Veterans' Administration hospital at Bernards Township, N.J.; to the Committee on Government Operations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BENTLEY:

H.R. 12939. A bill for the relief of Gabriel G. Kajeckas; to the Committee on the Judiciary.

By Mrs. CHURCH:

H.R. 12940. A bill for the relief of Maria Stella Todaro; to the Committee on the Judiciary.

By Mr. COFFIN:

H.R. 12941. A bill for the relief of Nishan der Simonian; to the Committee on the Judiciary.

By Mr. GILBERT:

H.R. 12942. A bill for the relief of Giovanni Dilluvio; to the Committee on the Judiciary.

By Mr. LANE:

H.R. 12943. A bill for the relief of William W. Stevens; to the Committee on the Judiciary.

By Mr. MADDEN:

H.R. 12944. A bill for the relief of Evangelia Kurtales; to the Committee on the Judiciary.

H.R. 12945. A bill for the relief of Giacomo Ferro; to the Committee on the Judiciary.

By Mr. OSMERS:

H.R. 12946. A bill for the relief of Harry Weinstein; to the Committee on the Judiciary.

By Mr. PUCINSKI:

H.R. 12947. A bill for the relief of Ewa Paczosa; to the Committee on the Judiciary.

By Mr. TOLL:

H.R. 12948. A bill for the relief of Margarete Zgodda; to the Committee on the Judiciary.

By Mr. LEVERING:

H. Res. 594. Resolution extending the greetings and felicitations of the House of Representatives to Hebron, Ohio, on the occasion of the celebration on July 4, 1960, of its 125th year as a chartered village; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

The Van Zandt Bill H.R. 12395, Requiring Users of Inland Waterways To Pay a User's Charge Will Serve To Eliminate Unfair Competition Existing in our Nationwide Transportation System

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 1, 1960

Mr. VAN ZANDT. Mr. Speaker, since May 25, 1960, when I introduced H.R. 12395, it is gratifying to observe the widespread interest in the proposed legislation.

The bill would establish the Inland Navigation Commission and authorize the provision and collection of fair and reasonable charges for use of inland waterway navigational improvements, constructed, maintained, or operated with Federal funds, and for other purposes.

There is scant opposition to the user charge principle. Presidents Franklin D. Roosevelt, Harry S. Truman, and Dwight D. Eisenhower have all publicly urged the imposition of such charges for the use of publicly provided transportation facilities.

The Van Zandt bill, H.R. 12395, would correct an inequitable situation in the field of transportation arising from the fact that those who operate on our inland waterways have never paid a user charge.

It should be emphasized that users of the federally subsidized inland waterways, built and maintained at taxpayer expense, have never paid the Government anything for either the construction of or operating on these costly facilities. Federal expenditures for navigation on the inland and intracoastal waterways have aggregated more than $2.6 billion and have been increasing rapidly in recent years. Such expenditures have risen steadily from $57.2 million in 1955 to $145 million in 1959.

Mr. Speaker, there is no denial of the fact that barge-line operations on our inland waterways form a mature and financially strong industry. As such, that industry should be required to take its place in transportation, on a self-sustaining basis, bearing its own costs under conditions of fair competition with other modes of transportation. Mr. G. C. Taylor, president of the Mississippi Barge Lines Co., stated before the Subcommittee on Surface Transportation of the U.S. Senate, 85th Congress, on behalf of the Inland Waterways Common Carriers Association, that the common carrier barge-line members handled 24 billion ton-miles of freight in 1957 and collected revenues of $96 million. Mr. Taylor also stated that their rates averaged about 4 mills per ton-mile as against 14 mills for the railroads. An analysis of these nine common carrier barge-line members on the Mississippi River System that reported to the Interstate Commerce Commission indicates that the average rate of return on investment for transportation purposes in 1957 amounted to 16.74 percent of unamortized investment before income taxes and 10.38 percent of unamortized investment after income taxes.

These figures clearly reveal that the barge lines can well afford to pay their own way rather than to continue to expect the overburdened American taxpayers to "pick up the check" for them. Therefore there is nothing to justify annual appropriations year after year from funds paid into the Treasury by general taxpayers.

"Transportation Lines on the Mississippi River System and the Gulf Intracoastal Waterway for 1959," a Corps of Engineers publication, lists a total of 1,012 carriers on these waterways, which are classified as follows: 34 common carriers, 13 contract carriers, and 965 exempt carriers. The latter class is privileged to operate on the waterways without regulatory control, and it assumes no responsibility for public or common carrier service. It is estimated that an additional 230 inland waterway carriers operate on the Atlantic and Pacific coasts, making a total of approximately 1,240 for all inland waterways.

These carriers handled 109 billion ton-miles of cargo in 1958. Assuming revenue or value in lieu of revenue of 4.5 mills per ton-mile, the volume would equal $490 million. These data confirm that inland waterway barge line operations are a large and well-established industry. There is no longer any pretext of justification for these operators, in union with other proponents of navigation projects, to come to the Congress annually asking for, or, in fact, demanding, large appropriations from the Treasury to provide, improve, and maintain waterways which facilitate their commercial operations for private gain at taxpayer expense.

Mr. Speaker, the taxpayers of this country should have long-overdue relief from the burden of financing the ever-increasing demands of the waterway operators and their advocates. They clamor for appropriations from the Treasury not only to cover the operation and maintenance cost of existing navigation improvements, but in addition, the cost of extravagant enlargements and extensions of existing waterways. These users of our waterways also enjoy the benefits from the creation of new projects year by year—all of this with no provision whatever for reimbursement of the Treasury for the facilities and services furnished them by the public. These extortionate demands are always asserted, and justification attempted by a claim of cheap and economical transportation. I ask in all fairness: How can transportation be called economical or cheap when it falls upon the Federal Government to absorb a great share of the cost? How can this transportation be termed economical when the burden is carried by the general tax receipts of the Federal Government and, therefore, by all the taxpayers rather than the users of the waterway and the operators of carrier lines?

The present value of the depreciated federally built structures on our inland waterway system is estimated to be approximately $1.5 billion, with annual operating and maintenance expenses of approximately $44 million. These expenditures by the Federal Government are pure subsidies. They constitute an outright gift of $1,200,000 with an additional maintenance donation of $35,000 year after year to each and every one of the 1,240 operating carriers. Obviously, these subsidies would not be evenly divided or accrue among the various operators; rather they accrue to a relatively few large corporations and industries that can well afford to pay the full cost of the transportation services and facilities they receive.

Approximately 93 percent of all barge traffic on the Mississippi River system, which includes the mainstem of the Mississippi River and its tributaries, is limited to eight classes of commodities. These commodities are listed below, with the percentage of total traffic represented by each class:

Coal	39.7
Petroleum	27.7
Sand, gravel, and crushed rock	12.1
Waterway improvement materials	3.8
Grains	3.0
Iron and steel manufacturing	3.0
Shells, unmanufactured	1.9
Industrial chemicals	1.3

All other class of commodities produce less than 7 percent of the total barge traffic. This further emphasizes the limited numbers of industries and corporations which gain directly from the ever-increasing Federal expenditures on inland navigation improvements and maintenance.

A user charge of approximately 1.5 mills per ton-mile on cargo vessels and a nominal user charge set up for other craft, would be established under the provisions of the Van Zandt bill, H.R. 12395. My bill would provide adequate revenues to insure that (1) the present useful inland waterway improvements could be equitably amortized; (2) that the operation and maintenance of the inland waterways could be financed; and (3) that adequate funds would accumulate to provide for the repair and replacement of existing structures and the provision of new structures as required by the waterway users and approved by the Congress. Mr. Speaker, H.R. 12395 will, in fact, free the long-abused taxpayers of this country from an unjust and ever-increasing burden of expenditures for transportation facilities for the advantage of a very limited group. It will place the responsibility for financing these facilities squarely upon the commercial interests who can best judge the economic value of their own demands. In conclusion H.R. 12395 will not impede, but will positively enhance, the efficiency and economy of our transportation system. Furthermore, it will lend dignity and responsibility to the demands of carriers that operate on our inland waterway system. And finally it will be instrumental in eliminating the waste that now exists in our inland waterway navigation programs.

Mr. Louis Hardtla of Philo, Ohio, Honored by the Weather Bureau

EXTENSION OF REMARKS

OF

HON. JOHN E. HENDERSON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, July 1, 1960

Mr. HENDERSON. Mr. Speaker, today, Mr. Louis Hardtla, of Philo, which is in the 15th Congressional District of Ohio, will receive the Thomas Jefferson Award for 1960 from the Weather Bureau of the U.S. Department of Commerce. Mr. Hardtla is one of seven who have been selected from the United States for outstanding service in the field of weather observation and reporting.

The citation which he receives with his award reads as follows:

> For an exceptionally long record of continuous climatological observations at Philo, Ohio, begun by Mr. Hardtla, because of his own scientific interest in 1892 and then continued as a cooperative observer for the U.S. Weather Bureau since 1901.

Mr. Hardtla, throughout these many years, has made a great contribution to the Weather Bureau and to the Nation. His observations and study have contributed in large measure to the overall study of weather conditions. I am proud that a constituent of mine has been chosen to receive this award and I extend to him my own congratulations and thanks.

Defense Budget

EXTENSION OF REMARKS

OF

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 1, 1960

Mr. DERWINSKI. Mr. Speaker, I am in basic agreement with the statements and explanation by the distinguished gentleman from Texas [Mr. MAHON] as he presents to us the conference report on the defense appropriations bill. I especially concur with his premise that the Communist threat is certainly not greater or more dangerous than it was 6 months ago. Certainly we do have the responsibility, fortified with the realization that the cold war will be with us for many years, to maintain our world military position and present armed superiority must be maintained and, of course, increased. This $40 billion defense budget provides basically for the necessary improvements we continue to make in our military program, and gives our Armed Forces the ability to deter war because of our overwhelming strength as compared with the boastful, but much exaggerated, Soviet military machine.

However, Mr. Speaker, I feel very strongly that we have an obligation to the American taxpayer to study all details of the defense budget, since spending, as it does, half the Federal annual expenditure, the possibility of waste and extravagance is obvious.

I do not wish the statement that I will now make to reflect upon the competence, loyalty, or devotion to duty of our military leaders, but the plain facts are that there is as much, if not more, careless administration and waste in the Defense Department than in any other governmental agency. Frankly, one of the hangovers of World War II and the Korean war has been the pampered state of our top military officials, who hold themselves above civilian criticism of their spending.

Mr. Speaker, we must, as I pointed out, in our duty to the taxpayers we represent, insist that our military leaders provide us with not only the strongest force in the world, as they have done, but, equally important, do so with the utmost efficiency and conservation of a greatest resource: the American dollar. In my humble opinion, we could, today, save 10 percent of the dollars to be spent and provide completely for our Nation's defense if the military leaders would practice true economy in all phases of our Military Establishment. Mr. Speaker, may I repeat, my statement is one that I am sure a great majority of my colleagues concur in, since we have received in communications from our constituents, a clear mandate that whenever possible we must reduce the back-breaking tax burden that rests upon the American public. It would be a tragic thing to yield to the false theory advocated by the pseudo-liberal leftwing element here who believe that their duty is to recklessly spend as much of the American public's money as they can lay their hands on. We are determined, as we pass this defense appropriation to battle communism abroad. We cannot surrender to socialism here. This defense appropriation worked out so carefully by Members of both bodies provides each of our armed services with the weapons they need to continue their stalwart defense, not only of our Nation but of free people throughout the world. It is true that the interservice rivalry continues, and that the differences of opinion within this appropriation remains, but overall this is a sound, practical defense appropriation maintaining and increasing our military superiority over the Soviet Union.

The Influence of the Federal Government on the National Economy—Address by Senator Butler

EXTENSION OF REMARKS

OF

HON. JOHN MARSHALL BUTLER

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Friday, July 1, 1960

Mr. BUTLER. Mr. President, I had the pleasure yesterday morning of addressing some 400 public and parochial schoolteachers of Baltimore at their annual workshop on economics. Yesterday was Government Day, and I was afforded the opportunity of discussing "The Influence of the Federal Government on the National Economy." As I pointed out, "In order for us to maintain our position as leaders of the free world, the time has come for prudence in spending the hard-earned income of American producers by every level of government."

Mr. President, I ask unanimous consent to have inserted in the CONGRESSIONAL RECORD my speech before the Baltimore teachers' workshop, as well as certain charts and explanatory comments which serve to complement my speech.

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

THE INFLUENCE OF FEDERAL GOVERNMENT ON THE NATIONAL ECONOMY

I believe that the future of this country lies in your hands. I believe that because you teachers gathered here today are the prime molders of the minds of our youth who will lead this Nation tomorrow. And so what you think and what you teach will determine the course of the United States for generations to come. You are bound, therefore, with a serious and challenging responsibility. I know that you do not consider this duty lightly nor indifferent. These are indeed serious times, challenging times, when all of us must give fully and completely of ourselves.

It is not a time to bewail our troubles and mistakes to pick and probe feverishly at where we went wrong or how we could have done better. It is not a time to be discouraged or despondent. It is a time to realize that the Soviets want to bury us completely and thoroughly and that we must be prepared to bury them—if necessary.

These are challenging times, but it is not only the challenge of the Soviets, whose unremitting efforts to win the world to their cause has had some temporary success, of which I am speaking, but the challenge of those people here at home who would turn the present crisis, unwittingly perhaps, into what I consider a most imminent and fearful possibility—bankruptcy and economic ruin of the Federal Government.

I, for one, refuse to discard as archaic and inefficient the free enterprise and balanced budget methods which have produced this marvelous Nation, which is still the strongest and the freest in the world.

And so I am going to talk this morning about the influence of the Federal Government on the national economy and some of the dangerous emergency proposals which come too often before the Senate.

Ladies and gentlemen, there are many proposals currently before the Congress to establish new programs involving large expenditures by the Federal Government which were not included in the President's budget. Some of these measures may be worthy if there were not so many other existing commitments and they would certainly prove beneficial to a great number of our citizens.

Yet, as a member of the Senate Finance Committee and the Joint Economic Committee. I have become increasingly concerned with the impact of these many proposed programs on the Federal budget and the national economy and with the question of how we are to finance them.

The decade of the sixties will be a time of serious challenge to our Nation, and indeed to our way of life. The economic offensive launched by the Communist nations will require a rededication to the principles of our free enterprise economy. At the same time we must keep up our military strength, and we must marshal all our resources to maintain and strengthen our position of world leadership. To accomplish these ends will require a healthy, strong, and growing economy.

The budget which was proposed by President Eisenhower for the fiscal year 1961 calls for revenues of $84 billion and expenditures of $79.8 billion, leaving a surplus of $4.2 billion to be applied toward reducing our public debt of $284.5 billion. The public debt, which has now reached a per capita level of approximately $1,580 for each of our 180 million citizens is fantastically high.

Yet, if we add the liabilities of an estimated $350 billion of future obligations for retirement benefits for civilian Government employees and military personnel and future pensions and compensations to veterans and an estimated $98 billion of commitments for future spending for highways, public works programs, public housing, unexpended balances in the defense program, and a variety of other obligations. We arrive at the astronomical total of a $732 billion mortgage on America's future.

In the closing days of the Congress, every Senator and every Congressman will be examining many proposals requiring additional Federal spending. An even cursory study of the budget reveals that once such programs become embedded in our statutes, they are never eliminated. Indeed, history shows that these measures grow and expand from year to year.

An excellent example of the practice we have followed for many years is provided by an examination of expenditures for public assistance programs. At the time that the Congress liberalized the old-age and survivors' insurance program in 1950, we contemplated that expenditures for public assistance would ultimately decline.

The intent of the Congress is clearly revealed in Report No. 1669 of the Senate Finance Committee dated May 16, 1950, which discussed the amendments embodied in H.R. 6000, 81st Congress. It stated that:

"The committee-approved bill is designed to have the insurance program become the basic method. The strengthening of old-age and survivors insurance will reduce the need for public-assistance expenditures. The broad extension of coverage, the increase in benefits, and the liberalized eligibility requirements of the insurance program will decrease the number of people who will have to depend on the assistance programs * * *."

This statement was made in 1950 when budget expenditures for public assistance totaled $1,039 million. The 1961 budget estimate for this program submitted by President Eisenhower on January 18, 1960, proposes expenditures of $2,087 million. In other words, although coverage had been extended, a program which was destined to decrease in importance doubled in size during a decade. This illustrates the need for extreme caution in embarking upon new programs which may require modest financial obligations at the time they are suggested.

The economic facts of life are such that we have only two alternatives we can use to finance these expenditures. We must either go into debt, or we must increase our tax revenues.

The dangers and serious consequences of a continuous budget deficit need not be recounted. The experience of many European countries in the postwar period have demonstrated beyond a doubt that inflation and depreciated currency are not mere phantoms. Events here in the United States have proved that a firm stand must be taken to preserve the integrity of the dollar. Our current balance-of-payments problem should serve as a constant reminder that unless we maintain competitive prices in world markets and bring about a balance in terms of our international payments, we are headed for serious trouble. In 1949 U.S. gold stocks reached a postwar high of $24.6 billion. At the end of April of this year, they stand at $19.4 billion, a decline of $5.2 billion. It is self-evident that this trend must be halted if our economic system is to survive. In fact, the claims on our gold at Fort Knox, if they were all exercised, would completely absorb our reserves.

Ladies and gentlemen, an examination of the budget outlined by President Eisenhower last January shows that interest payments represent 12 percent of expenditures; general Government, 2.4 percent; major national security programs, 57.1 percent; international affairs and finance, 2.8 percent; veterans' services and benefits, 6.9 percent; agriculture and agricultural resources, 7 percent; labor and welfare, 5.7 percent; commerce and housing, 3.4 percent; natural resources, 2.4 percent; and allowances for contingenies, 0.3 percent. On the revenue side, corporation income taxes are expected to contribute 28 percent of revenues, individual income taxes, 52 percent, and excise and other taxes 20 percent.

The original budget prepared last January will bear little resemblance to the appropriations and authorizations provided by the present Congress. For example, the President requested an increase in postal rates which apparently will not be granted. Furthermore, within the past few days the Senate has adopted bills that would add more than $2 billion to the budget, which was presented by President Eisenhower last January, and the end is not yet in sight since there will certainly be additional spending bills, including programs not provided for in the budget before we finally adjourn.

For example, the tax rate on corporation profits presently stands at 52 percent. The Federal Government is the senior partner in every corporation with a taxable income in excess of $25,000. It derives more revenue from the enterprise than the investors who risk their capital to provide jobs for our people and the goods and services that we need.

Accordingly, if more Federal revenues are needed, they will have to be raised by increased personal income taxes in the lower and middle brackets. Yet we are all aware that today the average employee is most concerned with his take-home pay. If further tax withholding reduces take-home pay, organized labor will of necessity demand higher wages. These added labor costs will in turn have to be factored into higher prices. Further price increases will only aggravate the problem of foreign competition with which we are now faced and will ultimately result in more problems of unemployment, depressed areas, and a lower standard of living.

There have been many bills which were passed by both Houses of the Congress to establish new programs but which were vetoed by the President. In and of themselves some of them may have been worthy, but the problem now is one of priorities. It is important that every voter understand that if additional demands for Federal funds are pressed upon the Congress, they can only be met through increased taxes that will raise his cost of living and lower his take-home pay.

This is not a time when any of us should be solely concerned with the merits or demerits of specific programs but rather with the simple fact of how we can pay for them and how they will ultimately add to the growth of our tax base.

I would like to quote from a recent speech given by Mr. Maurice H. Stans, Director of the Bureau of the Budget at the annual dinner of the Tax Foundation in New York. Mr. Stans said:

"Except for its dimensions, the Federal budget is parallel to a family's budget, as a plan for living, with its goals, its fixed costs, its choices among variables, its contingencies, and above all its relevance to what we can afford within our means. The simple idea that whatever is spent must somehow be covered by what is earned would help to dissipate the widespread delusion that in some strange way when money comes from Washington it doesn't cost anybody anything."

Ladies and gentlemen, plans for participation by the Federal Government in our economy must be designed to meet only those requirements which cannot be covered through the exercise of local resources and initiative.

President Eisenhower in his budget message of January 18, 1960, said:

"I believe that the American people have made their wishes clear: The Federal Government should conduct its financial affairs with a high sense of responsibility vigorously meeting the Nation's needs and opportunities within its proper sphere while at the same time exercising a prudent discipline in matters of borrowing and spending, and in incurring liabilities for the future."

The high sense of responsibility and prudent discipline to which President Eisenhower referred should be ever before legislators as they consider any legislative proposals until this country has demonstrated over a reasonable period of time that our budget is balanced and our national finances are in proper order.

It is most important to allow local authorities the right to tax. We are in effect making an indirect contribution to State and local governments to assume added responsibilities by allowing them to issue securities, the income from which is exempt from Federal taxation. In 1951 the spending program of the States totaled $15.3 billion. It has more than doubled in the short span of 9 years to $32 billion in 1959.

In the years ahead there will be added demands because of population increases and the movement from concentrated urban areas to the suburbs. There has been increased pressure on the States in terms of their own financial problems which must be met by the same individuals who support the Federal Government. An unhealthy fiscal situation has developed because population growth and concentration have occurred in urban and suburban areas, with the total population increasing about 30 million between 1946 and 1957. Over half of this growth was in the nonproductive group of citizens who are in school, in the age group from 5 to 17, or those who have retired and are 65 years of age and over.

In spite of additional Federal programs, State and local governments have been burdened with added costs for public assistance and other social welfare programs. More schoolteachers are needed to meet the educational requirements of our expanded youth population. The number of motor vehicles has grown from 34 million in 1946 to 68 million in 1959. All these factors add to the cost of Government—National, State, and local. I am a fervent believer in having as many of these activities conducted by the States and their subdivisions as possible since I am convinced that any Government activity carried on under the close observation of those who are paying for it will probably result in greater efficiency. However, regardless of how these programs are financed, they are imposing an ever-larger burden of taxes on those who constitute the civilian labor force of less than 70 million out of a population of almost 180 million.

In order for us to maintain our position as leaders of the free world, the time has come for prudence in spending the hard-earned income of American producers by every level of government.

Mr. BUTLER. Mr. President, it was my great privilege to address a group of leading business and professional men of the tristate area of which Pittsburgh is the center, known as the Amen Corner group, in the spring of 1959. At this time I pointed out a danger which has since become a reality. I append hereto certain statements which I made before this group, including a table, which were inserted in the CONGRESSIONAL RECORD of March 23, 1959, to be printed at this point in the RECORD:

Our tax system deters thrift. In these days, when the Government requires the maximum possible revenue, progressive tax rates which exceed the point of diminishing returns represent fiscal irresponsibility at its worst. What is not generally recognized is the fact that our progressive income taxes apply particularly to investment income from the private sector of our economy. Anyone can readily secure a yield of 3 percent through the purchase of tax-exempt bonds which finance State and local enterprises of many kinds.

An investment in a corporate enterprise must produce at least 7.8 percent before taxes to provide an equivalent yield to a person with a taxable income of only $2,000. If the income of an individual is $10,000 the yield from a private corporate venture must exceed 10 percent before taxes to equal the 3-percent yield he can obtain from a tax-exempt security. If he happens to be in the top Federal tax bracket the equivalent yield from a private corporate investment must be more than 69 percent. This is an absurdity.

"I do not have to belabor the point with this audience that there are few individuals in the upper-income brackets who are interested in financing new risk enterprises under such conditions. I hope, as a member of the Senate Finance Committee, to make a contribution toward the restoration of some sense to this utterly unrealistic progressive tax structure which was designed to punish success rather than to raise revenue. Mr. Khrushchev would not have made this mistake.

"American citizens are not permitted to convert paper dollars into gold; however, foreigners have this opportunity. In recent years we have been providing them with dollar resources to enable them to draw on our gold balances. Unless we maintain competitive prices in world markets and bring about a balance in terms of our international payments our economy is headed for serious trouble.

"In 1949 U.S. gold stocks reached a postwar high of $24.6 billion. At the end of last year they stood at $20.6 billion, a decline of $4 billion. The reduction in 1958 alone totaled $2.3 billion. In fact, the monthly figures show a falling gold stock for every month since January 1958. While a $20 billion gold stock provides an adequate base for our currency, it must be self-evident that a decline of about 10 percent a year can no longer continue without completely destroying our own economic system. This, perhaps, is the best way for us to fully appreciate the impact of unsound economic policies, since an excess of demands for dollar payments abroad over purchases from us will sooner or later be reflected in our monetary reserves.

"Our country has faced and met great problems in the past. I have every confidence that our leaders in industry, labor, and Government are capable of meeting the difficulties which confront us today. They can, and will be met by a rededication by each of us to those ideals which guided our Founding Fathers in writing the Constitution and our Bill of Rights.

"We must reinstill these virtues in our youth, because it is quite apparent that our opponents behind the Iron and Bamboo Curtains are developing the willingness to sacrifice immediate pleasures in order to achieve their objectives. We must meet this challenge while retaining freedom. It is more difficult for us to impose self-discipline upon ourselves than to permit dictation by the state, but if we are true to our heritage, this is what we shall do.

Federal taxes paid by the 44 largest industrial corporations, ranked by sales, are required to finance 1959 expenditures for international affairs and finance

[Dollar amounts in thousands]

Company	U.S. income taxes paid in 1957	Sales	Assets	Invested capital	Employees
General Motors	$703, 221	$10, 989, 813	$7, 498, 008	$4, 905, 108	508, 160
Standard Oil (New Jersey)*	53, 000	7, 830, 250	8, 712, 387	5, 755, 611	160, 000
Ford Motor	84, 048	5, 771, 275	3, 347, 645	2, 149, 474	191, 759
United States Steel	406, 000	4, 413, 806	4, 372, 770	2, 997, 819	271, 037
General Electric	248, 718	4, 335, 664	2, 361, 319	1, 231, 273	282, 029
Chrysler	128, 700	3, 564, 983	1, 496, 605	732, 308	136, 187
Socony Mobil Oil [1]*	80, 100	2, 976, 104	3, 105, 252	2, 378, 925	77, 000
Gulf Oil	133, 459	2, 730, 085	3, 240, 571	2, 190, 299	61, 100
Bethlehem Steel	175, 000	2, 603, 713	2, 260, 340	1, 586, 792	166, 859
Swift	3, 338	2, 542, 238	544, 690	377, 514	71, 900
Texas Co	39, 000	2, 344, 177	2, 729, 095	2, 053, 369	53, 340
Standard Oil (Indiana)*	26, 348	2, 010, 115	2, 535, 023	2, 012, 260	50, 845
Westinghouse Electric	66, 800	2, 009, 044	1, 400, 683	821, 350	128, 572
Du Pont de Nemours, E. I.	272, 120	1, 964, 324	2, 755, 547	2, 342, 599	90, 088
Shell Oil	35, 284	1, 764, 602	1, 407, 444	977, 566	40, 000
Standard Oil (California)*	40, 100	1, 650, 823	2, 246, 296	1, 858, 900	39, 206
Boeing Airplane	39, 090	1, 596, 509	491, 029	178, 901	94, 998
General Dynamics	47, 550	1, 562, 539	570, 605	225, 278	91, 700
National Dairy Products	37, 750	1, 432, 319	553, 604	341, 576	46, 332
Goodyear Tire & Rubber	50, 285	1, 421, 850	928, 951	455, 962	101, 386
Union Carbide	120, 175	1, 395, 033	1, 456, 353	839, 664	64, 247
Sinclair Oil*	21, 000	1, 251, 069	1, 480, 616	962, 351	25, 240
North American Aviation	35, 102	1, 243, 767	349, 623	170, 448	54, 660
United Aircraft	55, 223	1, 232, 919	451, 459	252, 784	61, 688
Republic Steel	$89, 600	$1, 227, 258	$980, 379	$697, 207	65, 110
International Harvester	31, 280	1, 171, 389	1, 021, 117	773, 440	68, 861
Radio Corp. of America	38, 500	1, 170, 905	751, 644	288, 382	78, 000
Firestone Tire & Rubber	40, 635	1, 158, 884	780, 420	459, 349	88, 323
Procter & Gamble	58, 880	1, 156, 390	737, 774	462, 097	29, 367
Phillips Petroleum	36, 400	1, 131, 794	1, 519, 631	980, 348	26, 838
Douglas Aircraft	35, 450	1, 091, 366	407, 213	168, 836	78, 400
Cities Service	16, 988	1, 046, 360	1, 292, 561	615, 930	19, 300
Continental Can	33, 350	1, 046, 267	664, 125	393, 703	53, 886
American Can	42, 468	1, 006, 305	790, 974	487, 723	50, 838
International Business Machines	97, 000	1, 000, 432	1, 153, 969	622, 518	60, 281
General Foods	45, 100	971, 335	404, 467	256, 676	21, 300
International Paper	55, 507	940, 428	850, 056	718, 811	48, 306
Borden	21, 539	931, 221	353, 437	221, 095	35, 058
U.S. Rubber	20, 961	873, 583	592, 935	289, 109	60, 136
Sperry Rand	26, 215	871, 047	708, 536	336, 848	93, 130
Aluminum Co. of America [1]	69, 000	869, 378	1, 315, 569	670, 531	54, 640
Lockheed Aircraft	17, 120	868, 315	419, 024	115, 932	54, 781
Jones & Laughlin Steel	39, 271	837, 568	799, 289	512, 623	43, 948
Eastman Kodak	94, 509	798, 283	775, 034	587, 188	50, 300
Total	3, 811, 184	90, 805, 529	72, 614, 069	47, 456, 477	4, 029, 139

[1] Includes U.S. and foreign income taxes.
*Asterisks indicate data was taken from corporation's annual report.

NOTE.—All data from July 1958 Fortune "Directory of the 500 Largest U.S. Industrial Corporations" except U.S. income taxes, which was taken from Moody's 1958 "Industrial Manual." Western Electric, which ranked No. 11, was omitted, as its data are consolidated with American Telephone & Telegraph, a public utility. Armour, which ranked No. 16, was omitted since it paid no Federal income taxes.

Fortune magazine in its July 1958 issue ranked America's leading industrial corporations in terms of their sales. On the basis of this list, I find that the taxes paid in 1957 by 44 of our largest industrial corporations do not equal $4 billion. In fact, they paid taxes to the Federal Government in the amount of $3,811 million. These taxes in turn were predicated on sales of $91 billion worth of products. The production of these goods required the use of assets costing $73 billion. The production to furnish these taxes required the employment of more than 4 million employees.

I have prepared a table which shows the actual budget expenditures and receipts in 1957, which is the latest year that figures are available, showing the breakdown of individual personal income tax receipts by the various brackets, which is as follows:

TABLE I.—*1957 Federal spending and receipts*

EXPENDITURES

	Dollars (billions)	Percent of total
Interest	7.3	10.5
General government	1.8	2.6
Major national security	43.3	62.4
International affairs and finance	2.0	2.9
Veterans' services and benefits	4.8	6.9
Agriculture	4.5	6.5
Labor and welfare	3.0	4.3
Commerce and housing	1.4	2.0
Natural resources	1.3	1.9
Total	69.4	100.0

RECEIPTS

Corporation income tax	21.2	30.4
Excise and miscellaneous taxes	14.2	20.4
Individual income tax:		
$100,000 to $1,000,000 and over	1.9	2.7
$50,000 to $100,000	2.2	3.2
$25,000 to $50,000	3.1	4.4
$15,000 to $25,000	2.7	3.9
$10,000 to $15,000	3.9	5.6
$9,000 to $10,000	1.7	2.4
$8,000 to $9,000	2.2	3.2
$7,000 to $8,000	2.8	4.0
$6,000 to $7,000	3.3	4.7
$5,000 to $6,000	3.4	4.9
$4,000 to $5,000	3.2	4.6
$3,000 to $4,000	2.2	3.2
Under $3,000	1.7	2.4
Total	69.7	100.0

NOTE.—Of the $35,000,000,000 derived from the personal income tax, $28,000,000,000 (or 80 percent of the total) was in the personal income tax brackets under $25,000.

On the expenditure side I have listed the items in terms of priority. Interest payments must be met if the Government is to remain solvent. General Government expenditures are shown next; major national security is our next order of priority; international affairs and finance come next; followed by veterans' services and benefits. Then I have considered other domestic programs in their order of interest to the Congress, such as agriculture and agricultural resources, labor and welfare, commerce and housing, and natural resources.

On the receipt side I have listed the income by source in the following order: First, there is income from corporation income taxes; then excise taxes; followed by estate, gift, customs, and miscellaneous taxes; and then the receipts from the personal income taxes, which I have shown in terms of income tax brackets. This table, Mr. President, reveals some startling facts. If we take the first four expenditure items—namely, interest payments, general Government expenses, major national security programs, and international affairs and finance expenditures in the year 1957—we find that they preempted all of the receipts from the corporate income tax, all the excise, estate, and gift taxes, customs and miscellaneous receipts, as well as the receipts from personal individual income taxes down to the $7,000 to $8,000 brackets. By adding the next two priorities of budget expenditures—veterans' services and benefits and agriculture and agricultural resources—we then find the Congress has authorized the use of the receipts from all corporate income taxes, excise, estate, and gift taxes, customs, and miscellaneous receipts, as well as the payments to the Federal Government through personal income taxes down to the $5,000 bracket. Expenditures for labor and welfare, commerce and housing, and natural resources were paid for by taxes received from those citizens with taxable incomes of less than $5,000.

I have prepared two additional tables, as follows:

TABLE II.—*Summary of present rates of Federal taxes*

Corporation income tax:

Normal tax: 30 percent of taxable income.

Surtax: 22 percent of taxable income in excess of $25,000.

Typical excise taxes:		Rate
Telephone	percent	10
Furs, jewelry, and other luxury items	percent	10
Transportation of persons	do	10
Gasoline	cents per gallon	4
Automobiles	percent	10

Typical estate taxes (flat exemption of $60,000).

On estates in excess of this amount Federal taxes are levied with certain credits for State taxes, as follows:

(A) Taxable estate equal to or more than—	(B) Taxable estate less than—	(C) Tax on amount in col. (A)	(D) Rate of tax on excess over amount in col. (A)
			Percent
$10,000	$20,000	$500	11
$20,000	30,000	1,600	14
$50,000	60,000	7,000	25
$100,000	250,000	20,700	30
$500,000	750,000	145,700	35
$1,000,000	1,250,000	325,700	39

TABLE III.—*Summary of personal income tax rates (after allowable deductions and personal exemption of $600 per individual)*

MARRIED TAXPAYERS FILING RETURNS

If the taxable income is:	The tax is:
Not over $4,000	20 percent of the amount on line 5.
Over $4,000 but not over $8,000.	$800, plus 22 percent of excess over $4,000.
Over $8,000 but not over $12,000.	$1,680, plus 26 percent of excess over $8,000.
Over $12,000 but not over $16,000.	$2,720, plus 30 percent of excess over $12,000.
Over $16,000 but not over $20,000.	$3,920, plus 34 percent of excess over $16,000.

TABLE III.—*Summary of personal income tax rates (after allowable deductions and personal exemption of $600 per individual)*—Continued

MARRIED TAXPAYERS FILING RETURNS—con.

If the taxable income is:	The tax is:
Over $20,000 but not over $24,000.	$5,280, plus 38 percent of excess over $20,000.
Over $24,000 but not over $28,000.	$6,800, plus 43 percent of excess over $24,000.
Over $28,000 but not over $32,000.	$8,520, plus 47 percent of excess over $28,000.
Over $32,000 but not over $36,000.	$10,400, plus 50 percent of excess over $32,000.
Over $36,000 but not over $40,000.	$12,400, plus 53 percent of excess over $36,000.
Over $40,000 but not over $44,000.	$14,520, plus 56 percent of excess over $40,000.
Over $44,000 but not over $52,000.	$16,760, plus 59 percent of excess over $44,000.
Over $52,000 but not over $64,000.	$21,480, plus 62 percent of excess over $52,000.
Over $64,000 but not over $76,000.	$28,920, plus 65 percent of excess over $64,000.
Over $76,000 but not over $88,000.	$36,720, plus 69 percent of excess over $76,000.
Over $88,000 but not over $100,000.	$45,000, plus 72 percent of excess over $88,000.
Over $100,000 but not over $120,000.	$53,640, plus 75 percent of excess over $100,000.
Over $120,000 but not over $140,000.	$68,640, plus 78 percent of excess over $120,000.
Over $140,000 but not over $160,000.	$84,240, plus 81 percent of excess over $140,000.
Over $160,000 but not over $180,000.	$100,440, plus 84 percent of excess over $160,000.
Over $180,000 but not over $200,000.	$117,240, plus 87 percent of excess over $180,000.
Over $200,000 but not over $300,000.	$134,640, plus 89 percent of excess over $200,000.
Over $300,000 but not over $400,000.	$223,640, plus 90 percent of excess over $300,000.
Over $400,000	$313,640, plus 91 percent of excess over $400,000.

Table II summarizes the present rate of taxes other than personal income taxes. Table III, which shows the tax rates on personal income, is conservative as it is based on a married taxpayer filing a joint return. Under this schedule the 50 percent tax rate is reached with a taxable income of $32,000 whereas a single person is in the 50 percent bracket with a taxable income of only $16,000.

Table III shows that personal income taxes have already reached a level of 91 percent in the top bracket and that even the first $4,000 of taxable income for a married couple carries a rate of 20 percent. In this connection, may I remind my colleagues that social security taxes must also be paid on the first $4,000 at the rate of 3 percent. This payment is not a deduction in the computation of personal income taxes.

Tribute to Garland Wheeler Powell, Co-originator of a National Flag Code

EXTENSION OF REMARKS

OF

HON. D. R. (BILLY) MATTHEWS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 1, 1960

Mr. MATTHEWS. Mr. Speaker, on August 29, 1959, a devoted patriot and longtime resident of my congressional district died and was subsequently laid to rest in Arlington National Cemetery. I refer to the late Maj. Garland Wheeler Powell. It seems fitting to pay tribute to his memory, as a new Independence Day draws near, for a unique and patriotic service rendered, not generally known and never appropriately acknowledged.

Garland Wheeler Powell was born in Allegany County, Md., on August 8, 1892. He attended the public schools of his native State and graduated from the University of Maryland. He served a term in the Maryland Legislature.

Garland Powell enlisted in the armed services of the Nation on June 5, 1917, and witnessed battle action as commander of the 22d U.S. Aerial Squadron. He was promoted to the rank of 1st lieutenant on September 13, 1917, and to captain February 19, 1918, later attaining the rank of major in the Reserves.

After the armistice in November 1918, Powell became very active in the early work of the American Legion and was for a number of years a member of the Legion's Americanism committee. In this capacity he was helpful if not wholly instrumental in bringing into existence a U.S. flag code.

Major Powell never laid claim to being the "father" of the flag code, but acknowledged the idea originated with him and the late Gridley Adams. The latter became founder and director-general of the U.S. Flag Foundation, Inc. Adams and Powell presented their idea before the First National Flag Conference held in Washington, June 14–15, 1923, which conference was addressed by the late President Warren G. Harding, who supported the idea of a national flag code enthusiastically.

These two gentlemen in effect laid the groundwork for the later enactment of Public Law 623, approved June 22, 1942, "to codify and emphasize existing rules and customs pertaining to the display and use of the flag of the United States of America," and the eventual passage of Public Law 829 which firmly established the use of the flag of the United States of America by civilians, civilian groups, and organizations.

In the files of the late Mr. Adams may be found a letter from his colleague, Garland Powell, reading, in part, as follows:

> Of course, Gridley, you and I are ultrapatriots and we realize that over the years millions of lives have been sacrificed in the defense of that flag. In my estimation, if schoolchildren could be taught that, our whole Nation would be better off. After all, the school is the place to start the children of the Nation along the path of understanding. That is said even in view of the importance of the church and the home. If the schoolchildren of today are taught respect for their flag, as the parents of tomorrow they will see to it that the home will be taken care of as well as the church. So, my friend, you and I have contributed something that should go down in history as a contribution to this great Nation of ours.

This was an intimate letter from one friend to another and not meant for the public eye. However, it is so appropriate to the subject and to the need of a renewal of patriotic fervor such as Garland Powell exemplified in his life and actions that I think it bears reading. Maj. Garland Powell, indeed, had a reverence for his Nation and its flag which might well be emulated by all of us.

Anniversary of Philippine Independence

EXTENSION OF REMARKS

OF

HON. ADAM C. POWELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 1, 1960

Mr. POWELL. Mr. Speaker, in keeping with the independence of the Philippines the 4th of July, I wish to extend my warmest congratulations and best wishes to His Excellency, the President, Mr. Carlos P. Garcia, His Excellency the Ambassador, Mr. Carlos Romulo, and all the people of the Philippines.

Perhaps the most significant, modern feature the Philippines has so characteristically unfolded to the world is her recent attainment as the site for the first World Tourist Conference in Asia and the Pacific Area. Already quite renowned in travel lore as the "Pearl of the Orient," the Philippines have contributed immeasurably toward the drive to advance the cause of peaceful progress.

Advancing steadily into the climb of the jet age, as seen in the amalgam of her architecture, traditions, mores, and art, not to mention those intangibles in her national life that has made her nation the first in Asia to emerge from colonialism to independence after the Second World War, she has humbly accepted the best from other cultures to embellish her own nation, molding and enriching the Philippines she is today.

Nurturing her wounds suffered from the ravages of war, the Philippines have risen above her shortcomings and is counted today as one of the robust working democracies in the community of the free world. Formerly crippled, today she now stands firmly under the inspiring leadership of President Carlos P. Garcia, with her own government attending her own problems to secure her people with the maximum internal stability and prosperity.

She has lifted the veil of the mystic East to swing open her doors of hospitality to correct the deeply rooted traditions and fears inspired by ideological conflicts and political antagonisms.

A beacon, indeed, to world peace, the Philippines are certainly to be congratulated on this memorable day of their independence.

Upton, Mass., Celebrates 225th Anniversary

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 1, 1960

Mr. PHILBIN. Mr. Speaker, the year 1960 will long be remembered by several communities in my district because it is the year when outstanding programs of events were held to mark noteworthy anniversary dates.

A short time ago the city of Marlboro, Mass., conducted impressive exercises to celebrate its 300th anniversary and I was privileged and pleased to be able to attend some of these events. Earlier this week, it was a distinct honor for me to direct the attention of the House to the 175th anniversary celebration of the city of Gardner, Mass. When the Congress reconvenes next month, I will address the House on the 300th anniversary of the settlement of the Quaboag Plantation which will be celebrated during September 16, 17, 18 by the towns of East Brookfield, Brookfield, North Brookfield, West Brookfield, Warren, and New Braintree, all in my district. These towns were formed from the original settlement known as the Quaboag Plantation.

Today, Mr. Speaker, I am proud indeed to bring to the attention of the House the 225th anniversary of the town of Upton, Mass., which will be the subject of a community celebration during the approaching July 4 holiday weekend. While Upton was incorporated as a town in 1735, its history goes back to the very earliest days of American history since it is located in an area where King Philip's War began in 1675 with an Indian raid against a small settlement.

Some researchers say that Upton's history perhaps goes back to even earlier times. A stone cave or hut discovered some years ago in Upton is described as being similar to huts found in Ireland of sixth century Pictic origin. Iceland has similar huts and some investigators have stated that the hut possibly may have been constructed by Norsemen since the Indian tribes in the area were unskilled in masonry.

Many descendants of the original band of early settlers still reside in Upton which comprises some 21 square miles in area with a population of about 3,100. The town was formed from the nearby towns of Mendon, Uxbridge, Sutton, and Hopkinton.

Settlement of the Upton region began in 1717 when Capt. Ebenezer Wood and his family carved a home in the wilderness. Soon former Essex County neighbors and friends joined him and a small community sprung up. The settlement grew slowly because the times were troubled. The constant threat of Indian wars and actual fighting between ominous periods of peace did little to encourage the growth of frontier settlements, but despite all these hazards Upton continued to progress to the point where, by 1730 the settlers felt that a new town should be formed.

The residents were finally successful in their efforts to form a new town on June 25, 1735, and the first town meeting was held on July 28, 1735, in the Sadler homestead which still stands today.

Mr. Speaker, this coming weekend the community of Upton will conduct simple but impressive exercises to mark the town's 225th anniversary. Townspeople will note the progress of 225 years in recalling the accomplishments and deeds of the courageous early settlers. Under the direction of General Chairman Clarence A. Lamson, a devoted anniversary committee has contributed time and effort to work out a memorable community celebration in observance of Upton's 225th anniversary.

The 3-day anniversary celebration opens this Saturday with a bicycle and doll carriage parade, an event which should awaken nostalgic memories among the many who participated in similar enjoyable exercises in past years.

Later in the day the Upton Little League will play the town's bearded men who formed earlier this year the Niagara Bush Association in anticipation of the anniversary celebration. The association is made up of Upton citizens with beards of various sizes and shapes especially grown for the anniversary activities.

Rounding out the day's events will be old fashioned New England bean suppers conducted by individual churches where old and new friends will meet to relive the days and joys of yesterday.

The program of events for Sunday features a pageant of Upton's history in the afternoon, a Little League baseball game, and at night the familiar holiday band concert of yesteryear.

On Monday, the anniversary committee is featuring an old fashioned July 4 parade, complete with floats. A firemen's muster and an anniversary dance in Town Hall are other highlights of the day's events.

The Upton anniversary program, which has been planned for the entertainment of the townspeople and the many visitors from neighboring communities, is truly impressive. One particular aspect of the program, Mr. Speaker, should be signaled out for special mention: it is a simple and dignified program which might well be a duplicate of the programs held to celebrate Upton's 100th or 150th anniversaries—and those are memorable celebrations which can be relived in Upton this weekend.

Mr. Speaker, in recognition of Upton's 225th anniversary celebration, I am introducing today a special resolution extending the greetings and felicitations of the House to Upton on the occasion of this anniversary. I know that my colleagues will be pleased to join with me in paying well deserved tribute to this progressive community in my district and its people who have contributed so much down through the years to the growth and advancement of our great country.

The text of my resolution reads as follows:

Whereas the year 1960 marks the 225th anniversary of the incorporation of the town of Upton, Massachusetts; and

Whereas from the time of settlement in 1728 the people of Upton have figured conspicuously in the founding and growth of this Nation; and

Whereas the observances of the 225th anniversary of Upton is being celebrated with impressive community ceremonies which will attract many visitors to central Massachusetts; and

Whereas Upton is a progressive community rich in historic interest, distinguished for its fervent civic spirit, and faithfully devoted to American institutions and ideals: Now, therefore, be it

Resolved, That the House of Representatives extends its greetings and felicitations to the people of Upton, Massachusetts, on the occasion of the 225th anniversary of this community and the House of Representatives further expresses its appreciation for the splendid services rendered to the Nation by the citizens of Upton during the past 225 years.

Duties and Responsibilities of a U.S. Representative

EXTENSION OF REMARKS

OF

HON. JOHN LESINSKI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, July 1, 1960

Mr. LESINSKI. Mr. Speaker, for some time I have been noticing the development of a trend which, I believe, bodes well for our country. If my constituents are representative of the Nation as a whole, and I believe they are, more and more of our citizens are evidencing an increasing awareness of and interest in our Government and how it operates. In ever greater numbers, they are coming to the Nation's Capital to visit our historic shrines and to see the Congress of the United States in action. I personally have had, this year, a record number of visits by my constituents who decided to spend their vacations in Washington and learn more about the Federal Government. The questions they have been asking reflect their keen interest in national affairs. So long as our citizens maintain this interest in the operation of our Government, our Nation will be secure from the forces that threaten to destroy it.

One of the chief questions that my visitors have been asking is just what does a Representative do and what qualifies a man for this important position. To answer, I should like to set forth, in brief, some of my thoughts on the subject.

It is difficult, I am sure, for someone who has not served in the House of Representatives to understand how diverse and complex is the work of a Member of Congress, and how much more than just voting on bills is involved.

The duties and responsibilities of a Representative fall, I believe, into two general categories, one, a legislative function, and the other a service function.

Since most legislation considered by the full House of Representatives is written in its final form by the various committees of the House, a major portion of a Representative's time and efforts are devoted to the subject matter with which his committee deals.

In my own case, for example, I am a member of the Committee on Post Office and Civil Service, so many of my bills and much of my work are devoted to matters dealing with the Federal Government and its employees. Because of my seniority on the committee I have additional responsibilities as chairman of the Subcommittee on Census and Government Statistics which has broad responsibilities involving all the work the Federal Government does in collecting information from the public, processing it, and using it, and the impact of such work on the public. Such subcommittee work adds a great deal to the demands on a Representative's time.

The fact that a Member is assigned to a specific committee does not, of course, keep him from taking an active interest in the writing and enactment of other types of legislation. It should be noted, however, that major legislation usually carries the name of the chairman or a high-ranking member of the committee from which it is reported. A Member who is interested in legislation which is being considered by another committee may appear formally to give his views or he may discuss the matter informally with members of the committee.

When a bill is reported from a committee and scheduled for debate and vote by the full House of Representatives, a Member will read the committee's report to acquaint himself with the background of the legislation and then, taking into account his constituents' feelings about the subject, will decide upon whether to vote for or against the measure.

The average day for a Representative starts at an early hour. He will first go to his office to review the mail and dictate replies before he goes to his committee meeting which is usually scheduled at 10 o'clock. He may remain in the meeting until noon when the House convenes. Depending on what is scheduled for debate, he may remain in the House Chamber all afternoon, or he may return to his office to do the other part of his work, that of performing a multitude of services for his individual constituents or the communities in his district. He may consult with officials of the Federal agencies on housing problems, on veteran or immigration cases, on tax matters, on a public works project vital to the economic welfare of his district. It is almost an impossibility to make a complete listing of the special problems which he is called upon to help solve. He must, in addition, compose speeches and statements on subjects in which he is interested, and do research on legislative matters.

The Honorable Champ Clark, a great Speaker of the House of Representatives, gave a memorable speech on a Congressman's necessary qualifications for success and the importance and power of seniority in Congress. He said:

No man is a born Congressman. He must learn to be a Representative just as he must learn to be a blacksmith, a carpenter, a farmer, an engineer, a lawyer, or a doctor. He must be a man of at least fair capacity, honest, industrious, energetic, courageous, and sober. His usefulness and influence are made by experience and practice. * * * If he has those qualifications and diligently exercises them, his honor, influence, and usefulness to his country and his constituents increases in gometrical rather than in arithmetical proportion with each of his additional terms in Congress. A man should be elected to the House for the good of the country, and never just to gratify his ambition.

He urged all congressional districts to select a man of those qualifications and then keep him in Congress as long as he discharges his duties faithfully and well. Such a man will gradually rise to high position and influence in the House. His wide acquaintance with Members helps amazingly in doing things.

I hope that this brief statement of mine will help our citizens understand a little more clearly the duties and responsibilities of a U.S. Representative.

Czechoslovakia Bars U.S. "Masaryk" Stamp

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Friday, July 1, 1960

Mr. WILEY. Mr. President, as we know, the Post Office Department annually issues special stamps depicting in minature famous men and women, great events in history, organizations, industries and natural wonders.

In addition, the Department issues a special series "champions of liberty" stamps. The purpose of this series is to honor foreign leaders and fighters of freedom.

Recently, a special stamp was issued to honor Thomas G. Masaryk, the founder-president of the Republic of Czechoslovakia in October 1918.

As we know, Czechoslovakia is now under Communist domination.

Traditionally, the Communists have changed or distored history to put communism in a better light insofar as possible.

Following the issuance of the special stamp honoring Thomas G. Masaryk as a champion of liberty for Czechoslovakia, the Czechoslovakian Government took action to bar mail bearing this stamp from that country.

The action reflects an unwillingness to allow even a postage stamp depicting freedom fighters of the past to circulate among the people. In addition, it calls to mind the old adage which, in essence, says, "Uneasy rests the head of a dictator who has denied freedom to his people." At this time, I request unanimous consent to have printed in the CONGRESSIONAL RECORD two items: First, an editorial from the Green Bay Press Gazette entitled "Champion of Liberty," reviewing the action and its significance by the Czech Communist government and; second, a release by Postmaster Arthur E. Summerfield deploring the action barring the mailing of champion of liberty stamps to people in Czechoslovakia.

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

[From the Green Bay Press Gazette]

CHAMPION OF LIBERTY

When postage of one country is not acceptable to another, the latter is supposed to so notify the nation of origin under the Universal Postal Agreement. But authorities in Czechoslovakia so far have been shy about doing so. They simply send back undelivered letters from the United States which bear the stamp honoring Thomas G. Masaryk.

Masaryk, the president of the Czechoslovakian Republic from its start in 1918 until 1935 when it only had a few years to go to be dissolved, is honored in the "Champions of Liberty" commemorative series. When the stamp was issued, Postmaster General Arthur Summerfield said: "These stamps * * * will mark not only the strong friendship between the peoples but their common aspirations for freedom."

But since the end of World War II, the adoption of a new constitution and the taking over of the entire nation by the Communists, the Czechs have shown little aspiration for freedom. Of all the Russian satellites, Czechoslovakia is supposed to be the most communized. If there are underground movements, there is little rumble of them in the rest of the world. From the outside it appears that the freedom-loving Czechs, so determined in opposing the oppressive Nazi rule and the slicing up of their country at Munich, have been worn down by the years of war and oppression.

But the very fact that the Czech government has made no loud noise about Masaryk indicates that there must be a lot of people in the nation who do him honor and the cause for which he lived and died. A people who have lived with liberty do not forget so easily.

POST OFFICE DEPARTMENT RELEASE NO. 193

Postmaster General Arthur E. Summerfield today deplored the action taken by the Czechoslovakia Government in barring mail bearing U.S. "champion of liberty" stamps honoring Thomas G. Masaryk, the father of the first Republic of Czechoslovakia.

"On March 7, 1960, the U.S. Government issued two new postage stamps of the 4-cent and 8-cent denominations honoring Thomas G. Masaryk, the founder-President of the Republic of Czechoslovakia in October 1918," Mr. Summerfield said. "These stamps are part of a series paying tribute to the great contributions to freedom made by great foreign-born leaders.

"An impressive ceremony was held here in Washington on that date with large numbers of American citizens of Czechoslovakian birth or ancestry in attendance. Many of these freedom-loving Americans used these new Masaryk stamps for mail addressed to their friends and relatives in Czechoslovakia.

"To our amazement we were informed that mail bearing the Masaryk stamp was being delivered in Czechoslovakia with the Masaryk stamps removed and envelopes marked 'received without stamps.' We protested this practice but received no reply from the Czechoslovakia postal authorities. Later they began returning such mail marked 'not admitted.'

"The procedure being followed by Czechoslovakia is used when international mail is received which is objectionable to the country of destination. The Universal Postal Convention, to which the United States and Czechoslovakia are signatories, prescribes that each member country of the union has the right to determine what articles shall be prohibited in its service, and there is no effective way in which another country can take exception to such determination.

"When a nation establishes a prohibition, it normally notifies the other country or countries from which the objectionable matter is being sent. The Czech postal authorities failed to follow this universally accepted obligation.

"Our efforts to correct this situation date back to May 10, when we wrote the Czech postal authorities protesting the removal of the Masaryk stamp from letters.

"Then, on June 8, we cabled them again to protest the removal of the stamps. And, in the same cable, we also asked them for an official explanation of the many complaints which we had received meanwhile protesting their return of letters with the Masaryk stamp marked 'not admitted.'

"It is clear that we have made substantial efforts to get satisfaction from the Czech postal authorities. While they are technically within their legal rights in determining what mail may enter their territory, it is deplorable that they should bar communications from this country to loved ones in Czechoslovakia because of stamps honoring a brilliant scholar, author, and patriot who fought with the powerful weapons of ideas, logic and eloquence, and who won the admiration and active support of freedom-loving peoples everywhere."

South Texas Delegates to the National Convention of the Future Homemakers of America

EXTENSION OF REMARKS

OF

HON. CLARK W. THOMPSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 1, 1960

Mr. THOMPSON of Texas. Mr. Speaker, the Future Homemakers of America will have their national convention here in Washington beginning July 11, 1960. Regretfully, for many of us, we will not be on hand to greet these fine youngsters from all parts of our country since the Democratic National Convention will begin on the same day in Los Angeles.

We are all aware of the outstanding record and achievements made by the Future Homemakers of America. In south Texas we have a particular pride for these youngsters, and it was with a great deal of pleasure when I learned of the group who will be in Washington to represent my section of Texas. The delegates are: Miss Carol Dennison, Liberty, Tex.; Miss Patti Jinks, Boling, Tex.; Miss Melva Jean Hand, Katy, Tex.; Miss Elsie Swendsen, El Campo, Tex.; and Miss Barbara Grayless, Richmond, Tex. The sponsors of this fine delegation are: Miss Margaret Koy, Bellville, Tex.; Miss Lenora Walters, Houston, Tex.; Mrs. Ruth Shurbet, Katy, Tex.; and Miss Marie Oatman, El Campo, Tex.

Federal Employees Pay Raise Legislation

EXTENSION OF REMARKS

OF

HON. RICHARD E. LANKFORD

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, July 1, 1960

Mr. LANKFORD. Mr. Speaker, under leave to extend my remarks, I would like to comment on the President's recent veto message and the action taken by the House today in overriding the veto.

I am deeply gratified by the size of the vote and I am sure the American people will know by this showing that 344 Members of the House would not have taken such action if, as the President states, this bill "violates every concept of fairness, every rule of reason and logic."

Fully recognizing the President's right to take such action, I nevertheless cannot stand silent and read a statement that is as unfair to Federal employees as this one is. The President has been quoted as being shocked by lobbying tactics utilized in recent weeks to insure passage of a pay raise bill. I, for one, am shocked, and I think that I am joined in this feeling by virtually every Member of this body, by the President's use of such language. Yes, I have been urged to support H.R. 9883. Classified employees and postal workers have urged me to support this bill on the grounds that it is desperately needed in order for them to cope with today's ever-increasing cost of living. It appears strange to me that the President is singling out representatives of Federal employees' unions for strong criticism, while remaining silent for 7 years on the tactics utilized by the National Association of Manufacturers, the chamber of commerce, and hosts of paid lobbyist-attorneys from downtown Washington. In past Congresses we have even had Cabinet members present in the Speaker's lobby using every known pressure tactic to influence the will of this body.

The postal workers and classified Federal employees were not paid to visit me. In fact, many of these employees had to take time off, without pay in some instances, to ask their Representative to support legislation for their benefit. In recent days, an absurd complaint has been lodged against Mr. William C. Doherty, president of the National Association of Letter Carriers, concerning possible violation of the Hatch Act. Mr. Doherty for many years has gained the widest possible admiration and respect for his untiring efforts on behalf of the Letter Carriers Association and is recognized by one and all as one of America's outstanding citizens. It is deplorable to me that this personal attack has been instigated against him. With well over 250,000 Federal employes in the Washington metropolitan area, I am proud to stand as their spokesman and to insist on fair and equitable treatment.

Whenever I read the President's veto message on Federal pay legislation, and this is the third time I have read such a message, I wonder who in the world advises the President of the United States to take such a position against his own employees. In the 6 years I have been privileged to represent the Fifth District of Maryland, from my own personal knowledge I have seen many Federal employees' families where the breadwinner is forced to take two and often three jobs and the wife is required to work just in order to make ends meet. The President tells us that the consumer's price index has advanced only 2.1 percent since the last pay increase was enacted. I have no doubt that the President's figures, as supplied by the Bureau of Labor Statistics, are correct. But this is completely beside the point. Congress has always lagged behind in granting Federal employees their wage increases. When this raise is granted, as a class they will still not be brought up to the average wage outside the Federal Government. Regardless of whether the cost of living has gone up 2 or 3 percent since the last raise, they started with an inequitable wage balance to begin with.

At this point, I would like to include in the RECORD a table of statistics prepared by the Bureau of Labor Statistics completely substantiating this point. It is inexcusable that the President did not study this chart before making his 2.1-percent statement, in an obvious attempt to mislead the American public.

Classified salary increases compared with advances of Consumer Price Index

Year and month	Salary increase		Increase of Consumer Price Index
	Percent	Cumulative percentage	
Aug. 15, 1939			
July 1, 1945	15.9		31.4
July 1, 1946	14.2	32.4	43.4
June 30, 1948 [1]	11.0	46.9	76.8
Oct. 29, 1949 [1]	4.0	52.8	(2)
July 1, 1951 [1]	10.0	68.1	88.0
Mar. 1, 1955 [1]	7.5	80.7	93.7
Jan. 1, 1958 [1]	10.0	88.8	[3] 109.7

[1] Increase effective 1st day of 1st pay period which began after this date.

[2] CPI dropped in 1949 but resumed steady advance in 1950.

[3] To June 1958 when increase was approved by Congress.

Source: Bureau of Labor Statistics and Civil Service Commission data.

Once again, this administration recommends that pay action be deferred pending still another survey. No one suggested a survey when the administration, with alarming speed, negotiated a steel settlement with the cost to the American public deferred until after the general election. The Vice President has remained strangely silent where the welfare of Federal employees is concerned.

The executive branch recognizes that there are inequities existing in the present Federal employees pay scale. I have no quarrel with this. I have long recognized this. An attempt was made by some of us in this Congress to focus attention on these inequities by the introduction of legislation designed to eliminate many of them. The administration failed to cooperate and to support a long-overdue adjustment in today's hodgepodge pay scale system. Are we to punish the Government's own employees because this administration for almost 8 years has failed to recommend to Congress a plan whereby this long-overdue adjustment could be realized?

The House today, by its vote, has obviously answered this question in the negative.

I supported such a study, as recommended, and introduced legislation 2 years ago to provide for such a study. We have had studies in recent times and what has been the result? The Cordiner Committee, appointed by the President, in 1957 allegedly studied the rates of pay of all individuals employed by the Federal Government. No implementing action has been requested. And what did the O'Connell Committee have to say? I quote: "Salaries fixed by statutes have not been adjusted in a timely and adequate manner in response to general changes in non-Federal salary levels."

The President has seen fit to criticize Congress for not awaiting the results of a national salary survey being made by the Department of Labor. I see absolutely no reason for awaiting a compilation of figures from every rural nook and cranny of the United States when the clear facts on the record demonstrate that Federal employees in the Washington metropolitan area, one of the highest cost-of-living areas in the United States, are not being treated fairly by their employer, the Federal Government.

I commend the House for its action today and let there be no mistake about it, I invite all of my constituents to continue to advise me of their feelings on pending legislation, even though their doing so appears to be distasteful to the President. It is a constitutional right of which neither this nor any other President can deprive them.

New Republic of Somalia

EXTENSION OF REMARKS

OF

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, July 1, 1960

Mr. RODINO. Mr. Speaker, I should like to take a moment to pay tribute to Italian Somalia which today, July 1, becomes independent Somalia.

This nation was once an Italian colony, which the Italian Government voluntarily turned over to the United Nations in 1950. Somalia then became an Italian trusteeship.

During the past decade Italy has taken full responsibility for preparing the Somali people for free and independent status. Under Italy's guidance, Somalia has made considerable progress, both economically and in developing political maturity. Italy has taken her obligations under the U.N. mandate very seriously, and has vigorously applied herself to the task of leading Somalia toward full partnership in the community of nations.

The hopes and aspirations of the Somali people reach fulfillment today with the proclamation of the Somali Republic. We wish them well on this momentous occasion, and we hope they will achieve a full measure of prosperity and success.

Address by the Honorable Kenneth B. Keating, Senator From New York, to the Graduating Class of Albany Law School, Albany, N.Y., on June 7, 1960

EXTENSION OF REMARKS

OF

HON. DEAN P. TAYLOR

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 1, 1960

Mr. TAYLOR of New York. Mr. Speaker, Senator KEATING recently delivered a commencement address to the graduating class of the Albany Law School, my alma mater, Albany, N.Y. On this occasion he was the recipient of an honorary doctor of laws degree from the university.

In his excellent address he urged law schools to assume a more vigorous role in shaping the course of the law. He also, in stirring words, appealed to the young men of the graduating class to approach the practice of law with a full awareness that lawyers are a vital part of our democracy whose function is to serve the public good always.

Mr. Speaker, I know that Senator KEATING's erudite remarks will be of interest to many Members, and under leave previously granted I insert them in the RECORD:

Commencement is a most appropriate designation for the day of graduation. This is the beginning; the beginning of a new stage in your careers.

On such an occasion, it is useful to look back as well as ahead. In planning our goals and objectives, it is helpful to consider our present bearings before charting our next step in life.

Justice Holmes once remarked that a law school does not undertake to teach success.

In his words: "That combination of tact and skill which gives a man immediate prominence among his fellows comes from nature, not from instruction."

Perhaps this was an overstatement. A great law school does more for a student than fill his mind with unending legal data. It teaches him to understand the law as a tool for preserving society. It teaches him to respect the law as a safeguard against oppression and arbitrariness. It teaches him to apply the law as an instrument for social and political progress.

It teaches him to relate the law to other professions and disciplines which serve the public good. It teaches him to revere the law as one of the principal guardians of liberty and morality.

This kind of education affects our natures just as an understanding of art affects our appreciation of great paintings. I know that after 3 years of legal training and after you have passed a bar exam—which I am sure will be a mere formality for most of you—you will feel very learned in the law and will be absolutely certain of a great number of legal doctrines.

It has been said that the young lawyer has three cardinal virtues: faith, hope, and charity—faith in his own infinite knowledge, hope for the obtuseness of judges and juries, and charity for the older lawyers who have all the business; and that the greatest of these virtues is faith.

I am sure that most of you realize that you are just at the threshold of the study of law—but if you don't, the sooner you are enlightened the better.

Law is a process, not a thing. It is constantly growing in depth and scope in the manner of a living organism not an inanimate object.

It must be stable, but it cannot stand still if it is to serve its eternal purpose. For the law must adapt to its environment and adjust to the needs it fulfills, just as a person must, to survive and thrive.

That is why the study of law is a never-ending pursuit. It is a pursuit which will enrich your lives and ennoble your spirits. No one who understands the never-ending growth of the law ever expects to be its master. But anyone who dedicates himself to its study will achieve a more splendid character, a wiser outlook, and a better nature for his efforts.

The growth of the law and the dedicated lawyer go hand in hand.

Unfortunately this is not the picture all practicing lawyers present. Some members of the bar understand law only as a profitable business, and are oblivious to their obligations and opportunities as members of a great profession. These lawyers betray a great tradition. They renounce—often unwittingly—a valuable inheritance. No matter how many continuing legal education courses they sign up for, they will never be educated lawyers. The gap in their understanding of the mission and purpose of the law will remain permanently unfilled.

Sometimes these lawyers present a tempting example to the fledgling practitioner. Their lack of dedication does not seem to affect their ability to acquire rich and even important clients. They frequently achieve material opulence despite the absence of any spiritual substance in their makeup. It is a sad fact that some clients actually admire these lawyers just because they are cunning and calculating.

The important measure of a lawyer, however, is not made by his clients but by his brothers at the bar. There is no greater satisfaction to a lawyer than the respect of his colleagues. The recognition you receive from your brethren will be infinitely more rewarding to you when the time comes to look back upon your careers than any superficial praise you receive from a client who gets something through your efforts to which he is entitled or sometimes is not entitled.

In the words of Theodore Roosevelt, therefore, I urge you to eschew the life of "ignoble ease" in favor of the "strenuous life"—the life of toil and effort, of labor and strife.

I counsel you, as he did his countrymen, that "the highest form of success * * * comes not to a man who desires mere easy peace but to the man who does not shrink from danger, from hardship, or from bitter toil, and who out of these wins the splendid ultimate triumph."

If you are imbued with this spirit, I welcome you to the profession of the law. I predict a rewarding and a challenging life for you. I know that America needs your services. I am grateful for whatever circumstances have led you to the practice of law.

If you do not possess this nature, then I implore you to give up this ambition. We already have enough lawyers of shallow character. Find some other outlet for your interests—do not further corrupt our profession.

I hope there is none in this group who has failed to grasp the noble mission of the law. But if there are such opportunists here who seek to use the training they have received only for material gain, I want to do my best to discourage them from ever completing the transition from law student to lawyer.

They should know that law is one of the most crowded professions in this country. According to the 1958 lawyers' census conducted by Martindale-Hubbell, Inc., there were over a quarter of a million lawyers admitted to practice. Department of Commerce figures indicate that over 35,000 lawyers are right here in New York, which is more than twice the number in any other State. There are more lawyers in the United States than dentists, bookkeepers, or real estate agents. There are even more lawyers than clergymen, which certainly is something to ponder.

These figures should not discourage the worthy among you, which I am sure, having had considerable experience with Albany Law School graduates, includes every member of this graduating class. The profession may suffer from having too many lawyers, but never from having too many good lawyers.

My sincere conviction is that the legal profession still has a tremendous untapped potential for service. Too many people fail to consult lawyers until they are past the point of counsel and need only a stanch advocate to rescue them. I believe that a proper educational program would induce many more citizens to seek the advice of counsel before they have taken an irrevocable and unwise step. We have not developed preventive law at anywhere near the level of preventive medicine, for example.

There is also a great demand for lawyers in the Government service. There are more lawyers in Government service today than total graduates from this law school in its more than 100 years of existence. The increasing scope of Federal regulation and the constantly expanding activity of all levels of Government promise to keep the demand for lawyers for Government at a high level.

All that I have indicated about the attitude of lawyers in private practice applies to an even greater degree to lawyers entering Government service. Such lawyers assume in addition to the general obligations of all members of the bar to the public the special obligations of the public servant to the public. A lawyer in Government who does not live up to the highest ethics of his profession can do irreparable harm by destroying public confidence in the Government itself.

There also is a growing demand for law teachers. I hope that such a career will appeal to the best among you. The law schools of this country can be vital forces for shaping the course of the law. A law teacher enjoys an independence of spirit, a freedom from commitments and a forum for expression which can make him a powerful influence in directing legal developments.

Dean Roscoe Pound long ago recognized the unique opportunity the law schools enjoy of becoming effective instruments for legal reform.

In a speech almost 35 years ago, he said: "In these institutions we may find the permanence of tenure, the conditions of work—continuity, opportunity of dealing with problems as a whole, possibility of surveying a wide field, extending beyond the limitations of jurisdictions and localities and parties—the independence of politics, and the guarantees of training, ability, and scientific attitude, which are essential to effective research and which will command public confidence. * * * In no way may the lawyer be so sure of achieving his task of making straight the paths of American justice, as by doing his part to assure to our law schools the means of carrying on the scientific investigations on which the law reforms of the future must go forward."

I am uncertain whether the law schools have accepted or fulfilled this assignment. I know that individual law professors, including many of this faculty, have made a very significant contribution to the law. But these have been independent efforts, which while nurtured by the associated schools, have usually not been undertaken as part of the task of a law center.

The law schools have been plagued by fund shortages. But I would hope that high on the list of goals of every campaign drive for funds would be that of obtaining the necessary resources for this kind of undertaking. To a large extent, work of the nature I have in mind for the law schools is now being performed by private foundations—but under handicaps and with preconceptions which would not impede similar law school endeavors.

For the law schools ever to perform this function, they will have to have the full support of the alumni whose ranks you are about to join. Do not think of yourself as graduating from this institution in the sense of leaving it. It would be more constructive to think of this day in terms of changing the nature of your relationship to your alma mater. For three of the most important years of your lives you have been taking from it; give some thought now to what you can contribute to it in your new status.

There is no end to the valuable projects which could be undertaken by law schools functioning as law centers. Study of the operations of the Government would be my No. 1 suggestion. It is frequently pointed out that while Congress investigates the other agencies of Government almost without respite, none of the other agencies can investigate the Congress with the same thoroughness.

I have some sympathy with this complaint, and I believe that Congress has not been vigilant enough in keeping its own house in order and attuning its operations to present day demands. A respected and responsible law school, under the proper auspices, could do a superlative job in correcting this legislative oversight.

There is a need also for lawyers in the fields of legal administration. Problems of tremendous scope exist in translating our conceptions of justice into the processes of the law. The courts are desperately understaffed. The regulatory agencies are plagued by conflicting functions, objectives and policies.

Institutes of judicial administration still are relatively new. No agency at all exists for supervising and coordinating the work of the regulatory agencies.

I hope young lawyers will take a special interest in the problems of administering justice. No law is self-executing and even the best intentions can be frustrated by ineffective or inefficient procedures. These problems do not receive the thoughtful attention they deserve. The interrelation between procedural and substantive growth in the law is too often overlooked. In my opinion, this task of keeping the machinery of justice from breaking down is of supreme importance.

These are only some of the paths open to you as young lawyers. I could discuss numerous other branches of the practice with you because, in truth, the variety of endeavors in which a good lawyer can usefully engage is without end. The important thing is not which course you pursue but what purpose you serve.

Whether you are handling a closing in a real estate transaction, safeguarding the rights of a defendant in a criminal case, or organizing a corporation, keep in mind always that you are functioning as a vital part of our democracy, in the tradition of a great profession, with a responsibility to serve the public good always.

There are many stories of young lawyers, but I have always enjoyed the one about the neophyte, who, being unused to the practices of the U.S. Supreme Court, addressed the dignified Justices as "gentlemen" instead of calling them "your honors." He immediately apologized.

Chief Justice Taft, in accordance with his customary attempt to make lawyers who were appearing before the august body feel at ease, replied, "Don't apologize for calling us gentlemen. That is what we try to be."

And gentlemen is what you must be. Be humble without being docile, for you have much to learn but must seek out knowledge. Be studious but not timid, for reflection will reveal the spirit of the law but action is its body. Give yourselves to community causes. Defend the liberty of your fellow men. Take pride in your country. Do not avoid conflict or seek easy success. This great school has prepared you to meet challenges less fortified men must shun.

You are no longer privileged to pursue easy, detached lives. You are part of the inner fabric of society and you must never reject the tasks your fellows will thrust upon you.

Justice Cardozo put it well when he said: "Law is not a cadaver, but a spirit, not a finality, but a process of becoming, not a clog upon the fullness of life, but an outlet and a means thereto, not a game, but a sacrament."

Keep these words always before you. And if you will always act with the understanding that you are part of a sacred mission—I promise you will achieve true success.

As you embark upon your chosen field of endeavor, please, I pray you, do not be haunted by the specter of security. Security is appropriate to old age. It is not the business of you young men who leave Albany Law School today. Cultivate rather the uncertainties of challenge—and make your only security that of knowing that struggle, not repose, is the best reason for living. Indeed, let us express sorrow for any young man who spends his life making the bed in which he will lie in his old age. He arrives at the destination, but he has missed all the scenery.

This day you leave the Albany Law School. But, in a sense, it is not a true departure. It can never be. For as long as you live a part of you will be here—must forever be here—in these halls and rooms you have known and loved. What remains for me to say but Godspeed—and may the lives of each one of you be the proud gifts you bring back one day to offer, as tokens of affection, to the school that your hearts will never leave.

Address of Congresman Harold R. Collier at National Serbian-American Rally

EXTENSION OF REMARKS
OF

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, July 1, 1960

Mr. BROOMFIELD. Mr. Speaker, because I believe it has timely significance, the text of an address given by my colleague, Representative HAROLD R. COLLIER, of the 10th District of Illinois, at the annual Serbian-American rally held at the Sherman Hotel in Chicago on Sunday, June 26, is inserted for reading by the Members of the House of Representatives:

On this occasion, it is fitting and proper to take you back to the historically eventful morning of March 25, 1941, when, shortly after 10 a.m., news broadcasts and wire services around the world carried word that Yugoslavia had signed a pact with the Axis nations.

At that time the Nazi war machine had rolled through Europe and the Balkan States were to be the inevitable victims of Hitler.

With this word the flame of freedom sputtered as if to die and the nation that had offered some ray of hope in resisting aggression seemed destined to fall.

Yet within this land there were 8 million Serbs who, as the author, Ruth Mitchell, stated in the title of her book published in 1943, "chose war" in preference to the servitude of tyranny.

This comparatively small, freedom-loving populace suffered the perils and the atrocities of this brutal epic in history, with a stubborn courage that is now legendary in World War II, as legendary as the name Mihajlovic.

Certainly it is not necessary for me to dwell upon the conditions under which the Serbs carried on their own war as a guerrilla fighting force, matched against one of the greatest organized armies in history.

I am sure that they will live on as long as the uncompromising desire for liberty and freedom remains in the hearts of Serbian people wherever they may be.

The story of the heroic fight of these people was not new to the Serbian nation, for the history of these people, which dated back so many centuries, was punctuated with a fight for survival.

Yes; we can go back to the year of 850, when the Serbs rose against Byzantium and formed an independent state under King Vlastimar.

Several times the Serbian state fought for its freedom, was conquered, but arose again.

Throughout history, up until the beginning of the 19th century, the Serbian national movement repeatedly gained new impetus.

In 1804 the Serbs first rose against their invaders and joined their Balkan neighbors to gain temporary liberation from the Turks after 400 years of domination.

Serbia was ruled intermittently by two rival dynasties, Obrenovich and Karageorgevich, until 1918. Under their reign, other parts of Old Rashka were liberated.

And so you can readily see, from this, that from 850 to the present time the Serbs have had, in all periods of their history, at least one independent Serbian state governed by the rulers who invariably spring from the people.

And, while Serbia no longer exists as an independent nation today, it certainly provides an object lesson, and perhaps even some encouragement to other freedom-loving human beings of all nationalities who may be today under the heel of totalitarian rule.

Throughout the centuries, the burning desire for freedom and independence has been characteristic of the Serbian people. In fact, their willingness to make any sacrifice to fulfill this desire under any conditions has shaped the course of history in the Balkans. And well it may shape the destiny of freemen in their struggle against oppression in the future.

In today commemorating the historic Battle of Kossovo in 1389 and recalling the epic of King Lazar we must pause and gather the full meaning of the motto of the Serbs at that time—"Golden Liberty and Holy Cross"—for no slogan of freedom-loving men was ever more indelibly written and none has been more lasting. The Serbs of that time knew that no birthright was more golden than liberty—the right of a man to be the master of his own destiny—to breathe as a freeman with the right to worship his God as he pleased. And that slogan must never die as long as there remains those of us who are dedicated to liberty, justice, and devotion of our Creator.

Reviewing, as we are, the story of a great struggle of a nation of people of this dedication, we can only hope and pray that we have learned a deep and lasting lesson from Yalta and Teheran—though certainly we may never be able to alleviate the sad plight of several nations which resulted from the policy of appeasement of tyrants in these historic meetings of the Big Four. May this lesson prevail in any and all future dealings of our heads of state with Communist leaders.

The plight of every captive nation today should be a warning to free nations of the threat which faces them in this great struggle for the minds of man—a struggle that demands vigilance against the threat of godless communism.

For communism, no matter how decentralized it may be, offers no compromise of freedom and certainly not the heritage which has long been our birthright as Americans.

In Yugoslavia today, despite the variation or diversion from the Kremlin hierarchy, there can be no dispute that the Communist Party, built upon the philosophy of Marxism, maintains control over the economy of the country.

And let there be no mistake that the Communist Party is still the only party permitted Marshal Tito in that country.

We know, too, that the party utilizes the national trade union, Sindikat, to control the workers' councils and this group absolutely dominates the worker-management system.

That progress is being made under a Communist system which is allegedly, or at least temporarily, divorced from that of the U.S.S.R. is not to believe that it has anything in common with democracy.

In the past several years, we have seen communism as a way of life make disappointing inroads in many parts of the world.

Only the strength and determination of those who believe in American ideals has maintained the balance which exists today. It is this kind of strength and determination which has sparked this meeting today—and which must never die in the future.

Whether within the framework of decentralized Marxism as it exists in Yugoslavia today there is any ray of hope that the system will ultimately collapse under its own weight and yield to a system devised by freemen is yet problematical.

More important, however, in a broad understanding of communism today, is the Soviet pattern and the tentacles of this economic octopus which are stretching, too often in camouflage, into unsuspecting corners of the world.

Free nations and free people will remain so only as long as they are vigilant of the threat of the Kremlin.

To ignore the fact of Czechoslovakia, and the story of Budapest written in the blood of freedom fighters is sheer folly.

To fail to understand the spy system of the Soviet Union or to minimize it in the face of recent international incidents which embraced the U-2 episode, the summit collapse and the demonstrations in Japan, would be catastrophic thinking on the part of the American, singular or collective, vividly brought home in Cuba and China.

One week and one day from tomorrow, the people of this Nation will celebrate the 183d anniversary of America's independence.

We have engaged in two great wars since the turn of the century to preserve this independence and to make the world safe for democracy.

Yet today we are still engaged in a struggle, one in which the Soviet leaders are employing the threat of might and the cunning of deceit and propaganda to undermine our determination to remain free.

While, perhaps, we are too inclined to accept this blessing of freedom that we have maintained for 184 years, certainly the average Russian must be as bitterly disgusted and weary of world conditions as we are.

For as human beings, created by the will of God, they must resent, though they dare not protest, the menacing shouts that issue from the Kremlin.

And their nerves must be ragged by now because this continuous threat is added to a standard of living far below our own.

Today and every day, and particularly on this coming Independence Day, it would seem that we must rededicate ourselves to keeping intact the freedoms which our forefathers won and so many boys have died to keep.

And remember, too, on this memorable day, how bitterly our ancestors fought to leave a legacy of freedom in a world plagued with a determined move to communize it, we dare not be complacent.

While the world is at the crossroads, I believe that time is running out for the masters of the Kremlin and that time, in other words, is on our side.

If we are patient and determined, and if we are willing to make sacrifices to keep ourselves strong and free here at home, and if we do not allow ourselves to be bluffed into appeasement, we and the millions like us around the world can preserve our own independence and offer the light of hope to those behind the Iron Curtain.

I believe that God has so willed it.

Further Reduction in Tariff Rates Could Sound the Death Knell for Many American Industries

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 1, 1960

Mr. VAN ZANDT. Mr. Speaker, American industry is vitally concerned with the hearings to be conducted by the U.S. Tariff Commission beginning July 11, 1960. Many industrial and manufacturing firms fear that further reductions will be made in tariff rates and thus add to the economic woe of basic industries throughout the entire Nation. There is also grave concern over the action that may be taken by the Committee for Reciprocity Information in a further reduction of tariff rates at the conference in Geneva next September. Already many American manufacturers have submitted briefs to both the U.S. Tariff Commission and to the Committee for Reciprocity Information which is an interdepartmental committee of the Tariff Commission.

For the past several years I have repeatedly called the attention of the House of Representatives to the plight of American industries caused by flooding the American marketplace with cheaply manufactured foreign goods that rob American wage earners of their jobs and hence their means of earning a livelihood.

Among my many efforts to curb the uncontrolled importation of foreign goods manufactured at slave labor wages was the introduction on January 21, 1960, of H.R. 9841, a bill designed to adjust conditions of competition between certain domestic industries and foreign industries with respect to the level of wages and working conditions in the production of articles imported into the United States. The proposed legislation was drafted in cooperation with Senator KENNETH B. KEATING, Representative of New York, who introduced the bill in the U.S. Senate as S. 2882. It is regretted that it has not been possible during the past 6 months to obtain action by the House Ways and Means Committee on the Keating-Van Zandt version of legislation needed to curb the evil effects of flooding the United States with foreign-made goods manufactured at slave labor wages.

In addition to writing to the Committee for Reciprocity Information regarding the need to delete from the public list many products of our domestic manufacturers that if subjected to a further reduction of tariff rates will result in real chaos, I have also written to the U.S. Tariff Commission concerning the plight of the Rockwell Manufacturing Co., Pittsburgh, Pa., which manufactures several products among which are taximeters and water and gas meters all of which have been adversely affected by the sharp reduction in tariff rates.

Since hearings are scheduled to begin before the U.S. Tariff Commission on July 11 and are expected to continue for 6 weeks, I have written the Commission in support of the views of Ralph K. Ulrich, vice president, Rockwell Register Corp., and sales manager, Register Division, Rockwell Manufacturing Co., Pittsburgh, Pa. Mr. Ulrich submitted a statement on June 27, 1960, to the U.S. Tariff Commission in which he clearly explains the inequitable situation that has resulted from the tariff reduction in 1951 which slashed tariff rates 50 percent on taximeters or parts thereof, finished or unfinished. Mr. Ulrich points out that from the standpoint of the dollar volume, imports increased from $5,848 in 1951 to $38,436 in 1952 and since that time the average annual imports have climbed to over $92,000. Additional statements regarding other products will be filed by the Rockwell Manufacturing Co., in time for the July hearings.

It is significant to state that the production of taximeters is only one of the many products manufactured by the Rockwell Co., which is one of the most highly respected industrial concerns in the Nation. This particular company which operates a modern plant in my congressional district at Du Bois, Pa., made an enviable record during World War II and the Korean conflict through its contribution to the war effort. The firm which employs highly skilled mechanics proved its ability to retool with surprising speed and engage in Government contracts requiring a high degree of precision work.

Mr. Speaker, it is unthinkable that the Federal Government, through ill-conceived reductions in tariff rates, would endanger the future operation of firms like the Rockwell Manufacturing Co., whose reservoir of highly skilled mechanics may well be needed should further national emergencies arise that threaten the security of this Nation. At this point in my remarks I wish to include my letter of July 1, 1960, to Mr. Donn N. Bent, secretary of the U.S. Tariff Commission, together with the statement filed June 27, 1960, by Mr. Ralph K. Ulrich, vice president, Rockwell Register Corp. and sales manager, Register Division, Rockwell Manufacturing Co., Pittsburgh, Pa.

It is my fervent hope that both the U.S. Tariff Commission and the Committee for Reciprocity Information will weigh well the factual information being submitted by various American manufacturers against further tariff reductions, because unless the precarious situation confronting American industry is fully recognized and a tendency to reduce tariff rates is curbed the future is bleak for many firms throughout the Nation who find themselves helpless to compete against the inroads being made by cheaply manufactured foreign goods now flooding the American marketplace. The letter and statement referred to in the preceding paragraph follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., July 1, 1960.

Re Rockwell Manufacturing Co., Pittsburgh, Pa.

Mr. DONN N. BENT,
Secretary, U.S. Tariff Commission,
Washington, D.C.

MY DEAR SIR: Since Du Bois, Pa., is in my congressional district and the Clearfield-Du Bois area is among the two areas in Blair and Clearfield Counties that have been certified for the past several years as labor surplus areas by the U.S. Department of Labor, a great amount of time and effort has been devoted by me in trying to rehabilitate the economy of that section of Pennsylvania.

My reason in stressing the chronic unemployment problem which continues to plague my congressional district is due to the fact that it is among the labor surplus areas in the Nation frequently referred to by President Eisenhower as "pockets of unemployment" in contrast to a measure of prosperity enjoyed in other areas of the Nation.

It is against the above-described background of unemployment that I write you in support of the plea of the Rockwell Manufacturing Co. with respect to the menacing situation that prevails because of the marked increase since 1951 in the importation of foreign-made taximeters. In this connection, under date of June 17 the Rockwell Manufacturing Co. wrote you and furnished 20 copies of a written statement relative to the Tariff Commission hearings scheduled to begin July 11, 1960. The request was made for permission to appear at the public hearings at which time Mr. Ralph K. Ulrich, vice president, Rockwell Register Corp. and sales manager of the Rockwell Manufacturing Co., would appear as a witness.

The Rockwell Manufacturing Co. has a plant located at Du Bois, Pa., in my congressional district, where it is recognized as one of the key industries in that area. Therefore, I am deeply interested in the plea that no further reduction be made in the existing tariff rate on taximeters.

It is significant to state at this point that since the 1951 reduction of the tariff rate on "taximeters or parts thereof, finished or unfinished," from 85 percent to 42½ percent, the importation of lower priced foreign-made taximeters has increased by leaps and bounds.

For example, the Department of Commerce reveals that following the reduction of the tariff on taximeters by one-half in 1951, a marked increase occurred in the importation of foreign-made taximeters. In 1951, total imports amounted to $5,848; while in 1952 the volume increased to $38,436. It should be emphasized at this point that since 1952, the average annual imports have skyrocketed to $92,000. It is evident that the reduced tariff rate has not only seriously affected the domestic taximeter manufacturer but any further concessions to foreign manufacturers would sound the death knell to the industry in the United States.

I wish to emphasize my grave concern over any attempt to further reduce the tariff rate and to urge that serious consideration be given to the plight of the domestic taximeter industry in the wake of the 1951 tariff reduction which has had adverse effects on firms like the Rockwell Manufacturing Co. It is my considered judgment that the tariff rate should be adjusted upward; otherwise the taximeter industry is facing extinction.

In conclusion, I should like to have this letter made part of the public hearings and at the same time recall to public attention the great part played by the taximeter industry during recent wars when its highly skilled mechanics filled the urgent need for the precision work required in manufacturing war material and equipment which demanded the utmost in skill and dexterity.

Sincerely yours,
JAMES E. VAN ZANDT.

STATEMENT OF RALPH K. ULRICH, VICE PRESIDENT, ROCKWELL REGISTER CORP., AND SALES MANAGER, REGISTER DIVISION, ROCKWELL MANUFACTURING CO., PITTSBURGH, PA., SUBMITTED TO SECRETARY, U.S. TARIFF COMMISSION, WASHINGTON, D.C., JUNE 27, 1960

COMMISSION HEARING

(Schedule 3, metals and manufactures 368(g) taximeters and parts thereof, finished and unfinished.)

The Rockwell-Ohmer taximeter is produced by the register division of Rockwell Manufacturing Co. The Ohmer taximeter, the most widely used domestic taximeter in this country, has been known to the taxicab industry for over 45 years. Because of our desire to continue in the taximeter business and to insure the continued employment of highly skilled labor, we are making this statement to point out certain facts and figures covering the danger of any further tariff reduction on taximeters imported into the United States. We are also covering the extremely precarious position of this industry because of the low-priced competition from overseas which exists today under the existing tariff rate.

Since it is our understanding that the function of the Commission is to make a "peril point" investigation as provided in section 3 of the Trade Agreements Extension Act of 1951, as amended, we are confident that it is not the intent of this Commission to take action which would lead to further serious curtailment in the manufacture and sales of domestic taximeters.

We will herein produce evidence that since the reduction in 1951 of the tariff rate on "taximeters or parts thereof, finished or unfinished," from 85 percent to 42½ percent, lower priced foreign-made taximeters have been imported in increasing quantities which have become alarming to American taximeter manufacturers.

2. Because of the nature of the taxicab industry the taximeter business is limited in size. There are approximately 69,000 licensed taxicabs in 484 cities over 25,000 population in the United States, 11,860 or over one-sixth of which are in New York City. Of these 69,000 taxicabs approximately 52,000 are metered. The remainder operate on a zone rate basis. It is estimated there are over 50,000 taxicabs in cities and towns under 25,000 population, relatively few of which are or will be metered because of what is considered a reasonably satisfactory flat rate operation. There are perhaps 12,000 taximeters in use in the larger size small cities under 25,000 population, making a grand total of approximately 64,000 taximeters in use.

Since anticipated life expectancy of taximeters extends over an average of 12 to 15 years, the annual replacement requirements of the industry will not exceed from 4,000 to 5,000 units. Additional new meter sales will vary depending upon conditions and upon additional cities changing over from zone to metered rates. There has been practically no increase in the number of licensed taxicabs in use during recent years which would indicate no anticipated expansion in the industry in the foreseeable future.

3. It is evident from figures made available to us by the Department of Commerce that following the reduction of the tariff on taximeters by one-half in July 1951, foreign manufacturers of taximeters have found it very profitable to sell in this country. In 1951 the total dollar value of imports under this category amounted to $5,848. In 1952 imports were $38,436. Since 1952 the average annual imports have amounted to over $92,000 which represents an alarming percent of the estimated number of units sold annually by the industry. Please refer to exhibit I for data on imports by years from various countries.

Since 1954 the Department of Commerce has not provided us with detailed figures of the number of units imported from each particular country. However, based on 1952 and 1953 reports, it is evident that manufacturer's selling prices c.i.f. New York varied from $37 to $90 with the most popular models averaging $50 to $65 per unit.

4. Because of the importance of New York City as a market for taximeters, importers of foreign-made meters have so far concentrated their efforts in this area. It is estimated that already nearly half of the taximeters in use in New York City are of foreign manufacture with the percent increasing at an alarming rate. On an annual basis, it is estimated that over 65 percent of New York City taximeter sales are foreign-made taximeters. Our new meter sales in New York City have dropped continuously since low priced foreign-made meters were introduced in 1951; whereas otherwise, on a national basis we have maintained a fairly uniform volume of taximeter business. It gives the domestic taximeter manufacturer the feeling of gravest concern to anticipate just how soon the same paralyzing results will be duplicated in other sections of the United States.

5. The intricate construction of the taximeter results in a high labor content of the final product. The Commission is, of course, familiar with the differences in wage rates as between the United States and countries in Western Europe and Japan. For example, the wage rate for a skilled operator in Sweden is 94 cents, in Germany it is 55 cents, and in Japan it is 25 cents. This compares with our wage rate of about $2.50 per hour. For this reason foreign-made taximeters can be supplied to the United States at generally less than half of the production costs of American manufacturers, and it is not possible for the domestic industry to compete with imported products on the same basis. In an effort to meet foreign competition, U.S. manufacturers of taximeters have been forced to forego normal price increases since 1951. However, in the period 1951–60 labor costs have increased by 46.7 percent according to the Bureau of Labor Statistics. At current prices profits in the taximeter industry are extremely discouraging.

6. The 1951 tariff reduction has already given foreign manufacturers a definite advantage in the U.S. market to the point where the existence of the entire industry is seriously threatened. My company manufactures a variety of products, and the discontinuation of our taximeter production, while it would cause us to suffer a serious capital loss of our investment in plant, machinery, tools, and dies specifically designed for the manufacture of taximeters, and in the good will and reputation of this Rockwell-Ohmer product, which has been developed over 45 years, it would not seriously effect our organization as such. We believe that, if necessary, we can protect our shareholders by having our meter manufactured in Europe and arrange for importation and distribution in this country. We cannot, of course, insure and protect the employment of the highly skilled mechanics who have specialized in the manufacture of taximeters over many years. We believe that our position is an exception in the industry, which is mainly composed of a number of small, well-managed companies concentrating exclusively on the production of taximeters. For these other companies, the perilous position in which the industry finds itself today is far more serious. They may be faced with the closing down of their entire plants and organizations.

7. You will note from exhibit 1 that our major foreign competitors are in Sweden and Germany. In each case we are concerned with one single manufacturer in Sweden and one manufacturer in Germany. Both companies are large, highly capitalized industrial organizations, employing several thousand. The previous tariff reduction in 1951 has given them a definite price advantage over the local industry, and they have already obtained a substantial share of the U.S. market for taximeters. Any further reduction of the tariff on taximeters can have only one result and one intention, and that is the virtual dissolution of this American industry, largely composed of small individual American businesses. Two manufacturers have discontinued the taximeter business during the past 5 years. One, the Pittsburgh Taximeter Co., had been one of the leading manufacturers of taximeters for many years.

8. As previously stated, there are approximately 64,000 taximeters in use in this country. If the U.S. taximeter industry is forced out of business, individual operators and owners would have great difficulty in maintaining these meters due to their inability of securing spare and replacement parts.

9. The U.S. taximeter industry is composed of four manufacturers supplying the domestic market, and while this industry may not appear to be large as such, its importance in wartime and periods of national emergency is out of all proportion to its size. During World War II, the Ohmer Corp. (which is now the Register Division of the Rockwell Manufacturing Co.) produced the Servo motor assemblies for the Norden bombsight, aircraft gun-turret controls for the flying fortress, control (steering) columns for the B-29 superfortress, and other bombers, components for radar equipment, and many miscellaneous aircraft parts and subassemblies which call for extreme precision working abilities up to .0002 of an inch. We have in our file citations from practically every segment of the Armed Forces, testifying to the skill and precision of our employees in governmental contracts.

During the Korean emergency this division likewise carried out contracts involving precision work in connection with the manufacture of oxygen regulators and other complex defense production items. We feel certain that this Commission would not wish to be responsible for the loss of the skill and availability of these essential keymen in the event of a future emergency.

EXHIBIT I

Imports of taximeters and parts thereof into the United States of America

Year	Country of origin	Units	Value in U.S. dollars	Total annual value in U.S. dollars
1951	Sweden	86	5,848	5,848
1952	do	553	29,862	
	Germany	53	3,498	
	Japan	2	160	38,436
1953	Sweden	383	34,775	
	Germany	299	15,773	
	Japan	2	160	
	United Kingdom.	1	37	
	Switzerland	1	122	50,867
1954	Sweden	(1)	46,254	
	Japan	(1)	28,088	
	Germany	(1)	19,220	93,562
1955	Sweden	(1)	90,718	
	Germany	(1)	77,662	168,380
1956	Sweden	(1)	13,541	
	West Germany	(1)	77,123	
	Other	(1)	7,161	97,825
1957	Sweden	(1)	14,125	
	West Germany	(1)	36,159	
	Other	(1)	5,013	55,297
1958	Sweden	(1)	15,547	
	West Germany	(1)	52,758	
	Japan	(1)	8,274	76,579
1959	Sweden	(1)	44,527	
	West Germany	(1)	60,329	104,856

[1] Not available.

NOTE.—These figures are taken from U.S. Department of Commerce, Bureau of the Census Reports FT-110 U.S. Imports of Foreign Merchandise Schedule A.

Let's Help Prevent Another Roseburg, Oreg., Disaster

EXTENSION OF REMARKS

OF

HON. CHARLES O. PORTER

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Friday, July 1, 1960

Mr. PORTER. Mr. Speaker, there is on the Consent Calendar S. 1806, a bill which amends the Transportation of Explosives Act. Among other things this bill contains legislation which would place private and contract carriers under regulations now governing common carriers. Private and contract carriers carrying explosives and other dangerous articles could be fined up to $1,000 or imprisoned for 1 year or both for violating ICC regulations. If death or bodily injury of a person resulted the penalty would be a fine of up to $10,000 or 10 years imprisonment or both.

Why do I urge this action?

The city of Roseburg is in Oregon's Fourth Congressional District, which I represent. Shortly after 1 a.m., August 7, 1959, Roseburg was rocked by a blast which killed 13 persons, injured more than 100, and caused property damage of nearly $12 million. The city is rebuilding. Its citizens have done marvelous things. But what happened there when a private truck carrying explosives was left unattended in a downtown area could happen anywhere in this country.

The Interstate Commerce Commission approves S. 1806. The ICC held an on-the-scene inquiry in Roseburg in September to determine the cause of the explosion. The Commission found that it occurred as the direct result of the explosives-laden truck being left locked but unattended while parked upon a public street in the congested part of a city.

The hard-working Judiciary Committee of this House has gone into S. 1806 and reported it.

This week the July 2, 1960, issue of the Saturday Evening Post carries a well-written and well-illustrated account of the Roseburg disaster. The magazine's lead article entitled "The Night Our Town Blew Up," is written by Mrs. Bonnie Wallace Riggs, of Roseburg. Photographs taken by Mr. Paul Jenkins of Roseburg illustrate the true account.

I recommend Mrs. Riggs' article. Under leave to extend my remarks in the RECORD I include the Saturday Evening Post account by Mrs. Riggs, a news release concerning my testimony before the House Judiciary Committee's subcommittee considering amendments to the Transportation of Explosives Act and a news story which appeared in the June 25, 1960, edition of the Roseburg News-Review:

[From the Saturday Evening Post, June 2, 1960]

THE NIGHT OUR TOWN BLEW UP

(By Bonnie Wallace Riggs)

(The people of this little Oregon town will never forget the night last summer that changed their lives. One of them tells about the holocaust.)

At about 9:30 p.m. a 2½-ton truck of the Pacific Powder Co. rolled into our town of Roseburg, Oreg. The driver, George B. Rutherford, jockeyed his rig into the driveway in front of the Gerretsen Building Supply Co. warehouse on Pine Street, three blocks from the main business district. He handled the rig gingerly, for his cargo was 2 tons of dynamite and 4½ tons of nitrocarbonitrate, part of which was to be delivered the next day to Gerretsen, at a powder magazine 5 miles out of town. The material was mainly for the use of work gangs constructing roads in nearby logging projects.

Rutherford turned off his switch, climbed down from his cab and walked three blocks to Roseburg's leading hotel, the Umpqua, to spend the night.

It was a typical Roseburg summer evening, August 6, 1959, warm and quiet. Most residents of this town of 12,000 located in a hunting and fishing area, had nothing more worrisome on their minds than the chances for Roseburg's American Legion junior baseball team to win the State championship playoffs during the weekend. Except for night shift workers in the lumber and plywood mills in the area and a few teenagers driving around in search of fun, most people were in bed well before midnight.

But at 1:05 Friday morning, a telephone call to the fire department reported a blaze at the Gerretsen Building. Nine minutes later the explosives truck blew up with a roar which many residents mistook for a nuclear blast. My family and I live 3 miles from Gerretsen's, and beyond a hill. Even so, the blast shook our house as if an earthquake had happened. But we were lucky and suffered no damage. Indeed, we concluded that a jetplane had shaken us with a sonic boom, and not until the next morning did we learn what had really happened.

The explosion killed outright, or fatally injured, 13 persons and wounded 125 others, many seriously. It overturned and twisted freight cars on a nearby siding, burning several. Seven city blocks were denuded and twenty-eight others—including the main business district—were reduced to a wreckage of broken glass, fallen cornices, and shattered roots. Fire spurted from a half dozen major buildings. Windows were broken and plaster was cracked in almost every home within a 2-mile radius. Big stained-glass windows in churches clattered to the street, and chimneys jerked away from the houses they served, as fragments littered the floors of china and lamp stores and glass in automobiles popped in or out. Property loss approached $12 million. Where the truck and the Gerretsen Building had stood was a yawning crater more than 40 feet in diameter and 15 feet deep.

The explosion was a classic example of sudden and unexpected disaster. Now that almost a year has passed, the answers to many pertinent questions are available. How did those who died happen to be where they were at the critical moment? How did their fates intermesh? Was anyone there except those whose normal pattern of life called for them to be there? Was anyone absent, who, for one reason or another, likely would have been there, but was not? Were there outstanding feats of heroism?

To answer the last question first, consider the cases of two good Samaritans: dark, handsome, 17-year-old Dennis Tandy and Richard Knight, 20, who had learned many a lesson about fire control as an enlisted man in the U.S. Air Force before receiving a hardship discharge. He now lived with his mother and disabled father, and worked at a filling station.

Dennis Tandy worked at the Nordic Veneer Co. and had been learning to operate the big lathe which peels logs into veneer sheets for plywood. For a boy his age Dennis had special reason to work. Shortly after turning 17 he had quit his junior class at high school to marry Marilyn Hays, 18. The wedding was on December 31, 1958; and at the time of the disaster the Tandys were expecting a baby within 2 months.

Dennis' shift ended at midnight; but on this particular night he stayed a little longer to study his lathe and its operation. It was about 12:30 a.m. before he started his midget automobile, an ivory-colored Fiat 600, and picked up Marilyn at her parents' home, where he had left her on his way to work in the afternoon.

En route to their own home, they passed the Gerretsen Building. Dennis, thinking he had seen a little blaze in a row of trash cans, turned the car around and investigated. There was a blaze. Dennis jumped from his car and tried to keep it from spreading by rolling some of the trash cans into the street.

He shouted to his wife to drive somewhere and send in an alarm. She drove to a filling station a block or so away and told the attendant to telephone the fire department. The attendant did so. This was the 1:05 a.m. alarm previously mentioned. Marilyn Tandy then returned to the fire, now a good-sized blaze gaining headway inside the building. (Some authorities now believe the fire actually started inside the building, but nobody really knew then nor knows now.)

By 1:07 a.m. a firetruck manned by Assistant Chief Roy McFarland and fireman Lyle Wescott arrived, and soon the two men had a hose connected to fire hydrant and were playing water on the mushrooming blaze. Wescott was wearing black "turnouts"—protective clothing. But even though he was shielded by a parked truck—the truck bearing the 6½ tons of explosives—Wescott soon found the radiant heat unbearable and had to retreat. As he crossed the street, he realized that his chest was burned and flesh was sloughing from his hands. Police Officer Merle Jensen, arriving just then, immediately took him to a hospital. Wescott, in great pain, was relieved at his place operating the hose by Richard Knight, who had just arrived from his filling station. In his Air Force days Knight had received firefighting training and was heroically eager to contribute his skilled assistance. Another fire unit also arrived and began hooking up its hoses on the opposite side of the Gerretsen building.

On returning from giving the alarm, Marilyn Tandy parked the Fiat in a lot about 100 feet from the fire, and approached the Gerretsen Building on foot. Frightened by the size of the fire, she called out, "Dennis, let's go."

He answered, "No, but you get back to the car."

She stood rooted at first, but the heat became too much for her and she hurried toward the Fiat, looking back every few steps. Dennis Tandy had donned a protective jacket from the firetruck and was trying to chop open with an ax the locked cab of a Gerretsen truck which was in the way. He wanted to move it before it, too, caught fire. That was the last Marilyn saw of her husband.

Curiously, none of the little band of firefighters appeared to realize that the second truck—the big 2½-ton rig which dominated the scene—was loaded with explosives. It was nearly 1:13 a.m. when a puff of breeze stirred the almost windless night, clearing the smoke and revealing the "Explosives" signs on all four sides of the truck. McFarland and Knight immediately turned their hose from the burning building and played water on the truck. Some 10 seconds later, someone—whose identity never was established—yelled, "Get the hell out of here; that dynamite's going to blow." But McFarland and Knight stuck with their hose, and Tandy kept on chopping at the cab of the second truck.

Meanwhile, Marilyn Tandy made it back to the Fiat and slammed the door. Then the explosives truck blew up. It was now 1:14 a.m.

The little car was blown, right side up, about 100 feet. Its back window popped out in one piece. Other windows shattered and blew inward, their fragments peppering Marilyn. But, oddly, she was not even cut, although her dress was torn from neck to waist and bobby pins were knocked out of her pin curls.

All about her fires were starting and fallen electric wires were crackling in showers of sparks. She got out, picked her way to the place of devastation and called out her husband's name; but he was beyond answering. So were, among others, Richard Knight and Roy McFarland. (Their bodies were found later under debris; Tandy's body was under the truck he had been trying to save.)

Great blasts usually produce freakish effects, and the Roseburg blast created its share. Union business agent, Chuck Lynch, in the downtown area, heard the police and fire sirens and started in his car toward the center of commotion. When he was about 50 feet from the blazing building, someone flagged him down and yelled to him to turn around and get away. Lynch had just completed the fastest U-turn of his career when the explosives went off. Like a superpowerful hand, the blast belted Lynch's car up to 70 miles an hour within 200 feet. Then, as if to gratify a whim, the hand began to push from the front. In less than another 100 feet the car was slowed down to 35, although Lynch had the accelerator pedal on the floor board. Most of the car's exterior chromium trimming was ripped away, an unopened box of cigars on the seat beside him blew apart, and all the cigars were shredded into bits. Lynch was unhurt.

The ordeal of Carol Marical had its ludicrous moments, although they were overshadowed by tragedy. Miss Marical, a pretty redhead, was on her way home from the Umpqua Hotel, where she was taking instructions to be a restaurant hostess in the Indian Room, a popular eating place. She was accompanied by her friend, Bonnie Jean Berg. Miss Berg, by prearrangement, met her at the hotel shortly after 1 a.m., when the Indian Room closed. Together they began strolling toward Miss Marical's home, where Miss Berg was to spend the night as a guest. Dallying to watch the Gerretsen fire, they stood in front of the Bill Stock Motors Co. building, across the street and a little more than 100 feet away. But after a few minutes, they stepped off the curb, intending to resume their homeward stroll.

Carol told her mother later, "I heard a sizzling sound and knew that something terrible was going to happen. I dropped to the pavement and curled myself into a ball, with my hands over my face, trying to make as small a target as possible. The big explosion seemed to come from down deep. An eruption like an ocean wave of flame rose high in the air, and I recall Bonnie Jean calling, 'Carol, Carol.' "

Carol Marical's dress was ripped and blown completely off her. Her glasses and shoes also were blown away. The shoes never were found, but later someone found her glasses—inside the Stock Motors building alongside the body of Bonnie Jean Berg. Bonnie had been only a couple of steps behind Carol, but they were blown in different directions. Blown 150 feet down the street, Carol never lost consciousness completely. When she stopped rolling, she got up and tried to run, but the paving felt hot to her shoeless feet. She fell and, unable to get up again, crawled on her hands and knees, seeking someone to help her.

Fred Siles, a millworker, lives half a mile from the Garretsen building and had driven over to watch the excitement. But no sooner had he parked his car than the explosion came. Siles was blown some 50 feet through the plate-glass window of another automobile agency, but was able to get up and step out through the glassless frame.

He then found Carol Marical, helped her into his car and drove her to a hospital, asking over and over, in a confused way, "Are you hurt, lady? Are you hurt?"

Miss Marical remembered that the question made her laugh in spite of her injuries. "There I was," she said, "with my dress blown away, covered with blood from head to foot and unable to walk—and someone keeps asking if I'm hurt."

She was hurt, quite badly, as she was to learn at the hospital. Her instinctive act of rolling herself into a ball had protected her face, but the rest of her body had been peppered with flying metal and glass. One metal bolt had driven through her arm and penetrated her chest cavity. The hospital already was jammed. No operating room was available until 2:30 a.m., but in the meantime attendants plucked out six bolts—possibly from the explosives truck—which were protruding from her skin. When she reached the operating room, teams of surgeons took turns working over her until noon, and 10 days were to pass before she was off the critical list.

While waiting at the hospital for the shock of his own experience to wear off, Fred Siles received a new shock when his 15-year-old son, Jimmy, was brought in on a stretcher. The elder Siles was shocked again when he learned that Jimmy had been lying unconscious about a block away when Siles was assisting Miss Marical to rise from the street.

Jimmy, an honor roll high school student, had nothing special to do on that fateful evening. His good friend, Larry Dysert, 17, dropped around after dinner in his 1948 automobile and suggested a ride. Their actions were typical of young boys with a car on a warm summer night in a small town. They stopped at the city swimming pool to chat for a while with other youngsters. They went to the Snappy Service, a restaurant, for something to eat, drove around some more, went to Larry's house and from there to a filling station where one of their pals was nightman.

It was well after midnight when the visit ended, and Larry Dysert and Jimmy Siles were homeward bound when they saw flames pouring out of the Gerretsen Building. They swung around and headed for the blaze. Larry parked alongside the Bill Stock Motors showroom, diagonally across from the Gerretsen Building, but this spot proved too warm, so they found another place a block away. As Larry pulled to the curb, Jimmy jumped out eagerly and called, "Come on, let's go" then sprinted toward the fire.

Then the explosives truck let go. Larry, who had taken just a few steps, was knocked down and his shoes were blown off, but his injuries were only bruises. Jimmy Siles lay unconscious, a 3-inch bolt driven into the base of his skull. The bolt was removed surgically and Jimmy lived, but he still is in a coma nearly a year after the accident.

Bill and Eleanor Unrath lived in a large, comfortable house next to their place of business, a Coca-Cola bottling plant. The bottling plant occuped a corner opposite the Gerretsen Building. An apartment on the second floor of the plant was occupied, and had been for some time, by Martin Lusk and his wife.

Fate, or coincidence, was about to play a grim joke on the Lusks. Lusk, who had worked for Unrath in the bottling plant, had quit the week before to return to his original home in La Grande, Oreg. The Lusks had their trailer packed with personal possessions and were ready to leave early in the morning.

Everyone in the two households was asleep when the sirens began to wail. Mrs. Lusk, awakening first, opened her bedroom window and shouted to the Unraths that the Gerretsen Building was afire. Bill Unrath ran for the bottling plant and, with Lusk's help, tried—without too much luck—to get the plant's protective hoseline through a skylight to the roof. From there they could have brought its stream to play on the Gerretsen fire.

While they were struggling, perhaps against a jammed skylight, Don Gerretsen, son of the owner of the building-supply firm, rushed into the bottling plant, looking for a telephone to call his father about the fire. Bill Unrath told him to use the one in the kitchen of the Lusk apartment. Young Gerretsen had just put in his call when the world around him rocked. He was knocked violently against a wall, and one foot was caught under some heavy object. To free it, he had to slip out of his shoe and leave the shoe behind. The stairway had been destroyed. Gerretsen climbed out a window and slid down an outside wall, escaping with minor injuries.

He was the last to see Unrath and Lusk alive. Trapped, they died either from the blast injuries or in the new fire which quickly destroyed the bottling plant, the Unrath home, the Lusk automobile, and their neatly packed trailer.

Of the Unraths' two daughters, Sabra, 18, was to have returned that evening from a Camp Fire Girls' camp where she was a counselor. But by a stroke of good luck in reverse the camp's truck broke down, and Sabra didn't get home until noon the next day. The Unraths' other daughter, Mary Elise, 20, had as overnight guests two schoolgirls from Bremerton, Wash., Lauretta Rusher and Lorraine Ross. They were scheduled to leave the next day for a church youth conference in Los Angeles.

When the fire first got under way and Unrath and Lusk had gone into the bottling plant, their wives, thinking the blaze would be controlled quickly, stood on the sidewalk in front of the Unrath house. The dynamite explosion knocked the two women about 75 feet in different directions, as it had knocked Miss Marical and Miss Berg. But except for bruises and shock, they were spared. Mrs. Unrath stumbled back to the house, which now was on fire, to save the three girls. Because the blast had blocked the stairway with debris, she could only stand outside and shout to them to jump from a second-floor bedroom window.

All three girls were bleeding from glass-fragment wounds and were spattered with bits of black insulation materials from the walls, but they jumped as instructed, and only Mary Elise Unrath was seriously hurt. She fractured two vertebrae and was to spend 5 weeks in a hospital.

In discussing the heroes of the explosion, Roseburg citizens give a special place to Harry Carmichael, a 70-year-old veteran of two wars, who was driving home from the Monarch Card Room, a restaurant-tavern rendezvous which he helped to operate. Hoping to be of service, he headed for the fire in his car. The explosion slammed the automobile and its driver mercilessly. Carmichael's left arm—which he may have had partially out the window—was severed by the blast or some flying piece of metal, and his chest was punctured. Nevertheless, this septuagenarian got out of the wrecked car, walked to a rescue squad, and helped them by directing them to spots where he knew people were trapped. Weakening at length, Carmichael gave in to the urging of others and allowed himself to be driven to the hospital. He died there while doctors were preparing to operate.

Wayne Townsend had the misfortune of living too near the spot of destiny. He and his wife Letta, occupied an apartment above the Stock Motors showroom. Townsend went down to move his car, which was parked too close to the Gerretsen building, but chose the wrong time. He never reached the car, and it was several days before his body was found in the rubble.

For the same period of time the bodies of two other victims lay concealed. They were those of Rufus Wiggins, Jr., a logger, and Mrs. Rollin J. McDonald, 62. Wiggins roomed near the center of town, and it was his custom to take "breakfast," shortly after midnight, in a restaurant not far from Gerretsen's. A truck usually picked him up at 2:30 a.m. and carried him to work.

After the fire, police surmised that Wiggins had left the restaurant to see the blaze—which is what Mrs. McDonald and her husband started to do from their home nearby. The blast caught them a block from the fire. McDonald, seriously injured, survived; but his wife's body was found under the rubbish which had been a farmers' cooperative building.

The Kuykendalls suffered the most of any family in town. Alvin Kuykendall, a steady, soft-spoken man, had spent his life building up a small business—a bicycle shop—and buying a house. Both were free of debt, and the business was showing a modest profit. But the location of their house and business, across the street from each other and half a block from Gerretsen's, was tragically unfortunate. The Kuykendall's were awakened by the sirens while young Dennis Tandy was attempting to put out the fire singlehanded. The whole family got out of bed and assembled at a big window which provided a grandstand box. With Kuykendall were his wife, Lela, and their two daughters, Janet, 22, and Virginia, a tyke of 4. A firetruck and a police car screamed to stops under their window. Out of the police car jumped Patrolman Don DeSues, who went to work immediately, trying to keep traffic lanes free of sightseers' cars so that the firefighters wouldn't be impeded. DeSues—who would be dead in 10 minutes—worked hard.

After a few minutes of watching the excitement, Kuykendall excused himself and went to the bathroom. He was still there when the monster blast hit the house with all its fire and fury. Mrs. Kuykendall and the girls were showered with thousands of bits of glass and knocked against the walls. In the bathroom Kuykendall was pinned against the bathtub by a 500-pound chest of solid oak. Burning lath was peeling off the ceiling in fiery gobs and falling all around him, and he was in great pain. But his family could not hear his cries for help. People outside the house responded, walking right through holes in the house, and helped the whole family into an ambulance. Ten minutes later both house and bicycle shop were in ruins.

Mrs. Kuykendall and little Virginia died of their injuries. For 5 days Janet could see nothing; but after doctors had removed 20 pieces of imbedded glass from her eyeballs, her normal sight began to return. She also had cuts and bruises over most of her body.

But Alvin Kuykendall was in more serious condition. His right arm and leg were fractured in several places and required months of pins, plates, and casts. Six weeks after the explosion the leg pins slipped and doctors had to operate all over again. Several weeks after that his arm was broken again in recuperative exercises, and this time it had to be reinforced with a bone graft and a metal plate.

Today he is in a wheel chair and faces many more months of sitting, waiting for his arm and leg to heal. His dream is to get another bicycle shop started. "It's all I know," he says. The only insurance he had was on the bicycle shop, and most of the yield of that has been spent on living expenses. Yet he looks forward hopefully to working again and getting out of debt once more. Ridding himself of debt is an admitted obsession with him.

Fortunately there was a happy ending for Janet—or, as she puts it, "a beginning." In June she was married to Einar Beck, Jr., a boy she knew in school.

Last October Marilyn Tandy's baby arrived on schedule, a healthy, plump boy. He promptly was named Dennis in honor of his heroic young father. Mother and son live with Marilyn's parents. Of her future and the baby's, she says, "When Dennis starts to school, maybe I'll go to a beauty school. I don't know what else to do."

Carol Marical was able to leave the hospital after 2 months, but did not feel well enough to return to her job at the Indian Room. For months she had nightmares in which, as in real life nearly a year ago, she heard the voice of her ill-fated friend, Bonnie Jean Berg, shouting, "Carol! Carol!" And she couldn't do a thing to help. But her story also took a happy turn with her marriage last spring to Frank Copeland.

George B. Rutherford, driver of the truck, ran from the Umpqua Hotel during the fire and himself was injured in the explosion, spending 2 days in a Roseburg hospital. He then went back to his home in Washington and later returned to work for the powder company, but as a workman in the production of explosives, not as a truckdriver. The company disposed of several remaining trucks, and early in 1960 was moving its explosives in rented vehicles.

Of course, the legal story of the Roseburg blast is only beginning. A Douglas County grand jury met in September 1959, hearing 22 witnesses in secret session. It indicted the Pacific Powder Co., owner of the explosives truck, for involuntary manslaughter. But in March 1960, Oregon Circuit Judge James Main sustained a defense demurrer, holding that the Oregon involuntary-manslaughter statute is not applicable to corporations. The grand jury returned no indictments against individuals. District Attorney Avery Thompson later gave notice of his intention to appeal the decision.

The Interstate Commerce Commission and the Oregon Public Utility Commissioner held a joint hearing at Roseburg, also in September 1959. Pacific Powder Co.'s plant superintendent and the driver of the truck both testified they understood the ICC requirement that vehicles transporting explosives were not to be left unattended during transit. They said an ICC safety inspector had warned the superintendent about the rule only a day before the truck left the company plant at Tenino, Wash. Both testified they discussed at considerable length the matter of making certain that the vehicle would be attended, just before Rutherford's departure on the trip to Roseburg. No decision was reached, however, as to a proper place for parking the truck, and the driver departed knowing that delivery could not be made until the next day.

The ICC, in its hearing report issued December 7, 1959, found that Pacific Powder and its driver violated motor carrier safety regulations in leaving the vehicle unattended, in failing to avoid congested places, and in parking in congested places. The Commission concluded that if Pacific Powder and its driver had not violated these regulations, the explosion accident would not have occurred.

The Pacific Powder Co. of Washington, the Pacific Powder Sales Co. of Oregon, the Gerretsen Building Supply Co., W. H., G. H., and Donald Gerretsen, and Rutherford all have been named defendants in a long series of civil actions filed in the Douglas County courts. By early June nearly 30 cases were on file, each charging almost identically that the defendants had failed to move the explosives to their destination "without unnecessary delay," that they had failed to provide special care to guard the vehicle, and that they had violated ICC regulations in leaving the vehicle unattended and in parking it in a congested area.

The actions ranged from a $500,000 personal-injury suit on behalf of the comatose Jimmy Siles through a number of $20,000 suits by estates of persons killed—$20,000 is the maximum collectible for a wrongful death in Oregon—to property-damage suits in which insurance companies listed scores of claims already paid.

None of these cases had come to trial when this was written, and about 6 weeks ago Attorney David P. Templeton on behalf of the defendants asked changes of venue in several cases, claiming that his clients could not obtain a fair trial in Douglas County. His petition stated that insurance companies already had paid more than $4 million in property-damage claims because of the blast.

At about the same time an insurance underwriters' group in Portland, Oreg., filed an interpleader action in Federal district court, seeking consolidation of the various claims and court direction as to what they should do with the $500,000 for which the powder company was insured, in case judgments were entered against them. It seemed clear that the total assets of all defendants, including insurance, could not begin to equal the claims filed against them.

But in Roseburg all this is less important than living. Nearly a year after the explosion the flattened blocks still are mostly barren, the rubbish cleared, but very little building done. The main business district looks mostly new, with fresh paint and thousands of square feet of new windows. But around it are evidences of tragedy: A hotel boarded up except for the first floor; a church with a gaping hole where a huge stained-glass window had been; a row of small homes half occupied, half still as the blast left them, with roofs askew and chimneys tottering; charred wreckage where a feed mill once was.

Much of the rebuilding awaits a master plan, which an urban-renewal committee has been trying to formulate. Roseburg, which calls itself the timber capital of the Nation, would like to promote the use of wood in the rebuilding program, and planners want to utilize the natural beauty of the south Umpqua River, flowing past one edge of the blast area.

City Manager John Warburton is enthusiastic on the future of the community, with its plywood, lumber, and recreation industries backed up by agriculture and stock raising. "If people continue to work together as they did after the blast," he said recently, "we won't have any trouble in rebuilding right."

Although Warburton is only a rookie Roseburg resident, he almost qualifies as a native son. He had been city manager just a few months when the explosives truck erupted—and knocked him out of bed. So he's a newcomer no longer.

In fact, many Roseburg people were blasted out of their beds that night last year, and many still are jumpy. Recently some military jets flew overhead, crashing through the sound barrier in thunderous booms that shook houses and rattled windows, giving everyone that same panicky, empty feeling we all had the night our town blew up.

NEWS RELEASE FROM THE OFFICE OF CONGRESSMAN CHARLES O. PORTER

Congressman CHARLES O. PORTER, Democrat of Oregon, today, May 25, testified before the House Judiciary Committee's subcommittee considering amendments to the Transportation of Explosives Act. PORTER told the committee he favored S. 1806 which contains legislation which would place private and contract carriers under regulations now governing common carriers. The Senate has approved S. 1806.

In his prepared testimony Representative PORTER discussed the August 7, 1959, explosion in Roseburg, Oreg., of a truck loaded with dynamite and nitrocarbonitrate. The vehicle, a private carrier, had been parked and locked and left unattended in downtown Roseburg. Its explosion at 1:15 a.m. brought death to at least 13 persons, injury to 125 others, and property damage estimated at $12 million.

PORTER observed that the Interstate Commerce Commission following its on-the-scene investigation, September 1–3, had found that the explosion occurred as the direct result of the explosives laden truck being left locked but unattended while parked upon a public street in the congested part of a city. The ICC told PORTER it was done in disregard of regulations of the ICC designed to prevent such an accident.

The ICC has recommended that private and contract carriers be subject to regulations now governing common carriers. PORTER said he felt that equalizing the regulations would be a positive step. He said the Roseburg disaster could be repeated anywhere at any time, and he urged favorable subcommittee action. PORTER had written to the Judiciary Committee January 11, 1960, outlining in detail the need for legislation which has been approved by the Senate. At that time he supplied the committee with information on the Roseburg explosion.

Under the proposed legislation private and contract carriers carrying explosives and other dangerous articles could be fined up to $1,000 or imprisoned for 1 year or both for violating ICC regulations. If death or bodily injury of a person resulted the penalty would be a fine of up to $10,000 or 10 years imprisonment or both.

[From the Roseburg (Oreg.) News-Review June 25, 1960]

MAGAZINE STORY ON AUGUST 7 BLAST COMES NEXT WEEK

The coming issue of the Saturday Evening Post, which will reach mail subscribers over the weekend and go on sale on newsstands early next week, will contain a feature story on Roseburg's disastrous fire and explosion last August 7.

The story, indexed on the outside cover and appearing as the lead article in the magazine, is written by Bonnie Wallace Riggs. It is entitled "The Night Our Town Blew Up."

The author uses very interesting technique in which she relates the experiences of individuals connected with the tragedy. Little is told of property damage other than in a general way. Instead, the article deals with the personal side of the fire and explosion.

The article is profusely illustrated. Some of the photographs previously appeared in the News-Review. They were made by Paul Jenkins who recently retired from full-time photographic work with the News-Review.

Accomplishments of U.S. Space Exploration Under the Republican Administration

EXTENSION OF REMARKS

OF

Hon. EVERETT McKINLEY DIRKSEN

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Friday, July 1, 1960

Mr. DIRKSEN. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement by the very distinguished Senator from California and the Republican whip, Mr. KUCHEL, on the accomplishments of U.S. space exploration under the Republican administration.

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

ACCOMPLISHMENTS OF U.S. SPACE EXPLORATION UNDER THE REPUBLICAN ADMINISTRATION

(By U. S. Senator THOMAS H. KUCHEL, of California, Senate Republican whip)

The accomplishments of the U.S. space exploration program under the Republican administration can be divided into the following sections for a clear-cut picture of what the United States has done and is doing:

1. Organization and resources.
2. A scorecard detailing competition with the U.S.S.R.
3. A brief survey of the U.S. space program as evidenced in the successful shots in that program.
4. A delineation of important milestones in the National Aeronautics and Space Administration's 10-year plan.

ORGANIZATION AND RESOURCES

When NASA declared itself to be ready for business on October 1, 1958, it began work on:

(a) Completing the several programs which were initiated by the Advanced Research Projects Agency of the Department of Defense.

(b) Developing a sound but bold and imaginative long-range plan with specific projects for the next 2 years calling for concentrated attention to the need for more powerful launch vehicles and a program of satellite and deep space flights that will approximate 26 major flights in each year.

(c) Integrating the efforts of the 8,000 people inherited from the great NACA organization with the 2,400 fine people of the jet propulsion laboratory and the 5,500 people who made up the famous Von Braun group at the NASA Marshall Space Flight Center, and developing 2,000-man operation at the new Goddard Space Flight Center at Greenbelt, Md., and drawing together a headquarters staff of more than 550 people in Washington.

(d) Creating this new organization when the eyes of all the world placed the United States in the spotlight of the space race.

As of July 1, 1960, the NASA will be operating at $915 million annual rate as compared with a $335 million annual expenditure rate 21 months earlier. (The grand total of all U.S. missiles programs from an obligational standpoint for fiscal year 1961 is estimated at $6,962 million, subject to revision.) With a total of more than 18,000 people—one-third or more of them professional people—NASA represents the Government's greatest research organization and, in many ways, its most unique. Its product is new knowledge and the development of the techniques necessary to acquire that knowledge and apply it for the benefit of mankind.

COMPETITION WITH THE U.S.S.R.

The U.S.S.R. appears to excel the United States in the thrust of its rocket-powered launch vehicle system. Their substantially higher thrust level has permitted them to undertake spectacular missions requiring the carrying of relatively advanced guidance equipment in addition to the payload instrumentation—a combined weight substantially beyond that which we have been able to fly.

In spite of this advantage, it seems clear that the United States has clearly bested the Soviet Union in the breadth and depth of its program development and particularly in the quality, quantity, and importance of the scientific results of its flights.

It is reasonable to believe, however, that the steady growth of the U.S. program, the obvious willingness of the United States to share its information and competence with other nations, and the beneficial and, at times, striking information being derived from the U.S. experiments is beginning to make itself felt as a positive counterforce to any Soviet propaganda.

Highlights of the Nation's space exploration program (with some remarks about results of the U.S.S.R. program). The direct exploration of space by means of unmanned vehicles traveling in space began on October 4, 1957, with the launching of Sputnik I by the U.S.S.R. In the intervening 30 months there have been launched successfully 22 additional earth satellites which have yielded much scientific information about the space environment by radio telemetry of data to the ground. Three satellites were launched by the U.S.S.R. on November 3, 1957, May 15, 1958, and May 15, 1960.

The United States has launched 19 satellites, the first on January 31, 1958, and the most recent on May 24, 1960.

Five were called Explorers, launched by Jupiter C's in three cases, Thor-Able II in one, and Juno II in one.

Three were Vanguards.

Seven were Discoverers, launched by Thor-Agena A's.

One used an Atlas for the communications experiment, Project Score.

One, the meterological satellite of Project Tiros, was launched by a Thor-Able IV.

One, the navigation satellite Transit, was launched by a Thor-Able Star.

One, the missile early warning satellite Midas, was launched by an Atlas-Agena.

Seven space probes have been launched since October 4, 1957, three by the U.S.S.R., four by the United States.

All of the U.S.S.R. space probes were directed toward the Moon; one launched on January 2, 1959, was claimed by the Russians as having passed within a few diameters of the Moon, and went into an orbit around the Sun.

The second, launched on September 12, 1959, hit the Moon, or so the Russians said.

The third, launched on October 4, 1959, passed close enough to take pictures of the far side of the Moon and was deflected by the gravitational field of the Moon to return toward the Earth.

The first U.S. space probe, launched on October 11, 1958, traveled to a distance of 70,700 miles.

The second, launched on December 6, 1958, traveled to a distance of 63,580 miles.

The third, launched on March 3, 1959, went into orbit around the Sun, communication with it being maintained to a distance of 407,000 miles.

The fourth was launched on March 11, 1960, inward toward the orbit of Venus, and on May 8 was at a distance of a little more than 8 million miles from the Earth with data still being received by telemetry.

Each of the satellites and space probes has produced much information on various aspects of the space environment itself and of environmental conditions within space vehicles. Many of the missions have been directed toward scientific objectives relating to the Earth and its atmosphere and ionosphere. To illustrate the types of information returned, you may consider the return from Sputnik II, Lunik III, Pioneer V, and Tiros I.

Sputnik II was launched into an elliptical orbit with initial perigee of 140 miles and initial apogee of 1,038 miles inclined at 65 degrees to the equator. It carried the dog Laika for measurement of physiological reaction of an animal to space flight. Its instruments measured cosmic rays, solar ultraviolet, and X-radiation. Temperature and pressures within the satellite were measured.

Significant solar influence on density in the upper atmosphere was noted from measurements of fluctuations in satellite drag which were directly correlated with solar activity. Cosmic ray counting rate increased with height, not understood at the time, but later found to be associated with the Van Allen radiation belt discovered with the instruments in Explorer I.

Lunik III apparently produced the first pictures of the far side of the moon. Lunik III demonstrated maneuverability in a large spacecraft, the successful storage of pictures on film and their later transmission back to Earth, according to the Russians. Apparently no further scientific data were obtained because of early failure of the power supply or transmission system.

The Pioneer V space probe, weighing 94.8 pounds, was accelerated to a velocity of 24,869 miles per hour in an orbit about the Sun inclined inward toward the orbit of Venus. Its period is about 311 days. Its perihelion is about 74,700,000 miles, which is about 18 million miles closer to the Sun than the orbit of the Earth.

Long-range projection of the trajectory forecasts that Pioneer V will be farthest from the Earth—183 million miles—in September 1962 and that the Earth and probe will approach within 16 million miles in November 1965.

Because of the eccentricity of the probe orbit, the probe again will come within 15.6 million miles in April 1966. A closer approach than this will not occur until 1989, when the two will come within 2 million miles of each other, according to present estimates.

The probe carries instruments to measure charged particles in space—i.e., an ionization chamber and Geiger-Mueller tube to measure total radiation—and a triple coincidence cosmic ray proportional counter. The probe also carries a micrometeorite counter, a magnetometer, and instruments for measurement of temperatures and attitude. Power is furnished by solar cells mounted on paddles. There are two transmitters, designed to permit communication at distances up to 50 million miles, although there are now indications that degradation of the batteries may halt transmission between 10 million and 20 million miles.

Tiros I is a 270-pound satellite which carries two television cameras to observe cloud formations and transmit the pictures to stations on the ground.

It was launched in a nearby circular orbit with perigee of 435 miles and apogee of 468 miles, with a period of 99.15 minutes. It is stabilized by spinning, thus maintaining a fixed direction in space. Pictures are obtained when the satellite is in that part of its orbit where the camera sees the sunlit portion of the Earth.

The satellite is provided with tape recorders which can record as many as 32 pictures for later transmission to the ground stations.

Thousands of pictures have been obtained of cloud formations.

Tiros promises a major forward step in observations of major storms and frontal systems.

On the basis of this and future meteorological satellites, it is hoped to develop within a few years an operational system for routine use in weather forecasting.

SPACE TRAVEL BY MAN

For present purposes, the NASA is interested in the bearing of the information obtained on the prospects for space travel by man. The data obtained on the pressure, density, and temperature are required for rational design of any spacecraft, whether carrying man or instruments. Similarly, data on the ionosphere are of interest because of the electrical charging of the vehicle and its effects on radio communication from the vehicle and on its drag.

One of the major results of the first satellite launchings was the discovery by James A. Van Allen and his colleagues of a belt of charged particles trapped in the magnetic field of the earth which produced radiation on striking a space vehicle.

Further studies have shown that the structure of this region is quite complex and the outer zone varies in extent with solar activity.

We have learned considerably about outer space, but much basic information is yet to be obtained before man ventures very far away from the earth. Specifically, there are formidable technical developments needed to assure the success of manned journeys to the moon and to the planets of the solar system.

THE U.S. LONG-RANGE PLAN FOR SPACE EXPLORATION

Listed below are the highlights of the 10-year plan developed by NASA and presented to the Congress early in 1960. It is to be noted that forecasting research and development activities for many years in the future is a questionable procedure.

What can be undertaken 2 years from now depends on what is learned in experiments to be undertaken in the intervening 2 years. Nevertheless, in a rapidly moving technology involving long leadtimes, it is possible to identify objectives which should be possible of accomplishment given normally accelerated advancement of the technologies involved and assuming an adequately paced funding program.

Under these ground rules, the following listing represents certain long-range objectives of the U.S. space exploration program.

NASA MISSION TARGET DATES

Calendar year 1960

First launching of meteorological satellite.

First launching of a passive reflector communications satellite.

First launching of a Scout vehicle.

First launching of a Thor-Delta vehicle.

First launching of an Atlas-Agena-B vehicle (by the Department of Defense).

First suborbital flight of an astronaut.

Calendar year 1961

First launching of a lunar impact vehicle.

First launching of an Atlas-Centaur vehicle.

Attainment of manned space flight, Project Mercury.

Calendar year 1962

First launching to the vicinity of Venus and/or Mars.

Calendar year 1963

First launching of two stage Saturn vehicle.

Calendar year 1963–64

First launching of unmanned vehicle for controlled landing on the moon.

First launching Orbiting Astronomical and Radio Astronomy Observatory.

Calendar year 1964

First launching of unmanned lunar circumnavigation and return to earth vehicle.

First reconnaissance of Mars and/or Venus by an unmanned vehicle.

Calendar year 1965–67

First launching in a program leading to manned circumlunar flight and to permament near-earth space station.

Beyond 1970

Manned flight to the moon.

Relief to Small Businessmen

EXTENSION OF REMARKS

OF

HON. SAMUEL N. FRIEDEL

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, July 1, 1960

Mr. FRIEDEL. Mr. Speaker, the problem of maintaining an economic climate in which small business can survive is ever present. Because of the downward trend of small business during the past several years, it is indeed refreshing to know that one of our distinguished colleagues, the Honorable JAMES ROOSEVELT, of California, has taken up the cudgels on behalf of over 200,000 small businessmen who earn a precarious livelihood from their long hours of toil in gasoline service stations.

On June 28, 1960, Representative ROOSEVELT appeared before the Subcommittee on Commerce and Finance of the House Interstate and Foreign Commerce Committee and presented in his usual eloquent style a most logical and persuasive argument on behalf of H.R. 9894. Because of the importance of this subject and also to give that statement wider publicity, I request leave that it be inserted in the pages of the CONGRESSIONAL RECORD.

Congressman ROOSEVELT's statement is as follows:

STATEMENT OF HON. JAMES ROOSEVELT, MEMBER OF CONGRESS, BEFORE THE SUBCOMMITTEE ON COMMERCE AND FINANCE OF THE INTERSTATE AND FOREIGN COMMERCE COMMITTEE, HOUSE OF REPRESENTATIVES, JUNE 28, 1960, IN SUPPORT OF H.R. 9894 WHICH WOULD PROHIBIT GASOLINE PRODUCERS TO ACT AS AGENTS FOR, OR TO RECEIVE COMMISSIONS ON, THE SALE OF TBA ITEMS

Mr. Chairman and members of the subcommittee, it gives me great pleasure to appear before your subcommittee this morning. As you no doubt know, I have the honor of being chairman of the Subcommittee on Distribution Problems Affecting Small Business of the House Small Business Committee. That committee being a select committee has, consequently, no jurisdiction to pass on legislation, but concerns itself primarily with investigations and the making of recommendations to appropriate legislative committees, such as yours.

Early this year, I introduced in the House H.R. 9894, a bill which is designed to obviate the deleterious effects of certain practices in the distribution of motor vehicle parts, equipment, accessories, and supplies which tend to cause destructive and unfair methods of competition, thereby adversely affecting commerce. This measure was introduced by me as a result of 5 years of careful study and investigation by the subcommittee of the House Small Business Committee.

This measure simply provides that no producer who sells gasoline at wholesale for ultimate resale at retail, shall act as agent for or receive any commission because of the sale of any product of any manufacturer or distributor of motor vehicle parts, equipment, accessories, or supplies (TBA).

In the interest of clarification, I should like to point out that this bill—H.R. 9894—is not a divorcement bill to which, perhaps, certain segments of the industry might take exception. Nor would it prohibit any producer or affiliate not engaged in selling motor vehicle parts, equipment, accessories, or supplies at wholesale for ultimate resale at retail, from selling any of such merchandise directly to consumers at retail and profiting therefrom.

During the 84th Congress, the House Small Business Committee issued its report (H. Rept. 1423) in which its subcommittee found that the small gasoline service station operator "needs immediate and permanent relief to enable him to fulfill his role as an independent businessman. The present laws, procedures, and enforcement policies are inadequate to achieve effective and permanent relief."

That recommendation was reached as a result of voluminous testimony heard during 1955 by the subcommittee. It reached the conclusion that the freedom of choice of the retail dealer, with respect to the manner in which he operates his station, is circumscribed by the economic power of his oil company supplier, whether or not such power is specifically exercised against him. The subcommittee further found that coercive and discriminatory practices against retail gasoline station operators by certain of their oil company suppliers was quite prevalent. This was especially so with respect to tires, batteries, and accessories (TBA).

Further hearings were held in 1956, which gave the subcommittee additional cumulative evidence of unfair practices which made the lot of the small businessman in the industry hard indeed.

Most petroleum companies own or control gasoline service stations which they lease to others on a short-term basis. Through the oil corporations' power to cancel, or refuse to renew such leases arbitrarily, such gasoline producers are able to prevail upon the persons leasing such gasoline service stations to accept the profit margins set by the producer, to conduct their businesses as directed by the producer, and to sell only the motor vehicle parts, equipment, accessories, and supplies, and other products chosen or sponsored by the petroleum company.

Two years later, during the 85th Congress, the subcommittee, as a result of a continuing stream of complaints received from small service station operators, conducted another investigation and held hearings in Washington, D.C.; Denver, Colo.; Los Angeles, Calif.; and Chicago, Ill. During the course of these hearings, it became crystal clear from the testimony that employees of some of the major petroleum suppliers continued to exercise unfair pressure toward their lessees and other dealers in regard to the sale of TBA items.

One of the findings of the subcommittee in 1957, in its House Report No. 1157, was to the effect that "the extent to which small business distributors and retailers of petroleum products are truly free and independent is severely limited by their awareness that their suppliers can wield great economic power."

The experience of the subcommittee in investigating the problems of the lessee-dealers of petroleum products at the retail level through service stations and the continuing flood of letters that it received in regard to alleged coercive and unfair trade practices on the part of certain of the petroleum suppliers, demonstrated the need for further investigation. Therefore, in 1959, additional public hearings were held which were devoted to the problems flowing from the distribution of TBA items and other related automotive products handled by retail gasoline service station dealers and by wholesalers. During those hearings many witnesses, who were representatives of the retail and wholesale segments of the industry and who came from every section of the United States, testified. These witnesses made charges against certain petroleum companies—charges that those companies, through pressure and through coercive means—forced and compelled its retail gasoline dealers to handle only those TBA items in their stations which were sponsored by the petroleum companies.

Actually 35 companies were named by the witnesses at those hearings last year and in the subcommittee's desire to be eminently fair, it gave the petroleum companies an opportunity to present their rebuttal to the charges made against them. Each of these companies were invited to appear at a subsequent public hearing which was held during April 1960, to answer the charges which were made against them, if they so desired.

We found that while 35 petroleum companies were named, 4 of these firms were merged with other named companies, so actually there were 31 invitations to appear; 22 companies replied to the letter of invitation—9 did not; 13 companies said, in effect, that they did not consider the charges made against their companies as something that required an appearance of witnesses on their behalf. Some of those 13 companies submitted affidavits challenging certain charges that were made in December, and other companies set forth in their letters of response unsworn statements denying certain other charges that had been made.

During the hearings, spokesmen for certain petroleum companies testified that it was the announced policy of their firms to permit their retail dealers a so-called freedom of choice respecting TBA items. However, upon further questioning by members of the subcommittee, it was ascertained that the companies' sales representatives were under certain quotas to sell such TBA items, which quotas were based on what the petroleum companies thought that their retail dealers ought to buy and what the maximum potentials of such dealers are. It is but natural to expect that these sales representatives would do their best to reach their expected quotas and utilize any means they deem appropriate to push their company's sponsored TBA items. This is true despite statements made by the companies that their retail dealers have a freedom of choice as to what TBA items they may handle. I submit that H.R. 9894 would remedy this and be a solution of the problem.

In this connection, it is worthy of note that the sales representative is the one who contacts the service station operators in connection with lease renewals as well as with the sale of his company's products. An examination of the various leases for such service stations discloses that the matter of the renewal of such leases is optional only with the oil companies. In that respect such agreements are unilateral. Thus, in having the sales representative who regularly calls on the service stations, being at the same time in a position to tell the service station operator that he, the oil company's salesman, could decide whether or not the lease for a service station would or would not be renewed, is indeed a deplorable situation.

From this it can be readily gathered that the operator of a service station is under a tremendous pressure to comply with the demand, whether expressed or implied, of such sales representative that he handle the petroleum company's sponsored TBA items exclusively. Nor should it be forgotten that such small and independent service station operator has what is to him a considerable investment in his business which the petroleum company could wipe out with either a cancellation of the lease or through a refusal to renew. It is, therefore, apparent that the dealer operating his station under a lease from the oil company supplier is not in fact independent and is subject to control by the oil company supplier. The freedom of choice of the dealer with respect to the manner in which he operates his station is very much circumscribed by the economic power and might of his oil company supplier whether or not such power is specifically exercised against him.

The tremedous inequality of economic bargaining power between the major oil companies and their small retail service station operators can be gaged from the fact that these corporations rank among the largest and most powerful in the world.

The Fortune Directory of August 1959, which lists the 500 largest industrial corporations in the United States, ranked according to sales, shows the following petroleum companies:

Company	Rank	Sales	Assets
		Thousands	*Thousands*
Standard Oil (N.J.)	2	$7,543,571	$9,478,693
Socony Mobil Oil	6	2,885,684	3,237,328
Gulf Oil	7	2,769,377	3,430,019
Texaco	9	2,327,939	3,111,527
Standard Oil (Ind.)	14	1,863,990	2,769,317
Shell Oil	18	1,665,989	1,648,271
Standard Oil (Calif.)	19	1,559,160	2,451,069
Sinclair Oil	27	1,190,377	1,499,901
Phillips Petroleum	32	1,066,554	1,515,498
Cities Service	35	1,015,317	1,288,358
Sun Oil	47	721,773	666,927
Continental Oil	60	596,503	619,662
Tidewater Oil	62	552,944	810,731
Atlantic Refining	65	538,110	770,797
Pure Oil	80	473,362	534,966
Union Oil of California	96	408,033	684,558

In this connection we should consider the practically infinitesimal position, economically speaking, of the average gasoline service station operator. The Internal Revenue Service of the U.S. Treasury Department, published in May of this year, statistics of income from the income tax returns filed. I was most forcefully struck by the comparative meagerness of the financial returns of the proprietors of service stations.

The Bureau of Internal Revenue reports that an examination of income tax returns of 206,582 gasoline service stations under sole proprietorships showed they earned a net profit of only $564,154,000. Through a process of simple arithmetic—by dividing one of these numbers into another—one arrives at the figure $2,731, which represents the average net profit derived by a proprietor of a gasoline service station. These figures are the figures supplied by the U.S. Internal Revenue Service. Mind you, only $2,731 net profit for a year's compensation for back-breaking toil through long hours. This figure I submit, gentlemen, in these days of the high cost of living, is pitifully small indeed.

It is small wonder then that the turnover—that is, percentage of transferred and discontinued business—in the service station business is the highest in any principal business classification in our entire economy.

Figures released by the U.S. Department of Commerce during 1959, showed average annual service station turnover of 37 percent for each of the years 1957 and 1958.

It is abundantly clear that the petroleum companies hold the means of economic life or death of countless members of this segment of our small business economy.

It is on behalf of these small people that I appeal for protection against the economic might and power of the major oil companies. While I do not infer necessarily that bigness in itself is a sin, I submit that bigness does often sin. One should not forget that these small and independent operators of gasoline service stations have all their worldly goods invested in their businesses. Is it not natural to assume that these small people would readily bend to the pressure and coercive practices by the big corporations?

It is interesting to note that one of the hearing examiners of the Federal Trade Commission in *The Matter of B. F. Goodrich Company and The Texas Company* (FTC docket No. 6485), recognized that dealers appearing to testify were under considerable pressure because they were naturally interested in not jeopardizing the renewal of their leases.

The acts and practices of the petroleum suppliers which involve coercion of its dealers are prejudicial to the public interest and have a tendency and capacity to restrict, restrain, or lessen competition in the sale of TBA products and constitute unfair methods of competition and unfair acts and practices in the commerce within the intent and meaning of the antitrust laws.

It is, therefore, the purpose of H.R. 9894 to remove the impediments to the distribution of TBA items in interstate commerce, which impediments arise from the dominance and control of the retail market by producers. This bill is designed to restore true, unfettered, and unsubsidized competition in the distribution of motor vehicle parts, equipment, accessories, and supplies through prohibiting the practices which have led to such impediments.

The antitrust laws are perhaps the most important statutes in the United States Code, and have become a part of the warp and woof of our economic fabric. These laws originated in an era of trusts and combinations, when predatory and monopolistic interests openly sought to control the marketplace by the suppression of competition. In the last analysis, such laws are really conservative enactments to preserve democratic capitalism. It is altogether proper and fitting that committees of both Houses of Congress, from time to time, give their attention to the way and manner in which these important statutes function so that they may be improved and amended in order to better fulfill their objectives.

H.R. 9894 is a logical measure designed to protect free and competitive enterprise. It is intended as a further implementation of the board aims and purposes of the antitrust laws in general. It is a truism that no free society can survive on any foundation other than one which guarantees a maximum of individual enterprise and a minimum of power in the hands of a few. The American tradition emphasizes not only private enterprise, but also competitive enterprise. The antitrust acts constitute both a symbol of this tradition and a significant contribution toward making it effective. All through the history of business enterprise it has been accepted as self-evident that personal and political liberties thrive best in those areas where economic freedom is protected and preserved.

H.R. 9894 is but a means to insure that the free enterprise system in the retail business of gasoline service stations be maintained and that coercive measures on the part of their suppliers be not utilized against such dealers. Therefore, I most earnestly urge that this subcommittee report this bill favorably to the full committee. The need for this legislation is urgent and I sincerely trust the full committee will recommend that this bill be enacted into law.

Realities of Soviet Strategy

EXTENSION OF REMARKS

OF

HON. THOMAS J. DODD

OF CONNECTICUT

IN THE SENATE OF THE UNITED STATES

Friday, July 1, 1960

Mr. DODD. Mr. President, on April 26, 1958, the Honorable MICHAEL A. FEIGHAN, Congressman from the 20th District of Ohio, made a very penetrating and prophetic examination of the realities of Soviet strategy. This address was given at the first annual roundtable conference of the Institute of Ethnic Studies at Georgetown University. The conference was attended by scholars and authorities on world affairs from various parts of the United States and other countries of the free world.

The address of Congressman FEIGHAN won the 1959 Vigilant Patriots award given annually by the All-American Conference To Combat Communism.

A short time ago I read the national award winning address given by Congressman FEIGHAN and was impressed with the fact that while it covers an examination of the global conflict, the analysis cuts through complicated problems and issues to arrive at the stark realities which all Americans must understand.

I ask unanimous consent that this address be printed in the RECORD.

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

REALITIES OF SOVIET STRATEGY—WHAT IS BEHIND SOVIET POLICY?

(Address by Representative MICHAEL A. FEIGHAN)

Mr. Chairman, faculty of Georgetown University, the director and staff of the Institute of Ethnic Studies, and distinguished guests, I should like by way of introduction to congratulate the president and the board of governors of Georgetown University for the foresight and leadership they have exercised in the establishment of the institute. I recall the happy circumstances during 1954 under which Georgetown University and its able faculty cooperated with the Select Committee To Investigate Communist Aggression, 83d Congress, in the tremendous task of putting together 17 special reports predicated upon, as I recall it, several tons of historic documents and eyewitness statements given under oath attesting to the nature and the objectives of Communist imperialism. As a member of that select committee, I am privileged to say that without the assistance of Georgetown University much of the information so badly needed to understand the tactics and objectives of world communism would not now be available to the leaders of our Government or to the American people. It is a truism that without the full truth which can come only through a careful and objective examination of all the material available, it is impossible to understand the nature and objectives of communism and accordingly it is impossible to prepare a defense against its further encroachment upon the individual liberties and freedoms of all mankind.

It is fitting that the institute should select as its theme for the first annual roundtable conference the subject—"Nationalism in Our Divided World." By so doing the institute has provided an opportunity for a scholarly examination of the most powerful political movement at work in the world today. In another sense, your deliberations during these 2 days can serve a very useful purpose because nationalism as a worldwide political movement is so little understood here in the United States and elsewhere in the free world. By the wide publication of these deliberations, which I earnestly hope may be done, the basis will be provided for a much needed program of public education.

Unfortunately the grave misunderstandings about the origin and nature of nationalism which has developed in the last 20 years or thereabouts has caused us to confuse positive nationalism with such self-destroying movements as national socialism as epitomized by the dictator Hitler, and so-called national communism, a tactic more recently developed by the Communists as a device for smothering the legitimate national aspirations of subjugated nations.

The topic assigned to me is not an easy one because it calls for an examination of worldwide Russian Communist strategy and an estimate of what lies behind the policy of the Kremlin. I shall approach this assignment by dividing the world arena into four readily understandable parts and then examine Russian-Communist tactics in each of these areas.

The first area to be examined is what I shall call the Russian power orbit which includes the Russian Federated Soviet Socialist Republic some 11 well-defined non-Russian nations forcibly incorporated into the Soviet Union, the 5 so-called satellites of Central Europe, Communist China and the Communist occupied areas of Korea, Vietnam, and Germany.

As I see it, the Russian Federated Soviet Socialist Republic is the heartland of a modern-day Russian empire. The non-Russian nations of the Soviet Union are the first line of colonies of this empire. The Central European satellites and Communist China represent the second line of colonies of the empire. The Communist occupied parts of Korea, Vietnam, and Germany are tactical operation centers from which the Russians expect to add at least three more strategic colonies to their empire in the foreseeable future. It is arguable that the Central European satellites and Communist China are more in the nature of dependencies than colonies. However, I believe that an objective examination of the Russian methods of controlling and exploiting these nations reveals them to be more in the nature of colonies than dependencies.

As to the existence of a modern-day Russian empire, there is much less dispute on this vital question than prevailed but a few years ago. The strange alliance of World War II brought the United States and other free nations into a "working relationship" with the Communist dictatorship. The free nations had nothing more in common with the Communists than the common objective of defeating the dictators Hitler and Mussolini, and at the 11th hour of conflict, Tojo, the leader of Japanese imperialism. This strange alliance muted our understanding of world political realities which existed then as now and beclouded the true nature of our partner of necessity, to-wit: the Russian Communists. The events of the conflict caused the leaders of the Soviet Union to be pictured as allies of democracy and defenders of human freedom. At war's end the people of the free world naturally expected that a period of unparalleled tranquillity among nations would quickly develop and that all the war objectives set forth in the Atlantic Charter and the Declaration of Liberated Territories would be accorded to all the people of the world without exception.

The uneasiness of the strange wartime alliance was soon brought to public attention by the provocative and uncooperative attitude of the Russian Communists in the immediate months following the cessation of armed hostilities. The failure of the Russians to honor their firm commitments with respect to the liberated territories by their rigging of rump elections in Poland, Czechosolovakia, Hungary, Romania, and Bulgaria brought dismay and anxiety to the leaders of the free world. Communist aggression in Greece and Communist threats against the national integrity of Turkey sounded another alarm. This was followed by the Russian inspired and directed Communist conquest of China. The Berlin blockade and Communist aggression in Korea increased already existing political tensions in the world and served to cause the free nations to develop alliances calculated to prevent further Communist aggression. The Russian-instigated war in Vietnam provided additional evidence that the land conscious Russians had not given up their dream of world empire. These unhappy events caused thinking men to shake off most of the political illusions created during World War II. The cold war has forced us to take a cool look at the cold facts of life as it exists in the world of today.

During the past 5 years there has been an increasing amount of evidence of the colossal failure of communism as a system behind the Russian-imposed Iron and Bamboo Curtains. The Communist camp, since the death of Dictator Stalin, has been faced with the choice of giving up communism as a political and economic method or engaging once again in all its most brutal and inhuman methods in an effort to force an unworkable system upon the many different people of a vastly expanded empire. The present Russian leaders in an effort to avoid making the choice have been compelled to expose the failures of communism as a sort of safety valve for the pent-up feelings of the exploited masses. In these circumstances the beclouded picture of life under communism caused by the events of World War II is day by day becoming clearer. On March 5, 1953, just before the Kremlin announcement of the death of the dictator, Stalin, an illuminating editorial appeared in the Moscow Pravda calling for unity within the ruling class of the Soviet Union. This editorial is marked by a sense of fear and urgency and is highlighted by the following statement:

"The ardent, selfless support which the Soviet Government enjoyed in the difficult years of the war from all peoples of the U.S.S.R.—and above all, the confidence in the Soviet Government displayed by the Great [ethnic] Russian people, the leader among the peoples of our country—was the decisive power which insured for our country the historic victory."

There now should remain little doubt in the minds of students of the problem that the basic driving force behind world communism is Russian imperialism. Communist ideology remains as a psychological weapon which is used by the Russian imperialists in their tactical and propagandistic maneuvers directed at the non-Communist world. I believe that with the passage of time these realities will become more apparent and the small amount of confusion which still remains on this basic question will disappear.

The first task, therefore, which confronts the Russians is that of consolidating their colonies to their empire by a wide variety of control mechanisms and tactics, most of which are administrative, propagandistic, military, economic, and perhaps outstanding, by the use of their secret police. From the geographical point alone one can see the tremendous burdens which are involved. The great distance involved, from the Baltic Sea to the Pacific Ocean, imposes grave problems of administration, communications, and the deployment of military forces in such a manner as to be quickly available to put down any political revolutions such as the Hungarian freedom revolution. Added to this are the political and economic problems which compound the overall problem of internal control and consolidation which now confronts the Russian leaders. Coupled to these problems is the fact that there are, at maximum, only 90 million Russians in the empire—a small minority when one considers the unenviable regard with which they have been held historically by the non-Russians in the empire. This, in my view, explains in large part why the Russians must carry out a constant and unrelenting propaganda effort within their own empire.

Communism has a limited appeal with the present-day Russian empire. Only the new aristocracy spawned by the Russian Communists are fixed to the party. The new aristocracy composes but a small fraction of the total population of the empire. Many of them are the opportunists like one finds in any society who put physical comfort as their primary requirement—the role they play to attain this is immaterial to them. Among these are non-Russians who, like their counterparts in any colonial or dependent area, are willing to carry out the orders and plans of the imperialists, providing their material lot is somewhat better than the exploited masses. Still others are infused with historic Russian chauvinism which is reflected by their desire to play a superior role in the attainment of the dream of world empire, which dates back at least 300 years.

On the other hand, the appeal of nationalism is almost unlimited. The people in the non-Russian nations of the present day Russian empire, certainly no less than the people of Asia and Africa, are attuned to the call of this worldwide political movement. Most of them have known the blessings of free and independent governments in the past. All of them have highly advanced and distinctive cultures, languages, arts, music, folklore, and traditions which are supported by a geographical contiguity which reaches far back in history. The suppression of these national traits by the Russians has fanned the flame of nationalism in all their colonies.

While there are minorities in the proper sense of the term within the Russian Federated Soviet Socialist Republic, it is a grave mistake to refer to the people of the non-Russians nations of the Soviet Union as minorities or nationalities. Even the Russians have stopped referring to them as nationalities and minorities, as was the custom in the Czarist Russian Empire. It will be recalled that on the occasion of the commemoration of the 300th anniversary of the Treaty of Peryaslav in 1954, the Kremlin made many proclamations attesting to the fact that Ukraine and other non-Russian nations of the Soviet Union have the status of independent nations. However, the Russians define this independent status as "national in form and Socialist in substance." Clearly this is no independence at all, but rather a clever device of the imperialists to meet the on-rushing wave of nationalism in the non-Russian nations and a propaganda term calculated to mislead the people in the non-Communist world, particularly those who have recently attained national independence or are today striving for that goal.

While the leaders of the Kremlin talk much about the managerial class, the new intelligentsia and economic goals, in fact, their major attention is address to making constant accommodations to the drive of nationalism. This is attested to in part by the fact that today there are more non-Russians holding membership in the presidium and in the secretariat of the central committee of the Communist Party than at any time during the past 40 years. Last November Khrushchev, in an address marking the 40th anniversary of the Bolshevik Revolution, made this revealing statement:

"A powerful, modern industry has been created in all union republics, national group leaders of the working class and intelligentsia have been created and cultures, national in form and Socialist in content, have been widely developed."

These changes did not come from any goodness of the heart on the part of the Russian leaders but rather as a matter of absolute political necessity. Where this trend will eventually lead is a matter which should be given the most careful thought and study by those who believe in the independence of nations and human freedom for all people.

I will not take your time in discussing the powerful trend of the national independence movements in central and north Europe because the case has been made in the public mind by the self-liberating actions of the Poles and the Hungarian Freedom Revolution.

It is my judgment therefore, that the complex internal tactics employed by the Russian leaders are directed at meeting and containing the most powerful force at work within their empire—nationalism.

The second area to be examined is the colonial and dependent areas of the free world. I believe there is general agreement that the African Continent stands as the last remaining colonial area in the free world. The tactics of the Russians directed to the African Continent can be quickly defined as follows:

1. To incite general discontent and disorder among the population at large.

2. To incite the people of the colonial area against the West which is pictured by Communist propaganda as imperialist, colonizers, and exploiters. The United States is singled out in this conection and our desire to lend a helping hand is described by the Russians as "economic imperialism."

3. To stimulate a rapid step-up in the demands for self-government.

4. To train and position cadres of Communist agitators and political commissars whose task it is to seize control of newly independent nations as they emerge from colonial status.

5. To disrupt and retard legitimate efforts of Western nations to train indigenous leaders for responsible and democratic self-government. Without such leadership the rapid emergence from colonial status to independence makes the Nation a vulnerable target for the well-trained cadres of Communist agitators and commissars. So that there shall be no misunderstanding about my meaning in this regard, I point out that there is no justification for any foot dragging on the part of any of the Western nations in hastening the day of independence for all the nations of Africa now in a colonial status.

6. To deny the vast mineral resources of the African Continent to the free enterprise system of economic development. The Russians are well aware that the indigenous leaders have no chance, on their own, of developing these vast resources so as to benefit the African people. Also the Russians do not have the wherewithall, though they are full of rosy promises, to provide what is necessary to bring about a rapid economic advance for the people of Africa. If the Russians are unable to maintain a standard of living for the people in the colonies they have established upon the once free and independent nations since World War II, commensurate with what the people therein have been accustomed to, it is reasonable to ask how they might be expected to help in the economic development of other colonial people? The improbability on this question is multiplied when one understands that the people in the non-Russian colonies of the Russian Empire are day-by-day increasing their demands for the decencies of life.

It is of interest to note that not so long ago the Russian Communists were attacking positive nationalism in Africa by characterizing it as "bourgeois nationalism" and attempting to brand it as a political instrument of the West. Particularly singled out for this treatment was President Tubmann of Liberia. Times have changed, however, and the Russian leaders have been forced to adopt new techniques to meet the increasing threats of nationalism to their dreams of world empire. Today their basic technique is to associate themselves with the rising tide of nationalism in Africa while undertaking measures calculated to capture those political movements and to pervert them into instruments of Russian imperialism. The experience which the Russians have had within their empire and in south and southeast Asia with nationalism taught them that it was a movement which took its strength from the masses of people and therefore could not be defeated by mere propaganda or a head-on political collision.

The third area to be examined is the non-Communist area of Asia and the Near East, particularly the newly independent nations. The political complexion of this entire area has changed since the end of World War II. The colonial empires of the past are no more. In their stead are many independent nations, which today are faced with a variety of internal economic and political problems.

The Russians took unusual steps to associate themselves with the tide of nationalism which swept through Asia during and immediately following the war. The extremes to which they went is best demonstrated by the skillful role played by Ho Chi Minh, an old Comintern agent who, during World War II, took on the disguise of "worker for the national liberation of Vietnam." Through intrigue and propaganda, Ho Chi Minh, an agent of Rusisan imperialism, took over a large part of a legitimate national independence movement in Vietnam and plunged that country into a bloody war which resulted in the present unnatural division of that unhappy land. Similar efforts were made by Russian trained Communists to be in the vanguard of the national liberation movements in Indonesia, the Malay Federation, Cambodia, Laos, and Burma. Even in the Philippines, where the United States had pledged national independence for that country which would come into effect immediately after the war, the Communists attempted to organize armed forces to oppose the establishment of a democratic form of government.

Where the Communists failed to seize control of the national liberation movements they have developed other tactics now directed at the newly independent nations of Asia.

They are:

1. To prevent their orderly and full development as sovereign independent states.

2. To neutralize them in a manner as to isolate them from the stream of progress of civilization. The neutral character which the Russians have been attempting to foist upon these nations is a first step in dragging them into the Russian power bloc.

3. To spread suspicion and disfavor upon the free countries of the West—particularly the United States. The West is pictured by Communist propaganda as "imperialist," "exploiters" and "colonizers"—phrases which have deep meaning to the people of Asia. Little is known by the people in these newly independent countries about either the historic or present-day imperialism and colonial methods of the Russians. This situation is further aggravated by the fact that there is uncertainty in these countries as to just where the United States stands with respect to the rights of nations to national self-determination.

4. To use agitprops to cause internal confusion and dissension—a tactic calculated to prevent bona fide indigenous leaders from stabilizing their countries, developing workable economic progress programs, and cementing national independence of a genuine character. Thus the internal strength necessary to withstand the buffeting and tensions in international affairs caused by Russian actions elsewhere in the world is not developing as rapidly as proven friends of these countries had hoped for.

5. To develop cadres of local Communist commissars for infiltration of the newly independent governments and given time, which the Russians seek by their tactics of confusion and delay, they hope to have a sufficient number of local, trained agents to gain control over the affairs of the newly independent nations.

6. To make gilded promises of economic assistance as a wedge to gain entrance for cadres of so-called technicians and advisers. These so-called technicians and advisers have proven in reality to be skilled Communist agitators. The orderly economic development of these newly independent countries does not fit in with the plans of the Russian Communists. On the other hand economic disorder and stagnation leading to economic dependence on the U.S.S.R. does serve those plans.

In the Near East the Russians have concentrated on the tactic of diverting nationalism into negative and self-destroying channels. There they pose as friends and supporters of the Moslem people despite the fact that one of the largest colonial holdings of the Russians is the former independent Turkestanian Democratic Republic which since 1922 has been subdivided, for purpose of control, into five so-called Soviet Republics. Those are Uzbek, Turkmen, Kirghiz, Tadzhik, and Kazakh. In addition the once free and independent nations of Azerbaijan, North Caucasia and Idel-Ural are now reduced to Russian colonial status. In all, there are well over 30 million Moslem people held within the Russian power bloc.

The Kremlin is now attempting to turn this vulnerability into an asset with an estimated 350 million Moslem people in the Middle East, Africa, south and southeast Asia. Radio Tashkent, located in the heart of old Turkestan, with a powerful radio signal utilizing the major languages and dialects of Asia and Africa, works around the clock spreading the biggest of Communist lies. Neither the United States nor any other free country has a radio signal or program capabilities to even remotely counteract this Russian propaganda campaign. Even Radio Peiping, the organ of the Chinese Communists, is being forced into a secondary position in Asia by the powerful radio signal which emanates from Tashkent. If this situation is allowed to prevail, vast areas of Asia and Africa will, by default, be gravitated into the Russian power bloc.

The fourth area is the free Western World. This is roughly defined by the still free nations of north, west, and south Europe, Great Britain, the Commonwealth countries of Australia and New Zealand, together with the nations of the Western Hemisphere. The tactics directed to this area by the Russian Communists take the following form:

1. To cause confusion among and between the leaders of the free nations. On the foundation of confusion the Communists

can and do quickly build dissension and distrust. This tactic is reflected by the recent efforts of the Russians to entice the United States into bilateral discussions as a prelude to another summit meeting. Only a few days ago Gromyko, the Russian Foreign Minister, refused to see the Ambassadors of the United States, the United Kingdom, and France together, and insisted on carrying on separate preparatory discussion with them. To divide and sow distrust between allies is the objective.

2. To disintegrate and fragmentize the free world alliances which to date have stood as a bulwark against the outbreak of world war III. The distinguished American labor leader, George Meany, in a recent public address spotlighted this tactic by the following statement:

"In recent years Soviet expansion has been blocked through the collective defense system of the West and through American superiority in the thermonuclear field. The primary purpose of Soviet foreign policy is to destroy these safeguards of world peace."

3. To strike fear into the hearts of the people of these free and independent nations by the Russian technique of rattling the atomic and hydrogen bombs in such a manner as to suggest that those countries which prepare adequately to defend their national independence and integrity will be marked out by the Russians for early and special treatment. Today's paper, April 26, 1958, reported that Mikoyan heading a trade delegation to Bonn, Germany, made a proposition that if Germany refused to accept missiles and other defense equipment from NATO, the Russians would guarantee that the West Germans would not be treated to atomic and hydrogen bombs in event of conflict. This is only the latest evidence of this tactic.

4. To stimulate negative nationalism or better defined—isolationism—in each country to an extent that the people therein will be deluded into believing that neutralism is a safe haven for them or that their best interests are served in world affairs by going it alone. If the Russians attain this objective in the free Western world they will then proceed to pick off each of these countries, one by one.

5. To create the impression that the people of the world have no other alternative but to make a choice between all-out atomic warfare or peaceful coexistence on terms laid down by the Kremlin. The primary requirement of the leaders of the Kremlin for peaceful coexistence on their terms is now well defined. Those terms have been publicly stated by Khrushchev on many occasions. They call for the recognition of a status quo as it now exists in the world. The loud clamor of the Russians for another summit meeting has for its immediate objective that of forcing the leaders of the West into a formal recognition of the present-day Russian empire. By this maneuver the Russians are calling upon the United States and other free countries to assist them in their ignoble task of enslaving many nations and hundreds of millions of people. This demand now being made by the Russian Communists underscores the urgency of their needs for time to consolidate their empire, time to work out new accommodations within their empire to meet the rising tide of nationalism, and time during which the leaders and people of the non-Communist world will be forced to haul down their defenses and thus become weakened in their determination to exist as free and independent nations.

6. To propagandize all the people of the non-Communist world into believing that all is well behind the Russian Iron Curtain, that the future belongs to communism, and that the Russian drive for world empire cannot be stopped by any nation or coalition of nations. In this respect the present-day occupants of the Kremlin are making skillful use of the propaganda technique which Genghis Khan first demonstrated with devastating effect as his highly organized mounted army moved from east-central Asia westward in a movement that reached the very gates of old Europe. The advance agents of Genghis Khan went into towns and villages several days march in advance of the golden hordes. There they engaged in a whispering campaign advancing a doctrine of military invincibility of the "Great Khan" together with the considerate treatment he extended to all those who took no active part in resisting his military movements westward. This caused whole villages and provinces to submit meekly to the advance of the golden hordes. Promptly thereafter all the men and male children were murdered, the women ravaged, and the entire area plundered of everything holding material value. We can learn a lesson from the psychological strategy of Genghis Khan by understanding that his successors, who now occupy the Kremlin, have borrowed his techniques of psychological warfare and applied them to modern-day conditions in their drive for world empire.

But with all their propaganda the Russian leaders from time to time unwittingly make statements which expose their internal political and economic weaknesses. Only last November in a report to the Supreme Soviet Khrushchev pointed up the lot of the common people of the empire in these words, "We still have unresolved problems and that defects exist and serious difficulties must be overcome * * *." He was referring to an acute housing shortage, the lack of consumer goods and the poor quality and high cost of the limited amount of such goods available to the people. Apparently Khrushchev has found a solution to this problem for himself because he had some very stylish suits and coats made to order in Italy a short while ago.

Since last October the Russians have been taking a great international sleigh ride on their spectacular launching of an earth satellite. There is no doubt this is a considerable accomplishment for a system which is unable to provide a decent way of life for the people it controls. However, I believe it would be a grave error to take this highly sensational accomplishment as evidence that the Russians have achieved a high level of industrial capacity comparable to the United States or that their general level of scientific capability equals that of the free world. Account must be taken of the important part played in the sputnik success by German scientists who were captured or kidnaped by the Russians or otherwise enticed to go to the Soviet Union. Then too, one must take into account the possibility that the Russians needed a spectacular success to draw world attention away from their unattractive record in putting down the Hungarian freedom revolution, which may have caused them to put all their eggs in one attention-catching basket. In any case their spectacular sputnik performance served to wake up the people of the United States to the extent that we quickly thereafter successfully launched three earth satellites of more advanced types which are still circling the world. The last satellite has a life expectancy, as estimated by an eminent scientist, of some 200 years.

Now, turning to the question of what is behind Russian policy, I believe the following conclusions follow logically from the examination of their worldwide tactics:

1. That their goal of world empire remains unchanged.

2. That their serious internal political problems are compelling the Russians to seek another summit conference in order to force the free world to recognize a status quo in the world and to accept an era of peaceful coexistence.

3. The Russians need recognition of a status quo in order to convince the people of the many nations held within their empire that the non-Communist world has deserted them and that there remains no other course open for them but total and final submission to their present colonial status.

4. That the Russian plan for peaceful coexistence is a timesaving device which will permit them a breathing spell during which they will seek to make new accommodations to the rising tide of nationalism within their empire, in Asia, in the Middle East and in Africa. These accommodations will of course seek to smother this natural political movement or pervert it into an instrument of Russian-Communist imperialism.

5. That the Russians are engaged in an all-out effort to fragmentize and finally destroy the free world alliances which have stood firm in a common determination to prevent world war III. The recent declaration of the Russians about ending nuclear bomb tests, immediately after they completed their biggest series of tests, is nothing more than a supporting action to this objective. So long as these alliances of free and independent nations remain prepared to meet and defeat any new power thrust of the Russians the possibilities of a hot war are very slim indeed.

In the face of these realities I cannot resist the temptation of making a few observations on what the non-Communist world could do in these circumstances to advance its own self-interest.

The first is that we should not refuse to enter into a summit meeting with the Russians. We should begin immediately to prepare a new and fresh climate of world opinion for such a meeting. To that end there are a number of meaningful actions which the United States could undertake immediately. Among them I would include:

1. A firm declaration by the President that the United States continues its historic support for the political principle of national self-determination for all people. Such a statement, if properly and fully exploited, would clear away the serious doubts and uncertainties about where we stand on this issue in the critical areas of Asia, Africa, and the Middle East, as well as behind the Russian-imposed Iron and Bamboo Curtains.

2. The United States should take the initiative in convening a conference of the leaders of the free world who, working in concert, should establish a definite date for the independence of each nation on the African continent, and then push ahead rapidly with a program calculated to develop indigenous leaders who will provide responsible and democratic government for the people of each of these nations. Such a step would do much to enhance the cause of free people because it would assure democratic forms of government and at the same time turn the spotlight of world opinion upon the Russian imperialists. Moreover, action of this type would provide incontrovertible evidence of our determination to create a world atmosphere in which the natural right of all nations to national self-determination could be exercised.

3. The President could challenge the Russians to honor the war aims set forth in the Atlantic Charter and the Declaration for the Liberated Territories. Action of this type would quickly expose the basic fallacy of the current Russian demand for a recognition of a status quo as it now exists in the world.

4. The President and Congress could take cooperative action to cause the Voice of America to be in a position where it could effectively counteract the Russian tactic of the big lie which is now being beamed from Radio Tashkent, Radio Moscow, Radio Prague, Radio Peiping, and from other centers within the Russian Empire. There is no valid reason why the Voice of America should not reach the people of all the non-Russian nations

of the U.S.S.R. in their native language with programs calculated to cause them to associate their destiny with that of the United States and other free and independent nations. This would be a very inexpensive undertaking compared to the billions of dollars Congress must now provide to keep our Defense Establishment in a state of certain preparedness.

5. Finally, we should take immediate steps to firmly associate the United States with the coming victory of the national independence movements within the present-day Russian Empire. Our failure to take such steps at this critical stage of the worldwide ideological contest will cost us dearly in terms of the historic friendships which our Founding Fathers have earned for us through their Declaration of Independence and our Nation's lifelong opposition to imperialism and colonialism.

SENATE

SATURDAY, JULY 2, 1960

The Senate met at 10 o'clock a.m., and was called to order by the Vice President.

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

O Thou God, author of liberty, as our Nation comes once more to the birthday of its daring advent among the established governments of the world, may the vivid remembrance of the dark and doubtful days of its beginnings stir the citizens of the Republic to mighty resolves as dangers threaten, more formidable than the founding patriots ever knew. May this latest natal day of the state find in the hearts of all true Americans a vow, registered in heaven, that no sacrifice will be avoided as too costly to defend and preserve our freedoms, as diabolical forces that have not Thee in awe plot their destruction.

And in the shouting and tumult of vast political assemblies just ahead, with all their violent clash of opinion and ambition, may the final decisions be fashioned as the paramount question is prayerfully faced: For the land we all love, what will be the best in the fiery tests that loom ahead?

Grant us unity of purpose as we work and pray for—

The peace that comes of purity
And strength to simple justice due;
For so runs our loyal dream of Thee,
God of our Nation, make it true.
Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Friday, July 1, 1960, was dispensed with.

ENROLLED BILLS SIGNED

The VICE PRESIDENT announced that on today, July 2, 1960, he signed the following enrolled bills, which had previously been signed by the Speaker of the House of Representatives:

H.R. 1157. An act to provide for promotion of economic and social development in the Ryukyu Islands;

H.R. 3375. An act to encourage and stimulate the production and conservation of coal in the United States through research and development by authorizing the Secretary of the Interior to contract for coal research, and for other purposes;

H.R. 4049. An act to amend the Federal Aviation Act of 1958 in order to authorize free or reduced-rate transportation for certain additional persons;

H.R. 4386. An act to amend title 18 of the United States Code to make it unlawful to destroy, deface, or remove certain boundary markers on Indian reservations to hunt, fish, or trap;

H.R. 5040. An act to amend and clarify the reemployment provisions of the Universal Military Training and Service Act, and for other purposes;

H.R. 5098. An act to provide for the application and disposition of net revenues from the power development on the Grand Valley Federal reclamation project, Colorado;

H.R. 6179. An act to grant the right, title, and interest of the United States in and to certain lands to the city of Crawford, Nebr.;

H.R. 7903. An act to amend chapter 37 of title 38, United States Code, to extend the veterans' guaranteed and direct loan program for 2 years;

H.R. 8295. An act to authorize the transfer to the Navajo Tribe of irrigation project works on the Navajo Reservation, and for other purposes;

H.R. 9702. An act to amend section 2771 of title 10, United States Code, to authorize certain payments of deceased members' final accounts without the necessity of settlement by General Accounting Office;

H.R. 10500. An act to amend the Career Compensation Act of 1949 with respect to incentive pay for certain submarine service;

H.R. 10596. An act to change the method of payment of Federal aid to State or territorial homes for the support of disabled soldiers, sailors, airmen, and marines of the United States;

H.R. 11602. An act to amend certain laws of the United States in light of the admission of the State of Hawaii into the Union, and for other purposes; and

H.R. 12200. An act to amend title 10, United States Code, to authorize reduction in enlisted grade upon approval of certain court-martial sentences.

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 VICE PRESIDENT. Without objection, it is so ordered.

WISDOM OF THE RECESS

Mr. JOHNSON of Texas. Mr. President, the wisdom of the Senate in adopting the adjournment resolution for the recess was clearly demonstrated by what happened yesterday to the minimum wage bill. If we were crowding a deadline, it would be very difficult to do anything other than correct the error today; and, Mr. President, to get it corrected today might be a very difficult job. Under the resolution we agreed to, we can now consider the measure in the normal course of procedure and pass the bill a majority of the Senators really want to pass, after deliberate and judicious consideration, and not just act upon a measure we have had sent to us because there is no time to do anything else.

Mr. President, on another subject.

The VICE PRESIDENT. The Senator from Texas has the floor.

AMERICAN AGRICULTURE

Mr. JOHNSON. Mr. President, in spite of the fact we are living in the space age—the age of intercontinental missiles and satellites—agriculture is still the biggest industry in the United States.

American agriculture—the largest and most efficient in the world—is a $46 billion a year operation.

No one will argue with the fact that agriculture is the lifeblood of our American free enterprise system.

Forty percent of our total population live in towns and communities of 5,000 or less, and these 40 percent depend largely on agriculture for their basic incomes, either directly or indirectly.

Agriculture accounts for 14 percent of the entire capital worth of the United States.

Agriculture utilizes one-half as much steel each year as does our automobile industry.

Farmers consume more electric power than do the cities of Baltimore, Boston, Chicago, Detroit, and Houston, combined, each year.

Farmers use $6 billion worth of containers and packaging material to pack the food they produce each year.

In every sense of the word, agriculture is a tremendous force in our modern-day economy. It is an economic fact of life that when agriculture prospers, our overall economy prospers; and when agriculture suffers, our entire economy lags behind.

Regardless of attempts to gloss over the real facts, agriculture as we have known it is today in a death struggle for survival.

Look at what has happened in the past 10 years:

Our population has increased by 17 percent, but the number of farms has steadily decreased.

The per capita income of the Nation has increased 38 percent since 1950, but net farm income has dropped 15 percent.

These trends cannot continue. They are unmistakable indications of a sick farm economy. If they are allowed to go unchecked, they will spell disaster for agriculture as a way of life in the United States.

Those who would like to cover up our farm problems and tell us everything is rosy are afraid to face reality.

They tell us repeatedly that the problem is simple—that it is a mere matter of producing more than we can consume.

They tell us the solution is a mere matter of giving the farmer his freedom—allowing him to produce what he wants—and letting prices fall where they may. Sooner or later—we are told—supply and demand will adjust to each other and everything will be just fine.

That sounds beautiful—but they dare not tell us the main part of the story.