilization of the program.

In summary, Mr. Speaker, the value of the program—and the investment it makes in a priceless resource, the health of our children—makes it well worth the cost. I urge the enactment by this Congress of the school milk extension.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill was passed.

HADLEY TERCENTENNIAL, 1659–1959

Mr. BOLAND. 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 Massachusetts?

There was no objection.

Mr. BOLAND. Mr. Speaker, Hadley, Mass., is a typical New England town, rich in tradition and history. Picturesque in setting, it is on the banks of the Connecticut River, at the foothills of the northern end of the Appalachian range and the base of Mount Holyoke. Hadley is a pleasant, comfortable place to live in. Majestic elms and maples tree-line its main Russell Street. The greenery of is skyline is broken only by the spires of its churches. The very old and the ultra new homes of its people compliment each other. Acres of rich, fertile soil produce a host of products with emphasis on the finest binder tobacco, onions, potatoes, and magnificent roses. It is in this setting that the solid citizens of Hadley live the good life. It is no wonder that they are proud of their town and happy in their environment.

HADLEY IS ONE OF OLDEST NEW ENGLAND TOWNS

Mr. Speaker, this year marks the 300th anniversary of Hadley's birth. It is one of the oldest towns in New England and the town fathers, officials and citizens have combined to fittingly celebrate its tercentennial, 1659–1959. July 31, August 1 and 2 were reserved to highlight its history by exhibits, tours, reunions, tercentenary ball and culminating in a remarkable parade. I joined in and witnessed some of these events and felt the joy of all who participated.

BOLAND COMMENDS TOWNSPEOPLE AND TERCENTENARY COMMITTEES

Mr. Speaker, I want to take this opportunity to congratulate the 3,000 residents of Hadley for the true American spirit they have displayed in observing their town's 300th birthday. The following members of the executive committee are to be commended for the wonderful arrangements they made: Edwin M. Podolak, chairman; John T. Martula, cochairman; Stanley C. Jekanoski, secretary; Roger Johnson, John S. Kelley, Jr., Anthony J. Blyda, William Chmura, John E. Devine, Henry E. Drozdal, Ernest W. Hibbard, Edward J. Matuszko, Owen A. McNiff, Sr., John Mish, Jr., Frank C. Reynolds, R. Donald Shipman, Edward W. Tudryn, and Edward C. Wanczyk.

Also, Mr. Speaker, I include with my remarks a most interesting digest on the history of the town of Hadley that appeared in the Hadley tercentenary program. It was prepared by the historical committee from contributions made by the following: Mrs. Doheny H. Sessions, Mrs. Fern Nutter, James Kentfield, Miss Florence Burke, Rev. Aloysius A. Budnik, Edward Banack, Mrs. Dorothy Comins Page, Robert Piziak, Roger Johnson, William Chmura, Frank C. Reynolds, Ben

Drabeck, Mrs. Esther Barstow, Stanley Kulas, Mrs. John T. Martula, Richard and Susan Martula, editors.

HADLEY LANDS ONCE OCCUPIED BY NIPMUCK INDIANS

When word of the newly arrived settlers at Plymouth reached the valley, Nipmuck Indians, living between Worcester and the Berkshire Hills, became aware of the fact that these people and their comparatively efficient weapons would help protect them from the raids of the greatly feared warriors—the Mohawk. The number of arrowheads—made of the type of flint found west of the Hudson River—which have been discovered in the valley meadows is tangible evidence of the Mohawk raids.

The Norwottuck Band of Nipmucks, who lived near the Connecticut River and raised crops in the fertile meadows, had been almost wiped out by the yellow sickness, or plague, brought to America at the end of the 16th century by early ships from Europe. The few men who survived needed help to protect their women and children from the fate of slavery or death. When Mohawk hunters attacked them, the Nipmucks knew that their territory, inherited from generations before them, was in danger. The threat of Mohawk raids was one good reason for the Nipmucks to induce the newcomers to settle among them. Twice, delegates of these Nipmuck Indians visited the Massachusetts Bay Colony to seek settlers. They extolled the quality of the corn produced and the abundance of fish. Fifty canoes with corn had been taken down the river to help the first settlers at the lower plantation at Windsor.

The Europeans considered themselves superior to the aboriginals. The material advantages, though few, which the first settlers brought with them caused some of the natives to wonder whether the white man's God was not stronger than those of their own culture. Occasions when Indians had been tricked and murdered had caused a warning to be circulated among the tribes that white men spoke with crooked tongues.

The rivalry of European kingdoms complicated the struggle in this country. The Dutch traded guns to the Indians for beaverskins. The French and English used arguments based on the advantages of their religions and bolstered these arguments with gifts of knives, hatchets, and other items in attempts to outdo each other. Traffic with natives in rum was forbidden but frequent.

King Phillip—leader of the Valley Indians—tried to unite all the tribes of New England in order to rid the country of these foreigners who were driving his people from their native lands, despite the fact that the newcomers were determined to stay. Gradually the Indians were eliminated. After the massacre by Captain Turner at the falls now named for him, the two camps of Indians in the vicinity of Hadley quietly withdrew to join their people north of Albany—1676.

Within 3 years after the landing of the Pilgrims, 1,700 immigrants had come to the shores of New England. The pressure of numbers of families in the first wave of emigrating Europeans, and the seemingly limitless stretches of meadow and woodland resulted in plans for upriver settlements in the Connecticut Valley.

In 1659 a number of Englishmen who dissented in points of church doctrine withdrew from Weathersfield to found a new church and town. On April 18 of that year there were 59 names signed to the agreement to transplant from Connecticut to the Massachusetts plantation purchased from the Indians on the east side of the Connecticut River and on the west beside Northampton "there to inhabit and dwell by September 1660."

The record of the General Court, May 22, 1661, reads:

> On the motion of the inhabitants of the new plantation nere Northampton, relating to sundry particulars, it is ordered by this court that the said toune shall be called Hadley.

This plantation consisted of approximately 80 square miles. Not more than 100 years later in the original plantation of Hadley, settlements had become the towns of Hatfield, South Hadley, Sunderland, Amherst, and Granby.

John Winthrop, who became the first Governor of Massachusetts, spent most of his life near Hadleigh, England. In part, the Massachusetts town was named Hadley—revised spelling—in honor of John Winthrop, who is supposed to have courted his third wife in Hadleigh, England. Today there are communities named Hadley in seven other States: Indiana, Kentucky, Michigan, Minnesota, New York, Pennsylvania, and Alaska.

In the year 1675, William Goffe, later immortalized as "The Angel of Hadley" by the poet Nathaniel Hawthorne, saved the young town from the Indians. Goffe, who had been one of the judges to sentence Charles I of England to death, was forced to flee to America in 1660, and in 1664 journeyed to Hadley where he lived in seclusion. One day, while townsmen were at the meetinghouse, Indians attacked. With the group irresolute, a white-bearded figure appeared at their head. He led the attack which repulsed the Indians, and then disappeared. Some writers today tend to discount the incident as pure fancy much to the chagrin of Hadley residents.

In the struggle between France and England to control the colonies, the French used Indians to raid the English settlements. From the area of Hadley's plantation, 167 men fought for the British in the French and Indian War. This fighting eliminated the threat that the Indians constantly posed. These years were characterized by terror, hardship, and disease. But following the War of Independence, the peaceful period saw both territorial expansion and industrial growth.

As the town neared its 200th anniversary, considerable development was evident. Along the streams of Hadley and North Hadley, there were "manufactories" in 1854; five saw mills, two grist mills, three blacksmith shops, five stores—two with post offices, one plaster and wire manufactory, six broom making shops, one wheelwright, and wagon shops. Schools, both elementary and secondary, were available for both boys and girls. The system of apprenticeship provided training for trade and business. Immigrants from famine-striken Ireland were used in menial and hard labor.

With the development of factories many French Canadians came into the valley. They, too, were ridiculed and exploited but finally became citizens and landowners when opportunities occurred, just as the Irish had done. The opening in the West after the Civil War, as well as the many deaths caused by the war, left a number of farms in Hadley available to these recent arrivals.

At the turn of the 20th century the continuing expansion in the United States aided in attracting great numbers of people from Europe. In Hadley the majority of immigrants at this period were from Poland. They, too, had strange speech and customs and suffered hardship and exploitation. But there were opportunities to work and save money. Parents made sacrifices, as did their children. The combined efforts made the promise of this New World come true.

Reading the names of taxpayers in Hadley gives a synopsis of the success story of the immigrants who have settled here during the past 300 years. There is no descendant of a native American born in the valley before 1659. There are a few who can trace back their ties to the original settlers. Other names which may suggest one or another of the later immigrants are now mostly American citizens by birth or by choice.

The town of Hadley is still primarily an agricultural community. The soil continues to yield crops of high quality and support fine growing families, but to meet demands financially parents often supplement their farming income with other work. Industry is no longer based on waterpower. The railroad has lost much of its business to trucking concerns. The blacksmith shops have become filling stations and garages. The old time taverns have become the popular motels. Scenes have changed greatly even in 50 years. But in spite of the diversification of interests and changes in the community, its citizens are proud of their heritage and intend to continue to uphold the best in the tradition of Hadley.

LABOR-MANAGEMENT REFORM BILL

Mr. GRIFFIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous mater.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. GRIFFIN. Mr. Speaker, when I joined recently with the distinguished cochairman of the House Labor-Management Reform Subcommittee, the gentleman from Georgia [Mr. LANDRUM], in introducing our substitute reform bill, we described it as "moderate but effective."

In general, the press coverage that has been accorded our substitute bill has

been fair, accurate and objective. However, as might be expected, in some quarters the bill was quickly tagged as "extreme," "vicious," and "antilabor."

Whether we like it or not, apparently a battle of tags and labels is on. Unfortunately, in such a skirmish, the facts are too often brushed aside and ignored.

Those who seek to put our substitute bill in proper perspective would do well to start by reviewing an editorial statement made by one of the Nation's leading liberal (and certainly not antilabor) newspapers, the Washington Post and Times Herald.

On March 8, 1959, the Washington Post and Times Herald said editorially:

It is common practice for the Teamsters to tell small employers to deliver their employees into the union—or else. The "or else" may be either blackmail picketing or a secondary boycott against the victims, or both.

Secretary of Labor Mitchell has proposed amendments to the Kennedy-Ervin bill that would strike at these additional abuses of the picket line. His suggestions are moderate and reasonable, but, of course, not sacrosanct.

The editorial will be set forth in full at the close of my remarks.

On May 19, 1959, another of the Nation's leading liberal newspapers, the St. Louis Post-Dispatch, stated editorially:

Secretary Mitchell's proposed curbs on certain secondary boycotts certainly should be written into the bill. The Senate left it out in favor of a "hot cargo" clause.

Similarly, Secretary Mitchell's complete proposal for dealing with blackmail picketing ought to go into the bill, instead of the weaker version which the Senate adopted.

The editorial will be set forth in full at the close of my remarks.

In the light of such editorial comment, which is only typical of views expressed in leading newspapers all over the country, it is interesting to review once again just what is in the substitute bill which the gentleman from Georgia [Mr. LANDRUM] and I have proposed. The major differences between the committee bill and the substitute are as follows:

First. The bill of rights in the substitute is essentially the bill of rights in the form passed by the Senate—instead of the weak and watered-down version adopted by the House committee.

Second. The Senate-passed bill contains a provision making it a Federal crime for any person to deprive a union member of the rights guaranteed under the Act through force or violence. The House committee struck out this provision. The substitute would restore it.

Third. Titles II, III, IV, V, and VI of the substitute, dealing with reporting, trusteeships, elections, and other safeguards, are almost identical to the provisions in the committee bill. One important difference: the committee bill seriously weakens existing law by automatically exempting nearly 70 percent of all labor unions from reporting; our substitute bill would require all unions to report, but the Secretary of Labor could prescribe simplified forms for smaller unions.

Fourth. The most important, and apparently the most controversial, difference between the bills is the fact that the substitute in title VII contains provisions, generally in line with proposals made by Secretary Mitchell, to deal with the abuses of blackmail picketing and secondary boycotts.

President Eisenhower has said that the substitute bill is a "tremendous improvement" and has recommended that it be supported because it contains effective and necessary curbs on blackmail picketing and secondary boycotts. Some significant newspaper quotes will be found at the close of my remarks.

Far from being a "union buster" our substitute bill contains many provisions which would be of great benefit and assistance to union members and leaders in the attainment of their legitimate objectives; for example, the following features of our substitute should not be overlooked:

First. Elections during a strike: Under the Taft-Hartley Act, economic strikers who are replaced cannot vote in a representation election. Accordingly it is possible for an unscrupulous employer to provoke a strike, hire replacements and then have a quickie election to oust the union. Before his death, Senator Taft recognized this defect in the Taft-Hartley Act and recommended that it be corrected.

Under section 703 of our substitute, a representation election could not be called during an economic strike for at least a year, if a petition is filed by an employer, or 6 months, if a petition is filed by another union.

Second. Unions in the building and construction industry: It has long been recognized that union certification procedures under the Taft-Hartley Act are not wholly practicable in the building and construction industry. More than a year ago, top union leaders and contractors in this field were called together by Secretary of Labor Mitchell. They agreed upon certain principles upon which a change in the law should be based.

Those principles have been embodied in section 702 of our substitute bill which is endorsed by Secretary Mitchell. This section would enable a union in the building and construction industry to be certified by the NLRB without a prior election in cases where there is a history of collective bargaining.

Third. Non-Communist affidavit: Our substitute, like the committee bill, would repeal the discriminatory non-Communist affidavit filing requirement, which has been imposed upon union officers. While the filing of such an affidavit would no longer be required, our substitute would make it a crime for anyone who is a Communist, or has been a Communist within the preceding 5 years, to serve as a union officer or as a labor relations consultant or as an officer of any group or association of employers which deals with any labor organization.

Fourth. Priority handling: Section 706 of our substitute would provide for priority handling by the NLRB of charges filed against an employer who fires or otherwise discriminates against an employee for engaging in organizing or other union activities. The Committee bill contains a similar provision.

Fifth. Protection of rights: Section 609 would make it unlawful for a union officer to fine, suspend, expell, or otherwise discipline a union member because he exercised his rights as guaranteed under the bill. Provision is made for civil enforcement.

Section 610 of the substitute would make it a Federal crime for any person to deprive a union member of rights guaranteed under the bill through the use of force or violence. Neither of these provisions is included in the committee bill.

Mr. Speaker, as one who represents many union members in a district that is largely industrial, I submit that the proposed substitute bill is fair, reasonable, and moderate. It will go a long way toward correcting the abuses uncovered by the McClellan committee, but it will not penalize or unduly hamper the legitimate activities of unions.

SOME QUOTES ON THE LABOR REFORM BILL

From the Washington (D.C.) Evening Star, July 21, 1959:

Senator MCCLELLAN charged today that the House Labor Committee has "gutted" his bill of rights for union members.

Lack of criminal penalties, Senator MCCLELLAN said in an interview, would make it "impossible for rank-and-file members to obtain any relief."

Associated Press wire, July 28, 1959:

WASHINGTON.—Senator MCCLELLAN said today he favors a stronger labor control bill than either a Senate-passed version or one approved by the House Labor Committee.

The chairman of the Senate Rackets Investigating Committee told a National Press Club luncheon that a new bill coauthored in the House by Representatives LANDRUM, Democrat, of Georgia, and GRIFFIN, Republican, of Michigan, is more likely to correct labor abuses revealed by his committee.

United Press International wire, July 29, 1959:

WASHINGTON, D.C.—President Eisenhower Wednesday gave his qualified blessing to a substitute labor reform bill unveiled in the House this week.

He told a news conference the measure, sponsored by Representatives LANDRUM, Democrat, of Georgia, and GRIFFIN, Republican, of Michigan, came much closer to his ideas for dealing with union corruption than the Senate bill and one approved by the House Labor Committee.

The President said he thought the new legislation went far toward correcting the evils exposed by the Senate rackets investigation.

Associated Press wire, July 29, 1959:

WASHINGTON.—The President gave virtual endorsement to a new labor bill introduced in the House by Representatives LANDRUM, Democrat, of Georgia, and GRIFFIN, Republican, of Michigan. The bill is proposed as a substitute for one reported by the House Labor Committee and is described by union officials as much tougher than the committee version.

He called it a tremendous improvement over earlier and weaker versions and commended the sponsors.

The editorials previously referred to follow:

[From the Washington Post and Times Herald, Mar. 8, 1959]

ABUSES OF PICKETING

All the sponsors of reform legislation in the labor-management field agree that some

additional curbs on picketing are essential. The mildest of the measures before Congress, the Kennedy-Ervin bill, would prohibit what Senator KENNEDY has described as "shakedown picketing"—the use of picket lines to force an employer to "buy off" a union boss. The need for such a provision is self-evident. Controversy has arisen because this very limited curb would not touch various other abuses that are no less despicable than a shakedown.

The McClellan committee has brought to light numerous cases in which picketing has been used as an instrument of blackmail. In Flint, Mich., a Teamsters Union local began picketing an employer to force him to sign a collective bargaining contract even though none of his employees belonged to the union. When he refused, a fire bomb was tossed into his store, sugar was poured into truck gasoline tanks and employees were assaulted.

It is a common practice for the Teamsters to tell small employers to deliver their employees into the union—or else. The "or else" may be either blackmail picketing or a secondary boycott against the victim, or both. A small employer has the alternative of yielding or of watching his business destroyed. If he yields, of course, the rights of his employees to join a union of their own choice or not to join any union are grossly violated.

Under the present law employees have a right to vote in a NLRB election on whether they wish to be represented by a union. If they reject the union, however, it may nevertheless picket the plant and perhaps destroy the business and wipe out their jobs. Even in cases where the employer has recognized a union composed of his employees under the terms of the National Labor Relations Act, a stranger union is free to picket the business if the union already established there does not happen to have been certified by the NLRB.

Protection of these collective bargaining rights of employees is no less important than the protection of employers against shakedown picketing. Secretary of Labor Mitchell has proposed amendments to the Kennedy-Ervin bill that would strike at these additional abuses of the picket line. His suggestions are moderate and reasonable, but of course not sacrosanct. If any legislator, labor leader or employer can produce better or more effective methods of curtailing blackmail picketing, it is certainly his duty to do so. But these abuses ought to be dealt with (without impairing any of the legitimate rights of organized labor), and in our opinion an overwhelming majority of the American people want Congress to do its duty in this particular.

[From the St. Louis Post-Dispatch, May 19, 1959]

A STRONGER LABOR BILL

A House Labor Subcommittee has begun hearings on the Senate labor bill, and already is under intense pressure from the unions to water it down. Far from being watered down, the Senate version of this much-needed legislation ought to be strengthened.

The public interest does not demand a union-busting bill, but it does demand a measure which effectively guarantees union democracy, makes union leaders more directly answerable to the rank-and-file, and corrects the abuses so impressively brought out by the McClellan investigation.

Secretary Mitchell's proposed curb on certain secondary boycotts certainly should be written into the bill. The Senate left it out in favor of a weak "hot cargo" clause.

Present law forbids a secondary boycott—that is, the application of union pressure against a firm which is not the primary party to a dispute—in certain circumstances. First, an objective of the union must be to compel one person to cease doing business with another, and second, the means employed to achieve this objective must be a strike or some other concerted action of employees.

As the Teamsters have found, however, it is easy to slap a secondary boycott on "hot cargo" or anything else simply by avoiding concerted action of employees. The pressure can be applied directly to an employer, or it can be applied through an individual employee. Secretary Mitchell's proposal would close these loopholes without going so far as to outlaw all secondary boycotts, some of which might be considered legitimate—for example, those against an employer who is performing farmed-out struck work.

Similarly Secretary Mitchell's complete proposal for dealing with blackmail picketing ought to go into the bill, instead of the weaker version which the Senate adopted. Mr. Mitchell does not urge that all picketing for the purpose of union organization be barred. But he would bar such picketing where the employees clearly did not want to be represented by that union. "Top-down" organizing, in which the union aims its power at the employer instead of persuading his employees, is a demonstrated evil which the Mitchell proposal would effectively deal with.

The Senate bill is defective on this point in several respects. The language is loose, and subject to interpretations that would weaken its effectiveness. While the bill bars blackmail picketing where a plant representation election has been held during the preceding 9 months, it does not bar such picketing during the remaining 3 months before a new election, under the present law, can be held. If the purpose is to bar blackmail picketing at plants where another union has won an election, why not bar it during the whole year between elections?

The House committee also needs to take a close look at the enforcement powers behind the "bill of rights" which the Senate prescribed for union members. The Senate relied chiefly on authorizing a member to file civil suit in the courts. But how many union members could afford to hire a lawyer and pay for protracted litigation against a well-financed union? The enforcement power could be strengthened, either by making unions and their leaders liable for costs of successful suits against them, or by authorizing a union member to seek redress from the NLRB. When an employer violated a union member's rights, the case goes to the NLRB before it goes to the courts. Perhaps the same procedure could be followed if the member's rights were violated by a union.

There are no doubt other respects in which the Senate bill could be improved without converting it into a union-busting measure. The secondary boycott, picketing and bill-of-rights enforcement clauses seem to us the most important. We hope the House will tackle them courageously despite political pressure from the unions.

FORTY-THREE ACCOMPLISHMENTS OF THE ELLIOTT LABOR REFORM BILL

Mr. O'HARA of Michigan. 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 Michigan?

There was no objection.

Mr. O'HARA of Michigan. Mr. Speaker, attempts have been made during the past few weeks to create an impression in the public mind that H.R. 8342, the Elliott labor reform bill, reported by the House Committee on Education and Labor, is a watered-down, meaningless version of the Senate bill. It has, for example, been described as "a victory for Jimmy Hoffa."

I believe that the committee bill, on which we labored for 6 long weeks, improves the Senate bill, and that it is a better piece of legislation than its Senate counterpart. The charges that have been made are, for the most part, slanted interpretations of the provisions of H.R. 8342 which seriously distort its impact. We particularly commend to you an analysis of the charges that have been leveled against this measure which can be found in the CONGRESSIONAL RECORD for Wednesday, July 29.

Below you will find a brief summary of some of the provisions of this legislation:

Assures that every member of a labor organization shall have equal rights to participate in union affairs.

Provides freedom of speech and assembly for union members.

Assures that union dues and initiation fees and assessments can be raised only by majority action.

Protects members' rights to take grievances against the union or its officers to court.

Safeguards union members from improper disciplinary action.

Provides for furnishing of copies of the contract between employer and union to affected employees upon request.

Provides for full reporting and public disclosure of union internal processes.

Provides for full reporting and public disclosure of financial operations by all but the smallest unions.

Provides for full reporting and public disclosure of financial transactions and holdings, if any, by union officials which might give rise to conflicts of interest, including payments received from labor relations consultants.

Provides for full reporting and public disclosure by employers and labor relations consultants of expenditures for the purpose of interfering with, coercing or restraining employees in the exercise of their rights to organize and bargain collectively.

Provides for full reporting and public disclosure by employers and labor relations consultants of expenditures for the purpose of obtaining confidential information concerning the activities of employees or unions in connection with a labor dispute.

Provides for full reporting and public disclosure by employers and labor relations consultants of any payment or direct or indirect loans to a labor organization or officer or employee of a labor organization.

Provides for full reporting and public disclosure of trusteeships imposed by national or international unions.

Prescribes minimum standards for establishment of trusteeships and sets limits on their duration.

Empowers Federal courts to preserve the assets of a trusteed labor organization and limits the funds which may be transferred from a trusteed labor organization to the international.

Requires election of constitutional officers and members of executive boards of international unions at least every 5 years by secret ballot or by delegates elected by secret ballot.

Requires election of constitutional officers and members of executive boards of local unions at least every 3 years by secret ballot.

Protects members' right to nominate candidates and to vote in union elections without being subject to improper interference or reprisals.

Gives every bona fide candidate for union office an opportunity to inspect and copy the list of members of a labor organization subject to a union shop agreement.

Requires that all candidates shall have the opportunity to have observers present at the balloting and at the counting of the ballots in a union election.

Prohibits use of union funds to promote individual candidacy in union elections.

Prescribes procedures whereby a union officer guilty of serious misconduct in office may be removed by a secret ballot vote after court proceedings if the union's constitution does not provide adequate machinery for such removal.

Empowers Federal courts to direct and supervise new elections where an election was improperly conducted.

Preserves members' rights to enforce union's constitution under State laws with respect to trusteeships and safeguarding fair procedures before an election.

Permits union members to go to court to force union officers or employees to account for any personal gain obtained through dealings with the union.

Provides criminal penalties for embezzlement, conversion, et cetera, of union funds.

Requires that union officers and employees be bonded.

Forbids union loans to any officer or employee which would result in a total indebtedness of more than $2,500.

Prohibits union payment of the fines of officers or employees convicted of violation of the act.

Provides that no person who is or has been within the last 5 years a member of the Communist Party may be a union officer or employee.

Provides that no person convicted of certain crimes may serve as an officer or employee of a labor union or as a labor relations consultant within 5 years of conviction or termination of imprisonment.

Declares unlawful payments by an employer to his employees or their representatives in an attempt to influence organizational or collective bargaining activities.

Forbids the demanding or acceptance of unloading fees as a condition to permitting nonunion drivers to unload their own cargo.

Gives the Secretary of Labor power to investigate violations of the act.

Punishes shakedown picketing by fine and imprisonment for up to 20 years.

Eliminates the no man's land of labor relations by requiring the NLRB to exercise its full jurisdiction and by reorganizing the Board in a manner that will permit it to do so effectively.

Permits, with appropriate safeguards, prehire and 7-day union shop agreements in the building and construction industry.

Gives building tradesmen the same right to picket at the site of a labor dispute as employees in other industries.

Restores voting rights to economic strikers.

Establishes a prehearing election procedure with respect to labor disputes in which there are no substantive issues present in order to speed up the handling of cases by the NLRB.

Closes the Teamster's "hot cargo" clause loophole in the Taft-Hartley prohibition of secondary boycotts.

Prohibits organizational picketing when a bona fide union already represents the employees.

Prohibits organizational picketing within 9 months of a representation election in which no union was voted.

WATER POLLUTION CONTROL

Mr. POAGE. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. DINGELL] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. DINGELL. Mr. Speaker, in 1956 as a member of the House Public Works Committee, I vigorously supported the development of the first Federal Water Pollution Control Act under the leadership of Congressman JOHN BLATNIK, of Minnesota. The Congress in that year enacted a law which for the first time provided a comprehensive Federal water pollution control program, including enforcement, research, and technical and financial assistance to States and municipalities.

During this current session of the Congress I have repeatedly called attention to the continuing and growing threat to the health of the American people by pollution of our Nation's waters. Water pollution is indeed a dismal and appalling waste and places a challenge before us to conquer a menace to the physical and economic well-being of our Nation by the degradation of one of our most vital natural resources—water.

The Federal Water Pollution Control Act of 1956 authorized $50 million a year to be appropriated for construction grants for municipal sewage treatment works. This is only half what is needed. While the limited grant program has achieved notable results, more money expenditure is needed on all levels. Consequently, Congressman BLATNIK introduced H.R. 3610 in this session of Congress which would restore the original $100 million per year authorization for construction grants as was first proposed in the water pollution control bill of 1956. The administration has opposed this restoration and is, in fact, proposing the complete termination of the construction grant program.

There are two major ways of restoring the quality of the Nation's water—first, to provide financial incentives and stimulate voluntary construction and, second, to provide adequate enforcement measures. Since the administration has consistently opposed the continuation of the construction grant section, making it an heroic battle to get funds for this aspect of the program each year, and since it is imperative that the waters of this country must be restored to usable quality if we are to survive, I am today introducing a bill strengthening the enforcement provisions of the Federal Water Pollution Control Act.

This bill would retain, as does the present act, three stages of the enforcement procedures: first, the calling of a conference; second, holding a public hearing; and third, Federal court action. The primary rights and responsibilities of the States in this area will be recognized, and the procedure proposed will give the States full opportunity to take appropriate action under their own laws and procedures. First, the jurisdiction of the Federal enforcement procedure would be extended from pollution of interstate waters which originates in one State and affects persons in another State, to all navigable waters in the United States. As under the present act the Surgeon General could only initiate enforcement procedures where pollution originated in one State and endangered the health and welfare of persons in another State. Enforcement procedures, however, would have to be initiated by the Surgeon General upon the request of an affected municipality, as well as by the Governor of the State, or State water pollution control agency as provided in existing law. Subsequent to such conference the State would be given an opportunity—at least 6 months— to take appropriate action under its own law. If this was not done a public hearing would be held before a hearing board appointed by the Secretary of Health, Education, and Welfare. Under existing law, if appropriate remedial action is not taken after such hearing, the Secretary is required to recommend that the Attorney General of the United States request court action. Under the bill, I am introducing, after the public hearing the Secretary could issue an order which, unless appealed to the courts, would be final. In addition, my bill would provide compensation to members of the hearing board who are not members of the Federal Government.

I confidently expect this bill to receive bipartisan support as members of the opposing political party, in arguing against the construction grant provisions of the bill, have indicated that they were in favor of strengthend Federal enforcement provisions. This is evident in the congressional debates on the 1956 bill as contained in the June 13, 1956, CONGRESSIONAL RECORD and from the hearings held by the House Public Works Committee while the bill was being developed. These sentiments were reiterated in hearings before the House by members of the Public Works Committee to amend the Federal Water Pollution Control Act, held on May 20, 21,

and 22, 1958 and on March 18, 1959 and April 8, 1959. I have no doubt that members of both parties are sincere in seeking strengthened enforcement of the Federal Water Pollution Control Act.

MY TRUE SECURITY—THE AMERICAN WAY

Mr. POAGE. Mr. Speaker, I ask unanimous consent that the gentleman from North Carolina [Mr. ALEXANDER] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. ALEXANDER. Mr. Speaker, the first annual "My True Security" national awards program was held at the Statler-Hilton Hotel, Washington, D.C., on July 21, 1959. The United States Junior Chamber of Commerce and Mutual Benefit Life Insurance Co., Newark, N.J., sponsored this essay contest as an undertaking designed to increase the American student's understanding of the importance of individual initiative and self-reliance in our free enterprise system. More than 50,000 high school seniors in 2,000 high schools participated in this contest and I am delighted that the North Carolina winner, Miss Karen Rawling, Salisbury, is a resident of my congressional district.

The full text of Miss Rawling's essay, which has ably presented the interest of all of us in personal security and the American way of life, follows:

MY TRUE SECURITY—THE AMERICAN WAY

Personal security and the American way are interdependent. The manner in which we Americans will meet tomorrow's problems is determined by the kind of nation we have previously built. The pattern of our past has influenced the cast for the die of our future. Our present ideals of security and Americanism are deeply enrooted in our national background. The American way is the character of our Nation—the character she acquired as she grew from her rough-hewn cradle of revolution to her world of violent change.

To understand this American character we must acknowledge its development.

In a tyrannical world our forefathers dared to say that every individual is born with the rights to life, liberty, and the pursuit of happiness! To win these rights the Americans fought a war and acquired a vast land, the heroic setting for their experiment in freedom.

When our country had pushed through the rugged frontier she became a laboratory for science and a sanctuary for the oppressed. Our people have crusaded for reform and advanced their culture. By employing the American way of their ancestors, modern Americans have made democracy work.

It would be well for all Americans to place their feet in the tracks of their forefathers where they can neither wander nor stumble. However, we must not be tied too rigidly to the philosophies of the past—our value lies in being a voice and not an echo. We should be cognizant of the actions of our forefathers, but we must rely upon ourselves to obtain personal as well as national security. To extend the precedent which our ancestors have established, we are compelled to create new inventions, increase our knowledge, and exceed our heritage.

In our American way, each American has the opportunity for personal security. Initiative, tempered with self-reliance, is the median between opportunity and security. To make a better nation and to gain personal security, we must disseminate and cultivate throughout America two great virtues: (1) The spirit of initiative, and (2) the spirit of self-reliance.

Initiative is self-reliant enterprise. It first exerts itself in the home with the child's inceptive efforts of development; in the school, it grows and matures with knowledge. In adulthood, initiative prompts us to seek employment resulting in the self-reliance fostered by monetary security.

Necessity demands that we have confidence in ourselves so that we might steadfastly and resolutely surmount our difficulties and contribute to the betterment of mankind.

Every person, who through initiative has gained an education and is self-reliant, has opportunity unlimited. Self-reliance is an inner quality prompted by education, the weapon which banishes fear from the heart of man; we are secure only when we are unafraid. Therefore, when we have banished fear and armed ourselves with spiritual fortitude we shall have obtained essential security.

If every American is essentially secure, so likewise is his Nation. America is secure because each citizen has the right to free speech and press, to secret ballot at elections, to assemble peacefully, to free enterprise, and justice in trial by jury. The Nation employs capable officials to execute its laws and Armed Forces to guard its security.

The two kinds of security, personal and national, are basically interacting—one bolsters, the other reciprocates.

The spirits of self-reliance and initiative are the two pillars on which rests the edifice of personal security and the American way. The collapse of either one of these pillars will bring the downfall of the entire structure.

So long as my generation adopts the methods of its ancestors and erects our building logically and builds it well, I am personally secure.

LABOR BOSSES' POLITICAL INFLUENCE NOT DECISIVE

Mr. CURTIN. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. HOFFMAN] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, overlong, candidates for public office have been frightened by the threats of would-be union political tyrants.

True, with millions at their command, with expert political workers, the bosses have a tremendous influence and, in certain areas, they can dictate the choice of public officials.

But such is not the situation throughout the country.

We must admit that, in some congressional districts, in some voting precincts, in some cities and States, the unions hold the balance of power. This is especially true where the opposition lacks either the time, the ability, or the financial aid to make adequate opposition. In other districts, where the candidate has skillful help, he can win in spite of the most desperate union opposition. This is true because he has the right of the issue.

In my own district, since 1937, skillful, well-heeled political workers sent in from other points have failed to defeat me because the principles which I espoused, which I backed, were sound—and in practically every voting precinct in each of the six counties in the district, I was able to meet the voters face to face and to factually discuss the issues involved.

It was my privilege to win because the stand taken was sound and the voters are intensely American, believe in our form of government, in living and let live, and were willing to listen. They are honest, they believe that this Government of ours is the best yet devised, and they want it continued in full force and effect.

True, testifying before the House Committee on Education and Labor,[1] Mr. Meany, president of AFL-CIO, testified flatly that unions had no political power, though, I am sure, he certainly cannot believe that statement to be true. However, am sure that a look at the record convinces that union political would-be bosses do not have all the political power they claim.

They do have almost unlimited funds—they have an army of skilled workers—but if the people once know the truth, their political philosophy will be defeated.

There just cannot be jobs—employment—unless there are those who provide jobs.

The burden rests squarely upon us—that is, the candidates who believe in conservative, constitutional government—to present the issues fairly and unequivocally.

The most noteworthy example is the reelection of the late Senator Taft. Last week's Saturday Evening Post editorial of August 1 carries another example. It reads:

CONSERVATIVE CANDIDATES CAN'T WIN BY APING THE LIBERALS

(By John Chamberlain)

Conservatives in this country have been losing votes because they themselves have been building up a false image of the power of a few labor bosses.

According to the cliche which the conservatives have been so industriously circulating, labor is unbeatable at getting out the vote. Not only does it have its own money—collected by the AFL-CIO's Committee on Political Education, or COPE—but it also can claim credit for the welfare funds distributed by the Federal Government.

[1] Mr. Meany on the political power of unions (tr. 268-269):

"Mr. HOFFMAN. Would you mind giving me your opinion, with respect to the Republican and Democratic political organizations, as to what the political power of the union is?

"Mr. MEANY. Political power of the union?

"Mr. HOFFMAN. Yes, as compared with Republican and Democrat Parties?

"Mr. MEANY. The political power of the unions is bunk. Any union leader tells you he has political power, tell him I said it is not true. Union leaders don't control any votes and don't have any political power at all.

"Mr. HOFFMAN. Did you Congressmen hear that?

"Mr. MEANY. Yes, I realize that. I realize that it is funny how people who run for office can see power, they get some sort of complex during the campaign, they see power all over the place.

"I don't see the political power of unions, Mr. Hoffman."

Because of the power of this cliche, Republicans as well as Democrats have fallen over backward to show a high score on the CIO's list of what constitutes a good voting record in Congress.

The cliche, however, is hardly in accord with the election-day facts which Mr. Rogers C. Dunn, of the Dunn Survey of Washington, D.C., has been busy collecting and reducing to a few telling graphs and generalizations. Recently Mr. Dunn went into the State of Delaware. What he discovered there was in accordance with what he had discovered in labor centers such as Pittsburgh and New York City: The power of the labor leader to roll up big majorities by superior footwork at the polls is largely illusory.

In his Delaware survey Mr. Dunn has collected election figures for the entire State, for the metropolis of Wilmington, and for the various counties, going back to 1936. His statistics on the fates of Republican candidates for Congressman—Delaware has only one Representative—and Senator are extremely suggestive.

A conservative Republican, J. Caleb Boggs, was elected Congressman in 1946, in 1948, and again in 1950. Later Boggs was elected Governor. Governor Boggs did all this without benefit of labor support. In 1947 he voted for the Taft-Hartley Act. In the 81st Congress Boggs scored 91 percent wrong on the CIO–PAC list.

In 1958 a liberal Republican, Harry Haskell, Jr., who had made a record in the House of Representatives that was 58 percent acceptable to labor's political committee, lost in his campaign for reelection. On the other hand, the conservative Republican Senator JOHN WILLIAMS, who had a CIO–PAC score that was 100 percent wrong, won his reelection by a majority of more than 10,000.

The Delaware facts, then, would seem to show that when Republicans run a "me too" candidate they lose because their potential supporters stay at home. The labor-Democratic vote, increasing slowly with the growth of population, is sufficient to gain the day any time the conservative forces lack a candidate whom conservatives approve.

The inference is that it isn't the labor bosses who have been doing the job. It is Republican failure to provide a fighting opposition. In Delaware, a representative State, the Republicans have done well whenever they have stuck to candidates who have a true Republican flavor.

LABOR REFORM LEGISLATION

Mr. SHELLEY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SHELLEY. Mr. Speaker, I have today introduced H.R. 8490, a labor-management reform measure which is not a prolabor bill, nor is it an antilabor bill. At the opening of this Congress it was the general thought of practically all members of both parties that legislation would be enacted which would set up a system of financial accounting and responsibility on the part of both labor and management in connection with their labor relations activities; further, that such legislation would carry provisions which would drive the crooks and the racketeers out of positions with labor and out of positions with management in the labor relations field.

The present situation before the House leaves us to consider two bills, either of which or both of which seek to punish all of the labor movement for the misdeeds of some and which write into the permanent law of the land punitive legislation against labor. Both of these proposals—the Elliott bill and the Landrum-Griffin bill—go far beyond what Congress set out to do—and that is real tough financial accountability legislation. The bill I have introduced seeks to do just this and nothing more. I am setting forth herein a detailed account of what H.R. 8490 does in contrast with the other legislation before us.

PRINCIPAL DIFFERENCES BETWEEN SHELLEY SUBSTITUTE AND COMMITTEE BILL (H.R. 8342)

First. Unions would be safeguarded in section 101(b) of the Shelley substitute against irresponsible abuse of rights guaranteed in title I—rights of members. No such provision is included in the committee bill.

Second. The encouragement for States to enact union members' bills of rights, which is contained in section 103 of the committee bill, is omitted from the Shelley substitute. Section 103 of the Shelley substitute safeguards union members' rights and remedies under their union constitutions and bylaws and the authority of unions over the conduct of their own internal affairs, except as explicitly provided in the bill.

Third. The employer and labor consultant reporting provisions, which are hardly more than the merest sham in the committee bill, have been made substantially more effective in section 203 of the Shelley substitute.

Fourth. Section 306 of the Shelley substitute omits the confusing language of the committee bill under which the bill's regulations applicable to trusteeships would be superimposed on all of the complicated and varying State regulations and decisions. When actions are filed by the Secretary of Labor to enforce the bill's trusteeship provisions, the district courts would have exclusive jurisdiction under the Shelley substitute.

Fifth. The Shelley substitute omits the provision contained in section 301(b) of the committee bill, which would make the membership lists of all unions where members are covered by some form of union security agreement available for copying by every bona fide candidate for union office who could in turn give or sell them to an employer, the Communist Party, or commercial advertising concerns. In place of this provision, section 301(b) of the Shelley substitute contains provisions similar to those contained in the Senate-passed bill—S. 1555.

Sixth. The Shelley substitute contains in section 501 carefully drafted provisions defining and enforcing the accountability of union officials for embezzled union funds for which they are responsible and for any income or profit they receive in connection with any transaction that conflicts with the interests of their union. This provision takes the place of section 501 of the committee bill under which the propriety of many types of expenditures of union funds could be challenged by members' suits in Federal courts. The Shelley substitute, like the committee bill, makes embezzlement of union funds a Federal crime.

Seventh. Section 502 of the Shelley bill corrects defects in the union officials' bonding requirements contained in the committee bill. Enforcement would be through injunction action brought by the Secretary of Labor in the Federal courts instead of through criminal proceedings, which hardly appear to be appropriate for the enforcement of such types of requirements.

Eighth. The provisions disqualifying persons convicted of certain crimes from serving as officers of unions, as labor relations consultants or as officers or employees of employer associations dealing with unions, which are contained in section 504 of the committee bill, have been broadened in the Shelley substitute to apply in addition to service as employers' labor relations officers or employees or as other personnel officials of employers.

Ninth. The Shelley substitute restores the Senate-passed amendment of section 302(c)(4) of the Taft-Hartley Act permitting the voluntarily authorized checkoff of periodic payments to unions in line of membership dues, as well as the checkoff of union dues, fees and assessments now permitted under existing law.

Tenth. In place of the vague and indefinite language of section 602 of the committee bill, making extortionate picketing a Federal crime, punishable by a prison term of up to 20 years, the Shelley substitute restores improved language from the Senate-passed bill banning shakedown picketing. The penalty for violation would be the same under the Shelley substitute as under the committee bill. Shakedown picketing would also be an unfair labor practice when engaged in by a union under section 705 of the Shelley substitute.

Eleventh. Section 603(a) of the committee bill, which is designed to encourage States to enact State legislation imposing additional restrictions on labor unions' conduct of their own internal affairs, has been omitted from the Shelley substitute.

Twelfth. The provisions contained in section 701 of the committee bill, which would take away from the National Labor Relations Board and confer on the General Counsel authority over the personnel in the Board's regional and field offices, has been omitted from the Shelley substitute.

Thirteenth. The Shelley substitute omits the language contained in section 704 of the committee bill which, by making the prehearing election procedures authorized therein inapplicable whenever the appropriate bargaining unit is in dispute, would largely nullify the value of these procedures.

Fourteenth. Section 705 of the Shelley substitute makes shakedown picketing engaged in by a union an unfair labor practice. Picketing for purposes of extortion is also made a Federal crime under section 602. These provisions take the place of the punitive restrictions which the committee bill would impose on traditional and perfectly legitimate

trade union practices under the guise of banning so-called hot cargo agreements and organizatoinal and recognition picketing.

Fifteenth. The Shelley substitute adds to the bill a provision making the bill effective 120 days after the date of enactment.

Technical improvements are also made by the Shelley substitute in the form and language of various provisions of the bill.

At the time of the debate of the labor-reform measure, H.R. 8490 will be offered as an amendment in its entirety or as a substitute for the pending bill. I sincerely appeal to those who believe that a strong democracy needs a strong, clean, honest trade union movement as an integral part thereof, support this proposal on the grounds that it satisfies the needed legislation requirements of the time and does not unduly punish decent, honest American labor.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. THOMPSON of New Jersey (at the request of Mr. HAYS), for today, August 3, 1959, on account of official business.

Mr. FOUNTAIN (at the request of Mr. HAYS), for today, August 3, 1959, on account of official business.

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. HEMPHILL, for 30 minutes, on August 10.

Mr. HOFFMAN of Michigan, for 10 minutes, today, tomorrow, and every day this week that the House is in session.

Mr. BAILEY, for 1 hour, on Monday next, August 10, 1959.

Mr. CURTIN, for 10 minutes, on August 4, 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. PORTER and to include extraneous matter.

Mr. SCHENCK.

Mr. BENTLEY and to include extraneous matter.

Mr. ALGER.

Mrs. KEE.

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. 2210. An act to provide for the disposition of the Philadelphia Army Base, Philadelphia, Pa.; to the Committee on Armed Services.

ADJOURNMENT

Mr. POAGE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 27 minutes p.m.) the House adjourned until tomorrow, Tuesday, August 4, 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:

1259. A letter from the Chairman, National Advisory Council on International Monetary and Financial Problems, transmitting a semiannual report of the National Advisory Council on International Monetary and Financial Problems on its activities during the period July 1 to December 31, 1958 (H. Doc. No. 207); to the Committee on Banking and Currency and ordered to be printed.

1260. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated May 27, 1959, submitting a report, together with accompanying papers and illustrations, on a cooperative beach erosion control study of the Atlantic coast of New Jersey from Barnegat Inlet to the Delaware Bay entrance to the Cape May Canal, prepared under the provisions of section 2 of the River and Harbor Act approved July 3, 1930, as amended and supplemented (H. Doc. No. 208); to the Committee on Public Works and ordered to be printed with 22 illustrations.

1261. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated June 19, 1959, submitting a report, together with accompanying papers and illustrations, on a survey of East Basin of Mamaroneck Harbor, N.Y., authorized by the River and Harbor Act approved July 24, 1946 (H. Doc. No. 209); to the Committee on Public Works and ordered to be printed with illustrations.

1262. A letter from the Assistant Secretary, Department of Agriculture, transmitting a report relating to the cooperative program of the United States and Mexico for the control and the eradication of foot-and-mouth disease, pursuant to the reporting requirement of section 3, Public Law 8, 80th Congress (21 U.S.C. 114d); to the Committee on Agriculture.

1263. A letter from the Deputy Secretary of Defense, transmitting a draft of proposed legislation entitled "A bill to provide uniformity in certain conditions of entitlement to reenlistment bonuses under the Career Compensation Act of 1949, and for other purposes"; to the Committee on Armed Services.

1264. A letter from the Deputy Secretary of Defense, transmitting a draft of proposed legislation entitled "A bill to provide uniform computation of retired pay for enlisted members retired prior to June 1, 1958, under section 4 of the Armed Forces Voluntary Recruitment Act of 1945, as amended by section 6(a) of the act of August 10, 1946 (60 Stat. 995)"; to the Committee on Armed Services.

1265. A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation entitled "A bill to authorize the President to reappoint Elwood R. Quesada, formerly lieutenant general, U.S. Air Force, retired, to the grade of major general and to retire him in the grade of lieutenant general, and for other purposes"; to the Committee on Armed Services.

1266. A letter from the Comptroller General of the United States, transmitting a report on the review of selected phases of low-rent housing operations of the Norfolk Redevelopment and Housing Authority, Norfolk, Va.; to the Committee on Banking and Currency.

1267. A letter from the Comptroller General of the United States, transmitting a report on the followup review of economic and technical assistance program for Laos, International Cooperation Administration of the Department of State under the mutual assistance program supplementing a previous report dated October 8, 1958; to the Committee on Government Operations.

1268. A letter from the Assistant Secretary of the Interior, transmitting a proposed concession contract by the Director of the National Park Service to authorize William E. and Adeline L. Brantley, to operate the El Portal Motor Inn in the El Portal administrative site of Yosemite National Park for a period of 10 years from January 1, 1959, through December 31, 1968, pursuant with the act of July 31, 1953 (67 Stat. 271), as amended by the act of July 14, 1956 (70 Stat. 543); to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of July 30, 1959, the following bill was reported on July 31, 1959:

Mr. DAWSON: Committee on Government Operations. H.R. 6904. A bill to establish an Advisory Commission on Intergovernmental Relations; with amendment (Rept. No. 742). Referred to the Committee of the Whole House on the State of the Union.

[*Submitted Aug. 3, 1959*]

Mr. MAHON: Committee of conference. H.R. 7454. A bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1960, and for other purposes. (Rept. No. 743). Ordered to be printed.

Mr. GEORGE P. MILLER: Committee on Science and Astronautics. H.R. 8374. A bill to amend Public Law 85-880, and for other purposes; without amendment (Rept. No. 744). Referred to the Committee of the Whole House on the State of the Union.

Mr. FORRESTER: Committee on the Judiciary. H.R. 7242. A bill to amend sections 1, 57j, 64a(5), 67b, 67c, and 70c of the Bankruptcy Act, and for other purposes; without amendment (Rept. No. 745). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SHELLEY:

H.R. 8490. A bill to provide for the reporting and disclosure of certain financial transactions and administrative practices of labor organizations and employers, to prevent abuses in the administration of trusteeships by labor organizations, to provide standards with respect to the election of officers of labor organizations, and for other purposes; to the Committee on Education and Labor.

By Mr. ROOSEVELT:

H.R. 8491. A bill to provide for the reporting and disclosure of certain financial transactions and administrative practices of labor organizations and employers, to prevent abuses in the administration of trusteeships by labor organizations, to provide standards with respect to the election of officers of labor organizations, and for other purposes; to the Committee on Education and Labor.

By Mr. DENT:

H.R. 8492. A bill to provide for the reporting and disclosure of certain financial transactions and administrative practices of labor organizations and employers, to prevent abuses in the administration of trusteeships by labor organizations, to provide standards with respect to the election of officers of

labor organizations, and for other purposes; to the Committee on Education and Labor.

By Mr. ANFUSO:

H.R. 8493. A bill to incorporate the Space Cadet Corps; to the Committee on the District of Columbia.

By Mr. DINGELL:

H.R. 8494. A bill to amend section 8 of the Federal Water Pollution Control Act to strengthen the enforcement procedures for that act; to the Committee on Public Works.

H.R. 8495. A bill to promote the conservation of migratory fish and game by requiring certain approval by the Secretary of the Interior of licenses issued under the Federal Power Act; to the Committee on Interstate and Foreign Commerce.

By Mrs. GRANAHAN:

H.R. 8496. A bill to strengthen the criminal penalties for the mailing, importing, or transporting of obscene matter, and for other purposes; to the Committee on the Judiciary.

By Mr. HALPERN:

H.R. 8497. A bill to amend section 213 of the National Housing Act to permit existing cooperatives to obtain additional insurance thereunder for capital improvements and replacements; to the Committee on Banking and Currency.

H.R. 8498. A bill to amend section 213 of the National Housing Act to place the cooperative housing insurance program on a mutual basis, with refunds of insurance premiums provided for to the extent permitted by loss experience; to the Committee on Banking and Currency.

By Mr. PILCHER (by request):

H.R. 8499. A bill for the relief of the Government of the Republic of Iceland; to the Committee on Foreign Affairs.

By Mr. SAUND:

H.R. 8500. A bill to provide for stabilization and orderly marketing in the poultry industry; to the Committee on Agriculture.

By Mr. ULLMAN:

H.R. 8501. A bill to amend the Klamath Termination Act; to the Committee on Interior and Insular Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Illinois, memorializing the President and the Congress of the United States to enact immediately the necessary amendments to the law relating to GI insurance so that veterans with GI insurance may either convert their term-type insurance to other more expensive types, or may reconvert the more expensive types back to term insurance; to the Committee on Veterans' Affairs.

Also, memorial of the Fifth Guam Legislature of the Territory of Guam, memorializing the President and the Congress of the United States relative to expressing the appreciation and gratitude of the people of Guam to the Armed Forces and Congress of the United States for the liberation of Guam and for the enactment of the Organic Act of Guam, and to those persons who are helping to celebrate the anniversary of such liberation; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FORAND:

H.R. 8502. A bill for the relief of Maria Helena Pacheco; to the Committee on the Judiciary.

By Mr. HERLONG:

H.R. 8503. A bill for the relief of John J. Bailey; to the Committee on the Judiciary.

By Mr. PUCINSKI:

H.R. 8504. A bill for the relief of Edward Klincewicz; to the Committee on the Judiciary.

H.R. 8505. A bill for the relief of Ewa Stepien; to the Committee on the Judiciary.

H.R. 8506. A bill for the relief of Wladyslawa Maria Kamysz; to the Committee on the Judiciary.

By Mr. SMITH of California:

H.R. 8507. A bill for the relief of Vahe Proudian and Alice Proudian, his wife; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Senator Morse Applauds Eisenhower-Khrushchev Exchange of Visits

EXTENSION OF REMARKS

OF

HON. WAYNE MORSE

OF OREGON

IN THE SENATE OF THE UNITED STATES

Monday, August 3, 1959

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement I made today to the press, in regard to the proposed visit of Premier Khrushchev to the United States.

There being on objection, the statement was ordered to be printed in the RECORD, as follows:

MORSE APPLAUDS EISENHOWER-KHRUSHCHEV EXCHANGE OF VISITS

Senator WAYNE MORSE, Democrat of Oregon, today issued the following statement on the Eisenhower-Khrushchev exchange of visits:

"The announcement by the White House that Premier Khrushchev will visit the United States this September and President Eisenhower will visit Russia at a later date makes a lot of sense. Khrushchev needs to learn through his own eyes and ears that the people of the United States are as much opposed to a nuclear war as are the people of Russia.

"I am sure that President Eisenhower has hopes that he will be able to make great progress in helping Khrushchev recognize, before it is too late, that both Russia and the United States have everything to lose and nothing to gain by a continuation of a nuclear armaments race.

"It is my hope that Khrushchev's visit to the United States will precede by a few days a summit conference with the heads of all other states at the United Nations' headquarters in New York. Now is the time for the nations of the world to agree to take whatever disarmament steps are necessary jointly and through the procedures of the United Nations. Following such a summit meeting, President Eisenhower's visit to Russia will symbolize not only to the Russian people but to all humanity that world peace is attainable in our time."

Keenotes

EXTENSION OF REMARKS

OF

HON. ELIZABETH KEE

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 3, 1959

Mrs. KEE. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD I include copies of my newsletter which was released today:

K-E-E-N-O-T-E-S

(By Representative ELIZABETH KEE)

The House has approved an appropriation bill of $3.1 billion for the mutual security program. The amount voted by the House represented a reduction of about $700 million below the amount requested by the President.

The President expressed disappointment over the size of the House reduction. He has even threatened to call a special session this fall if Congress refuses to vote as much money for foreign aid as he deems necessary.

There is growing dissatisfaction with the foreign aid program in Congress. Shortly before the House voted on the appropriation, reports were made to Congress which indicated that part of the foreign aid money is being spent in a slipshod, wasteful manner.

As usual, the people in charge of the program tried to scare Congress with assertions that any reduction in the amount of money voted would bring about an extension of communism. This is an old story but it failed to impress Congress this year.

Many supporters of the program believe the reductions will serve notice on the administration that wasteful practices must end. These Members believe that if less money is available, the administrators will have to be more careful in handling the program.

I supported reductions in the program. The $700 million which the House cut from the appropriation will go a long way in bringing the budget into balance.

COAL RESEARCH BILL PASSES

The Senate has passed a coal research bill similar to legislation passed earlier by the House. This is good news for coal areas such as West Virginia.

If the President signs the bill, we can begin a program to find new and expanded markets for coal, one of our most important basic resources. The country will be seriously affected if this great industry, employing hundreds of thousands of people, is allowed to get in serious trouble.

The industry itself is aware of the need for more research. It is spending a large sum each year in developing new uses for coal and in improving production and distribution methods. But more research is urgently needed and the coal research bill offers a sensible plan, supported by the entire industry, for achieving the type of program that will bring about beneficial results.

GAS TAX INCREASE DEFEATED

The House Ways and Means Committee has turned down efforts to increase the Federal gasoline tax by 1½ cents a gallon. Instead, the committee proposes to finance the

interstate highway program by issuing $1 billion in bonds, to be retired by earmarking a part of the taxes now paid by automobile users. This makes good sense. An increase in the Federal gasoline tax would have been a serious mistake. It is significant that more than 30 Governors opposed the increase. The committee offers a sensible plan for keeping the highway building program going.

Algeria Needs Peace—The World Needs a Peaceful Algeria

EXTENSION OF REMARKS

OF

HON. CHARLES O. PORTER

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, August 3, 1959

Mr. PORTER. Mr. Speaker, for too many years a real war has been razing the country of Algeria. That war soon will enter its 6th year. Because we feel the present situation in Algeria continues to constitute a threat to international peace and security, a number of us this week publicly urged a negotiated peace now between the two parties concerned.

A copy of our statement and a news release issued simultaneously follow under the leave to extend my remarks in the RECORD:

Sixteen U.S. Representatives today urged the Government of France to enter into negotiations to end the 5-year Algerian war. Their resolution was made public while foreign ministers of the independent African states are meeting in Monrovia, Liberia, expressly to help the provisional government of the Algerian Republic.

The Congressmen said they were deeply concerned that the war in Algeria was headed toward its sixth year. They said, "we cannot remain silent about this tragic war in Algeria and we publicly urge a negotiated peace now between the two parties concerned."

The statement, issued for the group by Representative CHARLES O. PORTER, Democrat of Oregon, said the signers "recognize the right of the Algerian people—as of all peoples—to self-determination and independence."

PORTER said he favors Congress memorializing the plight of captive nations, but he added "there should be no double standards. There are captive nations in Latin America and in Africa as well as behind the Iron Curtain."

The signers of the statement, all Democrats, are HUGH J. ADDONIZIO, of New York; VICTOR L. ANFUSO, of New York; EDWARD P. BOLAND, of Massachusetts; RICHARD BOLLING, of Missouri; CHARLES A. BOYLE, of Illinois; FRANK M. CLARK, of Pennsylvania; BYRON L. JOHNSON, of Colorado; GEORGE A. KASEM, of California; WILLIAM H. MEYER, of Vermont; ROBERT N. C. NIX, of Pennsylvania; ADAM CLAYTON POWELL, of New York; HENRY S. REUSS, of Wisconsin; JAMES ROOSEVELT, of California; FRANK THOMPSON, JR., of New Jersey; LEONARD G. WOLF, of Iowa; and PORTER.

Copies of the statement are being sent to French President Charles de Gaulle in Paris and to Prime Minister Ferhat Abbas, of the Algerian provisional government, through the Algerian office in New York City. Text of the statement follows:

"We the undersigned Members of the U.S. House and Senate, are deeply concerned that the war in Algeria will soon enter its 6th year.

"We recall the two resolutions passed by the United Nations General Assembly in successive 1957 sessions that a peaceful, democratic, and just solution should be found to end the conflict in conformity with the principles of the U.N. Charter.

"We recognize the right of the Algerian people—as of all peoples—to self-determination and independence.

"To achieve this right, thousands of Algerians are dying monthly and thousands more are refugees in other parts of north Africa and elsewhere.

"The present situation in Algeria continues to constitute a threat to international peace and security.

"Therefore we suggest that our U.S. Government take leadership in bringing the Algerian conflict to a just termination, not only for reasons of peace and humanitarianism, but to lay foundations for good relations between a free Algeria and the American people and their Government in the years ahead.

"We recommend that our country urge our ally, France, to enter into negotiations for the cessation of the conflict.

"We urge that our country in the forthcoming 14th session of the U.N. General Assembly no longer abstain from voting, as it did in the 13th General Assembly, on any responsible resolution that urges continuing negotiations to reach a solution to the conflict.

"We commend our country for making available certain surplus foodstuffs to the Algerian refugees, and certain scholarships to Algerian students, and we urge our Government and its private agencies and citizens to continue to help these refugees.

"Thus we cannot remain silent about this tragic war in Algeria and we publicly urge a negotiated peace now between the two parties concerned."

Washington Report

EXTENSION OF REMARKS

OF

HON. BRUCE ALGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 3, 1959

Mr. ALGER. Mr. Speaker, following is my newsletter of August 1, 1959:

WASHINGTON REPORT

(By Congressman BRUCE ALGER, Fifth District, Tex., August 1, 1959)

The Federal highway construction dilemma grows. The problem is shortage of money (a) immediately, and (b) for the entire 16-year program. The reasons are: (1) Increased costs beyond original estimates, and (2) forced accelerated spending last year, allegedly as antirecession. The solution for immediate funds is to (a) raise taxes, or (b) pay out of the general Treasury. So the Ways and Means Committee proposes to do neither; instead, to borrow, hardly a new idea and not a real solution at all. My solution is to pay out of the general Treasury and cut Government spending elsewhere, in less essential areas (public works, public power developments, public housing, foreign aid, sewer building, fertilizer manufacturing, and hundreds of Federal social services and Government business operations). This solution has not and will not be considered, though it cannot be disproved. Careful study should be given the dire consequences, not evident, of last year's forced acceleration of spending, which I forecast in disapproving our action then.

The more permanent solution for the entire highway construction program is manyfold. To restate the problem: (a) The Federal cost of the highway program has grown $15 billion in 2 years (from $38.5 billion to $53.5 billion, including $12 billion in the interstate program alone); (b) the cost of highway construction rose 12 percent from mid-1954 to the end of 1956 (see House Doc. 300, January 1958). Proper corrective action by Congress can rest only on careful study of the whys to these increases. Such study should be made now, before more taxpayers' money is spent to condone, perpetuate, or bury improper contracting, wastefulness, unconscionable profit, and unintentional mistakes, if such there be. The facts will exonerate as it will permit correction. Or should we just pour more money in, taxpayers be hanged, because the people want highways. I believe the people want and deserve not only highways, but their money's worth. Taxes are too high now.

My suggestions for correction of both immediate and long term shortage of funds are these: (1) Transfer funds from the general Treasury to the highway trust fund, only enough to make good on highway contracts in force; (2) budget future expenditures after realistic study of costs to date, and stretch out the building program by (a) building only those multilanes necessary where traffic flow exceeds 6,000 vehicles per day, and (b) build by stages, establishing correct geometrics (basic roadbed and surface, engineering, drainage, etc.) and later add the frills; (3) set budget by dollar amount, not mileage; (4) change the 90–10 Federal-State matching ratio to 75–25 percent; (5) repeal the Davis-Bacon Federal wage setting so States can set the prevailing wage as in the past; (6) repeal the utility relocation reimbursement, leaving this to States. The bond proposal of financing by borrowing is (a) abandoning the pay-as-we-go principle, (b) makes the Treasury short-term Federal debt refinancing even tougher, (c) puts highway bonds in competition for loan money with home, auto, and furniture buyers, also small merchants, and (d) with interest cost of $168 to $268 million on $1 billion in bonds is too much, means less highway for the money. The highway problem is the result of the same old problem; the Federal Government is spending too much in nonessential programs, now short-changing highways. The real and only solution: Reduce Federal spending, not increase taxes or borrow and charge to the troubled future.

The foreign aid appropriation (mutual security) bill and debate was history repeating itself (newsletter June 20, 1959, Mar. 4 and May 17, 1958). The earlier $3.5 billion authorization (reduced from $3.9 billion request) was cut this go-round to $3.1 billion and passed 279–136 (ALGER against). The component parts are: (1) military assistance; (2) defense support; (3) Development Loan Fund; (4) development assistance; (5) technical cooperation; (6) contingency fund.

Facts and figures from debate and hearings (1,781 pages): (1) Of 86 nations in the world the United States has given $82 billion to 76 nations since World War II; (2) U.S. foreign aid personnel has grown from 458 in 1948 to 53,600 in 1958; (3) 67 free nations' debt is $185 billion; the Soviet bloc has debt of $51 billion; the U.S. debt is $285 billion, $48 billion more than all the rest of the world combined; (4) total money available (unexpended $4.8 billion, this bill $3.1 billion) is $8 billion plus foreign currencies we own of $1.5 billion or approximately $9.5 billion (actually there's more); (5) yearly foreign aid includes other military expenditures than in foreign aid bill (over $1 billion) and surplus food gifts ($1 billion or more) approximately $5.5 billion. Add to this the yearly interest on $82 billion of foreign aid now part of the national debt, $3.1 billion, makes actual yearly foreign aid $8.5 billion; (6) over 2,000 separate projects have now been reduced to 1,450, many abandoned as im-

practical (9 pages, 60 specific projects documented in hearings); (7) Comptroller General of United States has audited and examined foreign aid, found it overprogramed and mismanaged, inefficient, etc., with too much money the chief cause of the trouble.

Random examples: (a) Graft, corruption, and profit from improper distribution and sales of aid materiel by foreign businessmen and officials; (b) military vehicles delivered could not be used, shortage of drivers and maintenance; (c) ammunition and equipment ruined because not properly stored; (d) 44 tires per truck stored in 1 nation; (e) 185 years' supply of particular ammunition on hand in one country and only one carburetor for trucks for entire army; (f) over 4,000 tons excess ordnance materiel in one country's depot; (g) diversion, pilfering and thievery until military supplies were short in another country, etc.; (8) civilian projects of all kinds are financed, many types of which government cannot provide in our country (list of 113, such projects, p. 940, hearings); aid for education purposes has gone to over 50 countries, including Yugoslavia; (9) classification as secret or other security designation covers up glaring faults of the program; (10) 1,113 audit recommendations by ICA (International Cooperation Administration) and GAO (General Accounting Office) findings all show lack of planning and cost relationship; (11) military assistance, the most justifiable of the component parts, is replete with errors—(a) Inadequate estimates of needs and costs; (b) inadequate relationship of cost and objectives to be achieved; (c) improper recordkeeping of total costs by country, and others; (12) groups that enjoy windfalls or are vitally interested are (a) printing and publishing industry, (b) motion picture industry, (c) shipping, (d) manufacturing, (e) export and import firms, (f) commercial banks, (g) colleges and universities, (h) clergy, (i) military; (13) "loan" of Development Loan Fund is fictitious, repayable 80 percent in local currency which United States can't use; further, Congress has no control over this fund.

A few, even more than a few, instances of mistakes should not condemn such a program as foreign aid, but the almost endless examples of error, inefficiency, waste, mismanagement, overprograming, lack of objectives, and underplanning, in many countries culminating in aiding our enemies (Yugoslavia, Poland, Indonesia, etc.) and alienating our friends proclaims there are basic faults that need correction, not acceptance and continuation. As a nation, we cannot spend ourselves rich. We cannot make ourselves secure by giving ourselves away. We cannot buy friends; they do not stay bought. The greatest fallacy is to ascribe aid as charity or "be thy brother's keeper" through foreign aid by our Government. The real Biblical meaning is the practice between individual human beings, not governments, which by nature must be impersonal and realistically self-interested. This fundamental difference and role of government needs to be studied. As I oppose big Federal spending where there is wastefulness or contradiction of purpose, am I negative or anti as adduced in the last campaign?

Senator McClellan this week answered labor's criticism that his labor bill is antilabor this way: "Antilabor are they? Well, let us see. The provisions of these measures, the provisions that they criticize, are 'anti' some things beyond all doubt. I shall enumerate for you a few of the things they are 'anti.' They are anti-gangster, goon, racketeer, and hoodlum. They are anti-theft, embezzlement, shakedown, blackmail, and extortion. The are antiarson, antiacid assault, and antivandalism. They are antifraud, dishonesty, crookedness, and corruption. They are anti-violence, bestiality, brutality, and cruelty. And they are antidictatorship, boss rule, oppression, and exploitation. Yes, they are 'anti' these two dozen things and more. And when summed up, they simply establish conclusively and irrefutably that Congress has undertaken to enact laws that will be effective in dealing with and in preventing crime and tyranny from being imposed and inflicted upon our workers, union members, and the public at large. How can anyone call laws that are designed to curb such activities 'antilabor?' I do not believe, and in fact I know, that the great rank-and-file of American workers both in unions and without, do not associate such practices with the true mission and purposes of honest, decent, trade unionism among free men in a civilized society. But these things, these abhorrent abuses, have happened and they are happening here. I do believe they must be stopped if our system of government and way of life under law and order are to survive."

To this I add amen, and I shall do everything I can to help pass an effective labor law to curb the excesses of labor leaders and the monopolistic dangers of unions in the interest of all our people, including union members. It's a toss-up whether Congressmen will have the courage to do what's needed now.

The Budget Bureau has listed some built-in increases to Federal expenditures under existing law, showing a possible $26 billion increase next year. In addition, new legislation now pending in Congress totals $16 billion. The only protection against this pent-up flood of spending is in the people themselves. The public alone can force Congress to exercise self-discipline. Will people realize this in time and tell their Congressmen how they feel?

Concerning the speculation over a summit conference, my own belief is simply that it should be called off. Russia's leaders should be told that in view of their sabotaging every meeting and all past agreements and their avowed dedication to world conquest, there is no area of agreement between us until and unless they establish one. Deeds, not words, are needed. To me such a positive statement on our part will promote peace and is the safest course.

On this "Government by veto" charge now being leveled by some of the disgruntled would-be spenders, it's interesting to note the veto records of some earlier Presidents. Cleveland, 584 vetoes; Roosevelt, 631; Truman, 250. Compare these records with the 142 bills President Eisenhower has vetoed to date. Personally, I'm happy that we have a President unafraid to wield his veto power in defense of fiscal responsibility.

Schedule of Grassroots Conferences in Third Ohio District

EXTENSION OF REMARKS

OF

HON. PAUL F. SCHENCK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, August 3, 1959

Mr. SCHENCK. Mr. Speaker, it is a great privilege and an honor to represent the people of the Third District of Ohio here in the Congress of the United States. I am deeply grateful for this opportunity to be of service, and it is my constant aim to serve my constituents in the best way possible. It has been my regular policy to keep in close contact with the people of the Third District so that I may know how they feel about the many important issues facing us here in Congress.

As the Representative of this great district, I have considered it my duty not only to be well informed of the opinions of my constituents, but also to be of the greatest possible service to persons having problems dealing with agencies or departments of our Federal Government.

Eight years ago I initiated the idea of holding grassroots conferences throughout our district, and I have continued this practice each year during the time Congress is in adjournment. I also have a full-time congressional service office at the U.S. Post Office Building in Dayton, where I can meet with people personally at any time that my official duties permit me to return to the district.

During the time I am in Washington attending to legislative and official duties, a competent secretary is in charge of my district service office to assist callers and to help them with requests for aid in dealing with the Federal Government so that I can be of every proper assistance to them.

In these ways I have sincerely tried to keep well informed as to the personal opinions of my constituents, and I have also tried continuously and sincerely to be of every proper service to them.

Members of Congress are constantly called upon to give careful and earnest consideration to legislation dealing with many complex national and international problems. These day-to-day decisions often affect the lives and living of every citizen in our Nation. Consequently, these personal and private conferences help me to serve all of the people in my district in a much more effective manner.

This year, during our official congressional recess, I am again taking time to hold these grassroots conferences throughout our district at convenient public buildings. I deeply appreciate the fine cooperation of the many officials who have made these meeting places available to me as an aid in rendering this public service.

This is the schedule I have arranged:

Dayton post office, room 314, September 21 and 22, 9 a.m. to 4 p.m.

Miamisburg City Building, September 24, 4 p.m. to 8 p.m.

Germantown City Building, September 25, 4 p.m. to 8 p.m.

Phillipsburg City Building, September 26, 1 p.m. to 3 p.m.

Brookville City Building, September 26, 4 p.m. to 8 p.m.

Hamilton Courthouse, September 28, 9 a.m. to 4 p.m.

Oxford Municipal Building, September 29, 4 p.m. to 8 p.m.

Middletown American Legion, October 1, 9 a.m. to 4 p.m.

Fairfield City Building, October 2, 4 p.m. to 8 p.m.

I have been greatly encouraged by the increased attendance at these conferences. It is sometimes surprising to see how much can really be accomplished when a citizen and his Congressman can sit down face to face and talk over problems of mutual concern.

Special appointments are not necessary for these conferences, and I sincerely urge individuals or groups to meet with me on the date and at the place most convenient to them. The knowledge obtained through these grassroots conferences will help me to render better service, both legislative and personal, to all of the people of our important Third District as their Representative in the Congress of the United States.

Tribute to George Washington Carver

EXTENSION OF REMARKS

OF

HON. STUART SYMINGTON

OF MISSOURI

IN THE SENATE OF THE UNITED STATES

Monday, August 3, 1959

Mr. SYMINGTON. Mr. President, on July 12 the very able Representative from the Seventh District of Missouri, the Honorable CHARLES H. BROWN, was the principal speaker at the annual Carver Day observance, held at the George Washington Carver National Monument, at his birthplace near Joplin, Mo.

Representative BROWN reviewed the story of George Washington Carver's life from its humble beginnings as the son of a slave to the heights of success that can only be achieved through service to humanity.

The life and work of this good man, Dr. Carver, is one of the great stories of America, and should be known throughout the world.

I commend Representative BROWN's address to the attention of my colleagues, and ask unanimous consent that it be printed in the RECORD.

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

ADDRESS BY CONGRESSMAN CHARLES H. BROWN AT THE ANNUAL CARVER DAY OBSERVANCE AT GEORGE WASHINGTON CARVER NATIONAL MONUMENT, JULY 12, 1959

I thank each and every one of you for inviting me here today. I have looked forward to this occasion for reasons that many of you may not realize. Back in the thirties, when I worked in Washington, I heard Dr. George Washington Carver testify before a congressional committee. They said they were going to give him 3 or 4 minutes, but they wound up giving him almost an hour. And, listening to him, I thought to myself—this man has taught them more in these 60 minutes than they have learned in the last 60 days.

He was, perhaps, the greatest Missourian who has lived to date, when you measure greatness by one's lasting contributions to humanity.

The facts about George Washington Carver's life are very brief. He started from the humblest of beginnings. He never knew exactly when he was born. He always said that it was about 1864. But, recent research into the census records indicate that it might have been, and probably was, around 1860. He never knew his father; but he knew his mother and he remembered her until he died. She was a slave.

And, Carver always knew where he was born. He was born on the Moses Carver farm near Diamond Grove, Mo. But in his early childhood, probably when he was 3 or 4 years old, border guerrillas captured his mother and George Carver and carried them off to Arkansas. In time, George was turned over to a man who offered a $300 horse for his release. His mother was never heard of again.

George came back to southwest Missouri and, with the help of friends, grew to be a gangling boy who wanted an education so badly that he would do any chore or odd job to get one. He attended the public schools in two or three towns in Kansas. He wanted to go to college, so he worked his way through Simpson College and then on through Iowa State and got a bachelor's degree in 1894. He got a master's degree in 1896. He was a good student, one of the best they had; and, they offered him a professorship in botany.

But, he became interested in what Booker T. Washington was doing at Tuskegee Institute in Tuskegee, Ala. So, he went there and became the head of their research and experiment department.

At Tuskegee, his thirst for knowledge was so great that it was unquenchable. He sought and found new uses for such commonplace things as cornstalks, sweetpotatoes, soybeans, peanuts, trees, and that red clay of Alabama. He turned ordinary materials into extraordinary products. He found ways to make plastics, paints, paper, plywood, cosmetics, and even imitation marble out of commonplace materials.

Whole new industries grew out of his discoveries, but George Carver never participated in the profits. Many of his formula he gave to humanity without royalty; and, most of his personal income he gave to young, eager students who wanted a college education. George Carver's students remember him as a threadbare professor who couldn't have cared less about money. He was also a great artist. One of his paintings hangs in the Luxembourg Gallery. Many of his paintings you will see at Tuskegee.

In his later years he won worldwide recognition for his talents and his work. He is one of the few Americans who ever became a member of the British Royal Society of Art. He won the Spingarn Medal in 1923. He won the Roosevelt Medal for achievements in science in 1939. He was Director of Research for the U.S. Department of Agriculture. And, he served on numerous boards and panels where research scientists were needed.

But his first love and his last love was his classroom, his students, and his laboratory at Tuskegee. There he remained as chief of research and experiment until he died in 1943 at the age of 80—or was it 83?

These are the bare facts of his life; but they don't begin to tell the whole story.

George Washington Carver was one of God's chosen children, richly endowed by the Creator with a rare and priceless talent, placed by the Creator in an environment where the only way to achieve was to struggle. No one could have faced more hardships. But, no hardship could deter him and no amount of suffering could break his indomitable spirit. Difficulties inspired him, and the suffering he endured taught him to understand, to appreciate, and have compassion for the suffering and the trials and hardships of others.

He learned how to work early in life and he never forgot it. He worked until he fell on the ice and was put in bed.

He was a man who had no fear of the unknown. He loved to experiment with new ideas. He loved to blaze new trails, find new methods and new ways of doing old jobs and scale new summits that no one had ever atempted to scale before.

Above all he never lost his sense of values. To him a better world, a happier people, the Golden Rule meant more than all the comforts and luxuries that a man could possess.

George Washington Carver was a success in the true meaning of the word; and his achievements are immortal because he left disciples—students who today are telling their students, who in turn will tell their students about George Washington Carver, what he stood for, what he thought, and what he did for mankind in his fourscore years on earth.

Jesus of Nazareth did more in less than 40 years than George Washintgon Carver did in 80. Moses contributed more to mankind than George Carver. Perhaps some scientists in the history of the world left a legacy equally as valuable—men like DeVinci, Galileo, Newton, and others—Einstein, perhaps; but, few men in the history of the world have done as much for mankind as did this man. For, he was one of God's chosen children, born with that keen mind and that big heart. A man whom God sent us for a purpose; and he walked with God every day of his life to fulfill that purpose nobly.

The least we can do is learn a lesson from this man's life. I feel that was a part of the purpose for which he was sent. I would like to mention very briefly just three lessons that we sorely need to learn today.

First, George Carver proved that all things are possible if you are determined enough to do it. Why, you couldn't face any more hardships than this man faced. He didn't start from scratch. He started from behind scratch. Everywhere he turned, he met prejudice, doubt, and suspicion. But they didn't deter this man. He said he was going to do something worthwhile, and he did.

Today, the world is divided into two armed camps and the means for destroying mankind is at hand. There are those who say that war is inevitable, that nothing we can do will prevent an Armageddon.

I just don't believe that. I think we can lead this world to a new era of permanent peace—a golden era more golden than we have ever known, if we have the courage and determination that George Carver had.

Some people say mankind will never be able to cope with its population explosion, that we will be overwhelmed by our own numbers, that we can't possibly provide the highways, the schools, the homes, the necessities of life for these teeming millions. I don't believe that. I think we Americans can do anything we want to do, if we have the guts to do it. Complicated problems are hard to solve. Wise men may differ on how to solve them. But we must never stop striving for better solutions. We must never be defeated by a sense of futility.

The second lesson that George Carver, in my opinion, taught is that he proved that good men—not money or machines—make the only genuine progress in the world. He didn't have a multimillion-dollar laboratory. He didn't say you must give me this and give me that or I can't discover these things. He worked with the simplest of tools.

Sometimes, I think we get so enamored with bigness and giantism that we overlook the true value of just a good man. It wasn't a big laboratory that built the first Ford automobile. It was Henry Ford in a little lean-to garage. It wasn't the XYZ laboratory that discovered the radio. It was a man named Marconi, working in his home. It wasn't the ABC holding company that discovered the incandescent lamp. It was Thomas Edison. A man with a great mind who worked. Good men solve big problems and do big things. Money and machines are only the tools that good men use to achieve.

A third lesson that I think George Carver's life taught is that the truly successful man is one who adds something of lasting benefit to humanity. Oh, there have been a lot of men who accumulated more wealth than George Washington Carver. Thousands who have gathered unto themselves a bigger-than-average share of the world's material

goods and titles. Men who have been honored and praised as successful men, big men, even called great men. But the successful man is the one who deals in true human values, the Golden Rule, the lasting benefits.

The world little notes nor remembers what what we leave behind in material goods. But as we pass this way on earth, if we could help someone in his time of trouble, we will have achieved some small measure of immortality.

The rest of us were not given that great mind that George Carver had; but each of us has a heart, if we'll use it. We can all have the compassion for our fellow man that George Carver had.

George Washington Carver was a great man in the true sense of greatness. It is only right that we should do him honor on these days. And, as the years go by, I hope that this shrine will grow not only in its physical appearance, but in the number of people who will come here and learn about this man who walked with God every day of his life and fulfilled God's purpose nobly.

National Interstate Highway System

EXTENSION OF REMARKS

OF

HON. ALVIN M. BENTLEY

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, August 3, 1959

Mr. BENTLEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following exchange of correspondence I had with John C. Mackie, Michigan State highway commissioner, concerning the financing plan for the construction of the National Interstate Highway System reported out of the Ways and Means Committee last week.

LANSING, MICH., *July 30, 1959.*

Hon. ALVIN M. BENTLEY,
Member of Congress, House Office Building, Washington, D.C.:

Michigan will be forced to scrap its 5-year, $1¼ billion new highway program if Congress passes slow-down financing plan for construction of the National Interstate Highway System reported out of House Ways and Means Committee yesterday. The Department is stunned and dejected at the committee's action. The bill will reduce Federal highway aid to Michigan in 1960–61–62 $141 million under levels anticipated when our program was announced. (From $278.6 million to $136.8 million.) Frankly, it almost amounts to a break in faith by the Congress with the various highway departments from amounts planned when the 1956 Federal highway bill was passed and the Federal gas tax increased from 1½ to 3 cents. We have been desperately gearing our engineering right-of-way and design schedules pointing toward a record 1960 construction year which would put Michigan far out front in highways. It seems incredible long hours of urgent labor we have put into gearing for 1960 may have been spent in vain. Michigan has already programed $84 million in 1960 Interstate Federal aid with the Bureau of Public Roads, but the committee bill will allow us only $58.6 million instead of the $96.7 million we had been promised. The action amounts to penalizing States that have moved with speed to build roads. Grim reality of what proposed cutback means probably best illustrated by projects which will be slowed or indefinitely delayed, scheduled for 1960 and 1961. They include the following:

1. Walter P. Chrysler Expressway, Metropolitan Detroit, plus right-of-way and engineering on 12 miles of the proposed Fisher Expressway in Detroit, Wayne County.

2. One hundred and fifteen miles Detroit-Muskegon Expressway, U.S. 16 (Interstate 96) in Livingston, Ingham, Clinton, Kent, Ottawa, Muskegon Counties.

3. Forty-seven miles relocation U.S. 25 (Interstate 94) which calls for extension of the Edsel Ford Expressway through Macomb and St. Clair Counties to Port Huron.

4. Seventy-two miles of relocation of U.S. 27 and U.S. 2 (Interstate 75) in Crawford, Otsego, and Chippewa Counties.

5. Forty-four miles of relocated U.S. 10 (Interstate 75) in Oakland County from South Oakland County to connection with the Fenton-Clio Expressway in Genesee County. We will have to abandon our announced schedule for these and a few other projects unless Congress restores interstate aid to levels anticipated when the interstate program was originally established.

JOHN C. MACKIE,
State Highway Commissioner.

JULY 31, 1959.

Mr. JOHN C. MACKIE,
State Highway Commissioner, Lansing, Mich.:

I have received your telegram of July 30 deploring action of House Ways and Means Committee in reporting slow-down financing plan for construction of the National Interstate Highway System. I agree that this would have serious effect on the several Michigan projects mentioned in your telegram and would regret any delay or slowing up of interstate program in our State. Since Ways and Means Committee, however, has rejected all other proposals for additional financing, I do not know what alternative remains at this late date in our session. It is too bad that members of your Democratic Party who control this committee as well as House of Representatives did not support alternative financing plan which would have permitted the program to proceed according to schedule. Now that we are apparently faced with this financing proposal or nothing, I am afraid we will have to support whatever the Ways and Means Committee brings before us.

Congressman ALVIN M. BENTLEY.

SENATE

TUESDAY, AUGUST 4, 1959

Dr. Caradine R. Hooton, general secretary, General Board of Temperance, the Methodist Church, Washington, D.C., offered the following prayer:

O Lord, our Heavenly Father, who by Thy beloved Son hast taught us that Thou art love, strengthen the witness of all those who, following His example, give themselves to the service of their fellow men. Grant unto these and all other leaders of our Nation the clear vision to perceive the things which retard our progress toward Christian maturity; give us the high purpose, the unfailing courage, and the unwavering perseverance so to discipline our lives and direct our actions that law, order, justice, and peace may here and everywhere prevail, to the glory of Thy holy name and the good of Thy whole family, through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Monday, August 3, 1959, was dispensed with.

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.

EXECUTIVE MESSAGES REFERRED

As in executive session,

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

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

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Foreign Relations Committee was authorized to meet during the session of the Senate today.

LIMITATION OF DEBATE DURING MORNING HOUR

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

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

LEGISLATIVE PROGRAM—CONFERENCE REPORTS ON APPROPRIATION BILLS

Mr. JOHNSON of Texas. Mr. President, in connection with the mutual security appropriation bill, I notice that the Appropriations Committee has scheduled hearings on this very important piece of proposed legislation; and I know the hearings will be thorough and exhaustive, as always.

I wish to congratulate the distinguished occupant of the chair, the President pro tempore, for the very fine record the Senate Appropriations Committee has made under his leadership and under his guidance thus far this session. Fourteen appropriation bills, as I recall, have been passed by the Senate thus far. The military construction appropriation bill and the mutual security appropriation bill are yet to be reported to the Senate by the Appropriations Committee.

Many Senators—dozens, I would say—have talked to me about the possibility of having final action taken on the appropriations bills which have passed the