Many of the modern postal services had their origin in the legislation of 1845, including the star routes.

Although East Freedom was not directly concerned with the pony express which was inaugurated in 1860, this service played an important part in speeding settlement of the West and was responsible for experiments which led to the railway post office car in 1862.

Rural delivery service, which started in 1896, made the post office even more important to this community as well as to many others.

We are all aware of what this service has meant and continues to mean to many people.

There is no measure of the convenience of having personal and business letters, magazines, and newspapers delivered daily to us at our homes.

Parcel post service increased the value of rural delivery to many citizens.

This rural delivery service means we are not obliged to make calls at the post office so frequently.

Perhaps this very service has caused the significance of the post office to become less apparent than in the days when everyone was required to call in person for his mail.

The list of services rendered by the postal service is far too long to detail here.

Briefly, I will mention some of the duties added to the work of postal employees aside from the handling of the mails.

Over the years these include the sale of U.S. bonds and Treasury certificates, sale and redemption of various types of bonds such as the liberty and savings bonds, sale of revenue stamps and duck stamps, collection of custom duties on parcels, registering of aliens, forwarding donations for a long list of charitable organizations, taking deer or grouse census, giving information on civil service examinations, display of posters for the armed services and of pictures of criminals wanted by Federal authorities.

The post office assists almost every other department of Government in some way and in many instances is the only representative of the Federal Government in the community.

The post office of East Freedom is part of the Nation's postal service, a service which has contributed so much to the progress and welfare of the people. Like the national postal service, the post office of East Freedom has been and continues to be a vital and significant institution in the lives of the citizens of this community.

Therefore, as a Member of Congress who has consistently sought to help modernize some 12,000 post offices considered obsolete or providing inadequate space, I share your joy on the acquisition of this new and modern post office building, and I am pleased to be here with you today to participate in the dedication ceremonies.

HOUSE OF REPRESENTATIVES

MONDAY, JANUARY 22, 1962

The House met at 12 o'clock noon.

The Reverend Joseph J. Fedorek, rector, St. Michael's Ukrainian Catholic Church, Shenandoah, Pa., offered the following prayer:

In the name of the Father and of the Son and of the Holy Ghost. Amen.

Almighty, all loving, and eternal Father, we Thy children humbly bow and acknowledge Thy divine benevolence and offer our profound gratitude for the abundant blessings Thou hast bestowed upon America and her children.

We beseech Thee, our Creator, to look favorably upon our beloved President John Kennedy and to guide, strengthen, and assist him in the arduous duties and obligations that daily confront him. Bless our Vice President, LYNDON JOHNSON; grant wisdom, understanding, and courage to the Members of this 87th Congress and divine guidance to the new Speaker of this House, JOHN MCCORMACK.

Merciful Father, we recommend to Thy clemency the souls of the heroic dead of our Armed Forces; hold not against them any of their iniquities, but grant them eternal rest with the company of Thy saints in heaven.

Cognizant and deeply grateful for the freedoms which we enjoy in these United States of America, we pray to Thee, our Heavenly Father, for all enslaved peoples and nations, whose names and sufferings are invoked in the Captive Nations Week resolution enacted by Congress.

Our Father, in whose image we, Thy children, have been created; Thou hast instilled in our hearts at birth the desire to live as free human beings; we implore Thee today on the 44th anniversary of the independence of Ukraine, to turn Thy benevolent countenance on this enslaved nation and her children and to sustain them with hope, they, who were the first to feel the lash of liquidations and inhuman tortures of the Kremlin.

O God, in spite of the many crosses borne by your Ukrainian children in slave-labor camps, in prisons, Siberian wastelands, death marches, and starvation, yet, Thy children remain steadfast and are sustained in their faith, recalling frequently the Good Friday endured by Thy divine Son prior to His glorious resurrection on Easter Sunday.

May the end be in sight of the Good Friday being endured by the Ukrainian Nation. May its resurrection as a sovereign nation be swift in coming to pass, we pray and beseech Thee, through Jesus Christ our Lord, Thy Son, who with Thee liveth and reigneth in the unity of the Holy Ghost forever. Amen.

THE JOURNAL

The Journal of the proceedings of Thursday, January 18, was read and approved.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

JANUARY 22, 1962.

The Honorable the SPEAKER,
House of Representatives.

SIR: I have the honor to transmit herewith a sealed envelope addressed to the Speaker of the House of Representatives from the President of the United States, received in the Clerk's office at 1:15 p.m. on January 20, 1962, and said to contain the Economic Report of the President together with the annual report of the Council of Economic Advisers.

Respectfully yours,
RALPH R. ROBERTS,
Clerk, U.S. House of Representatives.

ECONOMIC REPORT OF THE PRESIDENT (H. DOC. NO. 278)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Joint Economic Committee and ordered to be printed with illustrations:

To the Congress of the United States:

I report to you under the provisions of the Employment Act of 1946 at a time when—

The economy has regained its momentum;

The economy is responding to the Federal Government's efforts, under the act, "to promote maximum employment, production, and purchasing power";

The economy is again moving toward the central objective of the act—to afford "useful employment opportunities, including self-employment, for those able, willing, and seeking to work."

My first Economic Report is an appropriate occasion to reemphasize my dedication to the principles of the Employment Act. As a declaration of national purpose and as a recognition of Federal responsibility, the act has few parallels in the Nation's history. In passing the act by heavy bipartisan majorities, the Congress registered the consensus of the American people that this Nation will not countenance the suffering, frustration, and injustice of unemployment, or let the vast potential of the world's leading economy run to waste in idle manpower, silent machinery, and empty plants.

The framers of the Employment Act were wise to choose the promotion of "maximum employment, production, and purchasing power" as the keystone of national economic policy. They were confident that these objectives can be effectively promoted "in a manner calculated to foster and promote free competitive enterprise and the general welfare." They knew that our pursuit of maximum employment and production would be tempered with compassion, with justice, and with a concern for the future. But they knew also that the other standards we set for our economy are easier to meet when it is operating at capacity. A full employment economy provides opportunities for useful and satisfying work. It rewards enterprise with profit. It generates saving for the future and transforms it into productive investment. It opens doors for the unskilled and underprivileged and closes them against want and frustration. The conquest of unemployment is not the sole end of economic policy, but it is surely an indispensable beginning.

The record of the economy since 1946 is a vast improvement over the prolonged mass unemployment of the 1930's. The Employment Act itself deserves no small part of the credit. Under the mandate and procedures of the act, both Congress and the Executive have kept the health

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

of the national economy and the economic policies of the Government under constant review. And the national commitment to high employment has enabled business firms and consumers to act and to plan without fear of another great depression.

Though the postwar record is free of major depression, it is marred by four recessions. In the past 15 years, the economy has spent a total of 7 years regaining previous peaks of industrial production. In 2 months out of 3, 4 percent or more of those able, willing, and seeking to work have been unable to find jobs. We must do better in the 1960's.

To combat future recessions—to keep them short and shallow if they occur—I urge adoption of a three-part program for sustained prosperity, which will (1) provide standby power, subject to congressional veto, for temporary income tax reductions, (2) set up a standby program of public capital improvements, and (3) strengthen the unemployment insurance system.

These three measures will enable the Government to counter swings in business activity more promptly and more powerfully than ever before. They will give new and concrete meaning to the declaration of policy made in the Employment Act. They will constitute the greatest step forward in public policy for economic stability since the act itself.

As the Employment Act prescribes, I shall in this report review "economic conditions" in the United States in 1961 and "current and foreseeable economic trends in the levels of employment, production, and purchasing power"; set forth "the levels of employment, production, and purchasing power obtaining in the United States and such levels needed to carry out the policy" of the act; and present my economic program and legislative recommendations for 1962.

PROGRESS IN 1961

Last January the economy was in the grip of recession. Nearly 7 percent of the labor force was unemployed. Almost one-fifth of manufacturing capacity lay idle. Actual output was running $50 billion (annual rate) short of the economy's great potential. These figures reflected not only the setback of 1960–61 but the incomplete recovery from the recession of 1957–58. The task before us was to recover not from one but from two recessions.

At the same time, gold was leaving the country at a rate of more than $300 million a month. In the 3 previous years, the Nation had run a total deficit of $10 billion in its basic international accounts. These large and persistent deficits had weakened confidence in the dollar.

In my message to the Congress on February 2, I stated that this administration's "realistic aims for 1961 are to reverse the downtrend in our economy, to narrow the gap of unused potential, to abate the waste and misery of unemployment, and at the same time to maintain reasonable stability of the price level." In a message on the balance of payments on February 6, I added a fifth aim, to restore confidence in the dollar and to reduce the deficit in international payments.

These five aims for 1961 have been achieved:

(1) The downtrend was reversed. Gross national product (GNP) grew from $501 billion (annual rate) in the first quarter to a record rate of $542 billion in the last quarter. In July, industrial production regained its previous peak, and by the end of the year it showed a total rise of 13 percent.

(2) These gains brought into productive use nearly half the plant capacity which was idle at the beginning of the year. The growth of GNP narrowed the overall gap of unused potential from an estimated 10 percent to 5 percent.

(3) Unemployment dropped from 6.8 to 6.1 percent of the labor force. The number of areas of substantial labor surplus declined from 101 in March to 60 in December.

(4) Price stability has been maintained during the recovery. Since February, wholesale prices have fallen slightly, and consumer prices have risen only one-half of 1 percent.

(5) Confidence in the dollar has been restored. Our gold losses were cut from $1.7 billion in 1960 to less than $0.9 billion in 1961. The deficit in 1961 in our basic international transactions was about one-third as large as in 1960.

The program to restore momentum to the American economy which I proposed to the Congress on February 2 resulted in prompt legislation to—

Extend unemployment insurance benefits on a temporary basis;

Make Federal aid available, through the States, to dependent children of the unemployed;

Liberalize social security benefits;

Promote homebuilding under the Housing Act of 1961;

Raise the minimum wage and extend it to more workers;

Provide Federal aid under the Area Redevelopment Act, to revitalize the economies of areas with large and persistent unemployment.

Prompt executive action was taken to accelerate Federal purchases and procurement, highway fund distributions, tax refunds, and veterans' life insurance dividends. The administration raised farm price supports, expanded the food distribution program, and established eight pilot food stamp programs.

Monetary and credit policies responded to the dual demands of economic recovery and the balance of payments. On the one hand, the Federal Reserve System maintained general monetary ease; Federal Reserve open market operations, complemented by Treasury management of the public debt and of Government investment accounts, assured an ample supply of credit which served to counter upward pressures on long-term interest rates; reduction of FHA ceiling rates, supported by FNMA mortgage purchases, eased mortgage credit and stimulated homebuilding; and the Small Business Administration made its credit more widely available at lower cost. On the other hand, both monetary and debt management policies countered downward pressures on short-term rates, with a view to checking the outflow of funds to money markets abroad.

The Federal budget played its proper role as a powerful instrument for promoting economic recovery. The measures to relieve distress and restore economic momentum expanded purchasing power early in the year. Subsequently, major increases in expenditure for national security and space programs became necessary. In a fully employed economy, these increases would have required new tax revenues to match. But I did not recommend tax increases at this point because they would have cut into private purchasing power and retarded recovery.

The increase of GNP—$41 billion (annual rate) from the first to the fourth quarter—reflected increased purchases of goods and services by consumers, business, and governments:

Consumers accounted for nearly half. As household incomes rose, consumer expenditure expanded by $18 billion.

Residential construction and business expenditures for fixed investment responded promptly to the recovery and to favorable credit conditions. By the end of the year, they had risen by $8 billion.

Business stopped liquidating inventories and started rebuilding them. This shift, which occurred early in the year and helped get recovery off to a flying start, added $8 billion to the demand for goods and services by the fourth quarter.

Federal, State, and local government purchases rose by $8 billion.

Although exports were somewhat higher in the fourth quarter than in the first, the rise in imports in response to recovery lowered net exports by $1 billion.

Labor, business, and farm incomes rose as the economy recovered. Wages and salaries increased by $19 billion (annual rate) from the first quarter to the fourth. Corporate profits after taxes recovered sharply, receiving about 15 percent of the gains in GNP. With the help of new programs, farm operators' net income from farming increased from $12 billion in 1960 to $13 billion in 1961, and net income per farm rose by $350. The after-tax incomes of American consumers increased by $21 billion, or $92 per capita, during the year. Since consumer prices rose by only one-half of 1 percent, these gains in income were almost entirely gains in real purchasing power.

One million jobs were added by nonagricultural establishments during the expansion. But employment did not keep pace with production and income. Productivity rose rapidly as capacity was more fully and efficiently utilized. And more workers on part-time jobs were able to work full time.

The record of 1961 demonstrated again the resiliency of the U.S. economy with well-timed support from Government policy. Business responded to the expansion of purchasing power by producing more goods and services, not by raising prices. Indeed, the record of price stability in three quarters of expansion was better than in the three preceding quarters of recession. The

rates of advance of production and income compared favorably with the two preceding periods of expansion. Production grew rapidly without straining capacity or encountering bottlenecks.

As 1961 ended, actual output was still $25 to $30 billion short of potential, and unemployment was far too high. But much of the industrial manpower, machinery, and plant that lay idle a year ago had been drawn back into productive use. And the momentum of the 1961 recovery should carry the economy further toward full employment and full production in 1962.

GOALS OF ECONOMIC POLICY

Though we may take satisfaction with our progress to date, we dare not rest content. The unfinished business of economic policy includes (1) the achievement of full employment and sustained prosperity without inflation, (2) the acceleration of economic growth, (3) the extension of equality of opportunity, and (4) the restoration of balance of payments equilibrium. Economic policy thus confronts a demanding assignment, but one which can and will be met within the framework of a free economy.

OUR GOAL OF FULL AND SUSTAINED PROSPERITY WITHOUT INFLATION

Recovery has carried the economy only part of the way to the goal of maximum production, employment, and purchasing power. The standing challenge of the Employment Act is not merely to do better, but to do our best—the maximum. Attainment of that maximum in 1963 would mean a gross national product of approximately $600 billion, wages and salaries of over $320 billion, and corporate profits of as much as $60 billion, all in 1961 prices. The material gains are themselves staggering, but they are less important than the new sense of purpose and the new opportunities for improvement of American life that could be realized by maximum use of the productive capacity now lying idle and the capacity yet to be created.

Involuntary unemployment is the most dramatic sign and disheartening consequence of underutilization of productive capacity. It translates into human terms what may otherwise seem merely an abstract statistic. We cannot afford to settle for any prescribed level of unemployment. But for working purposes we view a 4-percent unemployment rate as a temporary target. It can be achieved in 1963, if appropriate fiscal, monetary, and other policies are used. The achievable rate can be lowered still further by effective policies to help the labor force acquire the skills and mobility appropriate to a changing economy. We must also continue the cooperative effort, begun with the Area Redevelopment Act of 1961, to bring industry to depressed areas and jobs to displaced workers. Ultimately, we must reduce unemployment to the minimum compatible with the functioning of a free economy.

We must seek full recovery without endangering the price stability of the last 4 years. The experience of the past year has shown that expansion without inflation is possible. With cooperation from labor and management, I am confident that we can go on to write a record of full employment without inflation.

The task of economic stabilization does not end with the achievement of full recovery. There remains the problem of keeping the economy from straying too far above or below the path of steady high employment. One way lies inflation, and the other way lies recession. Flexible and vigilant fiscal and monetary policies will allow us to hold the narrow middle course.

OUR GOAL OF ECONOMIC GROWTH

While we move toward full and sustained use of today's productive capacity, we must expand our potential for tomorrow. Our postwar economic growth—though a step ahead of our record for the last half-century—has been slowing down. We have not in recent years maintained the 4- to 4½-percent growth rate which characterized the early postwar period. We should not settle for less than the achievement of a long-term growth rate matching the early postwar record. Increasing our growth rate to 4½ percent a year lies within the range of our capabilities during the 1960's. It will lay the groundwork for meeting both our domestic needs and our world responsibilities.

In November of last year we joined with our 19 fellow members of the Organization for Economic Cooperation and Development in setting a common target for economic growth. Together we pledged ourselves to adopt national and international policies aimed at increasing the combined output of the Atlantic community by 50 percent between 1960 and 1970. The nations of the West are encouraged and enlivened by America's determination to make its full contribution to this joint effort.

We can do our share. In the mid-1960's, the children born in 1943 and after will be arriving at working age. The resulting rapid growth in our labor force offers us an opportunity, not a burden—provided that we deliver not only the jobs but also the research, the training, and the capital investment to endow our new workers with high and rising productivity as they enter economic life.

OUR GOAL OF EQUAL OPPORTUNITY

Increasingly in our lifetime, American prosperity has been widely shared and it must continue so. The spread of primary, secondary, and higher education, the wider availability of medical services, and the improved postwar performance of our economy have bettered the economic status of the poorest families and individuals.

But prosperity has not wiped out poverty. In 1960, 7 million families and individuals had personal incomes lower than $2,000. In part, our failure to overcome poverty is a consequence of our failure to operate the economy at potential. The incidence of unemployment is always uneven, and increases in unemployment tend to inflict the greatest income loss on those least able to afford it. But there is a claim on our conscience from others, whose poverty is barely touched by cyclical improvements in general economic activity. To an increasing extent, the poorest families in America are those headed by women, the elderly, nonwhites, migratory workers, and the physically or mentally handicapped—people who are shortchanged even in time of prosperity.

Last year's increase in the minimum wage is evidence of our concern for the welfare of our low-income fellow citizens. Other legislative proposals now pending will be particularly effective in improving the lot of the least fortunate. These include (1) health insurance for the aged, financed through the social security system, (2) Federal aid for training and retraining our unemployed and underemployed workers, (3) the permanent strengthening of our unemployment compensation system, and (4) substantial revision in our public welfare and assistance program, stressing rehabilitation services which help to restore families to independence.

Public education has been the great bulwark of equality of opportunity in our democracy for more than a century. Our schools have been a major means of preventing early handicaps from hardening into permanent ignorance and poverty. There can be no better investment in equity and democracy—and no better instrument for economic growth. For this reason, I urge action by the Congress to provide Federal aid for more adequate public school facilities, higher teachers' salaries, and better quality in education. I urge early completion of congressional action on the bill to authorize loans for construction of college academic facilities and to provide scholarships for able students who need help. The talent of our youth is a resource which must not be wasted.

Finally, I shall soon propose to the Congress an intensive program to reduce adult illiteracy, a handicap which too many of our fellow citizens suffer because of inadequate educational opportunities in the past.

OUR GOAL OF BASIC BALANCE IN INTERNATIONAL PAYMENTS

Persistent international payments deficits and gold outflows have made the balance of payments a critical problem of economic policy. We must attain a balance in our international transactions which permits us to meet heavy obligations abroad for the security and development of the free world, without continued depletion of our gold reserves or excessive accumulation of short-term dollar liabilities to foreigners. Simultaneously, we must continue to reduce barriers to international trade and to increase the flow of resources from developed to developing countries. To increase our exports is a task of highest priority, and one which gives heightened significance to the maintenance of price stability and the rapid increase of productivity at home.

POLICIES FOR 1962

PROSPECTS FOR 1962

The Nation will make further economic progress in 1962. Broad advances are in prospect for the private economy. The gains already achieved have set the stage for further new records in output, employment, personal income, and profits. Rising household incomes brighten

the outlook for further increases in consumer buying, particularly of durable goods. Business firms will need larger inventories to support higher sales, and improved profits and expanded markets will lead to rising capital outlays. The outlays of Federal, State, and local governments will continue to increase as we work for peace and progress.

In the first half of 1962, we may therefore expect vigorous expansion in production and incomes, with GNP increasing to a range of $565 to $570 billion in the second quarter, employment continuing to rise, and the unemployment rate falling further.

In the second half of 1962, business investment in plant and equipment should pick up speed and help maintain the momentum of progress toward full employment—and toward future economic growth. Rising output should push factory operating rates closer to capacity and raise profits still further above previous records. To these incentives for capital expenditures will be added Treasury liberalization of depreciation guidelines and, if the Congress acts favorably, the 8 percent tax credit for machinery and equipment outlays.

For 1962 as a whole, GNP is expected to rise approximately $50 billion above the $521 billion level of 1961. This would be another giant stride toward a fully employed economy. The record of past recoveries and of the U.S. economy's enormous and growing potential indicates that this is a gain we can achieve. In the perspective of our commitments both to our own expanding population and to the world, it is a gain we need to achieve.

BUDGETARY POLICY

Prosperity shrinks budgetary deficits, as recessions create them. Budget revenues are expected to rise 13 percent between the fiscal years 1962 and 1963; revenues rose 14½ percent between 1959 and 1960 in the previous upswing. Such sensitivity of budget revenues to business activity is desirable because it moderates swings in private purchasing power.

I have submitted to the Congress a budget which will balance in fiscal 1963 as prosperity generates sharply rising tax revenues. The budget is appropriately paced to the expected rate of economic expansion. It will give less stimulus to business activity as private demand for goods and services grows stronger and shoulders more of the responsibility for continued gains. But the shift will be moderate and gradual. We have learned from the disappointing 1959–60 experience that an abrupt and excessively large swing in the budget can drain the vigor from the private economy and halt its progress, especially if a restrictive monetary policy is followed simultaneously. This will not be repeated. Budget outlays will rise by $3½ billion from fiscal 1962 to fiscal 1963, whereas they fell by more than that amount from fiscal 1959 to fiscal 1960. The 1963 budget starts from a much smaller deficit and will move to a moderate surplus as the recovery strengthens.

With support from increased Government expenditures and other Government policies, the momentum of the recovery is expected to raise GNP to $570 billion for 1962 as a whole. Prompt enactment of the proposed tax credit for investment would give the economy further strength. Economic expansion at the expected pace will yield $93 billion in budget revenues in fiscal 1963 to cover $92.5 billion in budget expenditures. If private demands for goods and services should prove to be weaker in 1962 than now anticipated, less private purchasing power will flow into taxes, and budget revenues will fall short of the $93 billion figure. If private demands are stronger, tax receipts will rise further and budget revenues will exceed expectations.

A surplus of $4.4 billion in fiscal 1963 is expected in the national income accounts budget, a budget constructed to measure the direct impact of Federal expenditures and receipts on the flow of total spending. The surplus would be several billion dollars higher if the economy were operating steadily at a level high enough to hold unemployment to 4 percent.

Either surplus—prospective or potential—is both a challenge and an opportunity. A Government surplus is a form of saving—an excess of income over expenditure. Like any other form of saving, it releases labor and other productive resources which can be used to create new investment goods—plant, equipment, or houses. If investment demand is not strong enough to use the resources and labor, they will be wasted in unemployment and idle capacity, and the surplus itself will not be realized. But if the necessary investment demand is present, the surplus will make possible the acceleration of economic growth by enlarging the future productive power of the economy. The Government is seeking to help American industry to meet this challenge and seize this opportunity, through such measures as the 8-percent investment tax credit and revisions of depreciation guidelines.

We face 1962 with optimism but not complacency. If private demand shows unexpected strength, public policy must and will act to avert the dangers of rising prices. If demand falls short of current expectations, more expansionary policies will be pursued. In 1962, vigilance and flexibility must be the guardians of economic optimism.

MONETARY AND CREDIT POLICIES

Monetary, credit, and debt management policies can also help to assure that productive outlets exist for the funds that the American people save from prosperity incomes. The balance foreseen in the budget for fiscal year 1963, and the surplus which would arise at full employment, both indicate that fiscal policy is assuming a large share of the burden of forestalling inflationary excesses of demand. With monetary and related policies relieved of a substantial part of this burden, they can more effectively be used to assure a flow of investment funds which will transform the economy's present capacity to save into future capacity to produce.

At the same time, monetary and debt management policies must continue to protect the balance of international payments against outflows of short-term capital. As in 1961, domestic expansion and the balance of payments confront these policies with a dual task, requiring continued ingenuity in technique and flexibility in emphasis.

BALANCE OF PAYMENTS

The program launched last year to reduce our payments deficit and maintain confidence in the dollar will, I am sure, show further results in 1962. I am hopeful that the target of reasonable equilibrium in our international payments can be achieved within the next 2 years; but this will require a determined effort on the part of all of us—Government, business, and labor. This effort must proceed on a number of fronts.

Export expansion: An increase in the U.S. trade surplus is of the first importance. If we are to meet our international responsibilities, we must increase exports more rapidly than the increase in imports which accompanies our economic growth.

Our efforts to raise exports urgently require that we negotiate a reduction in the tariff of the European Common Market. I shall shortly transmit to the Congress a special message elaborating the details of the proposed Trade Expansion Act of 1962 and explaining why I believe that a new trade policy initiative is imperative this year.

To encourage American businessmen to become more export-minded, we have inaugurated a new export insurance program under the leadership of the Export-Import Bank, and we have stepped up our export promotion drive by improving the commercial services abroad of the U.S. Government, establishing trade centers abroad, planning trade fairs, improving the trade mission program, and working with business firms on export opportunities through field offices of the Department of Commerce and the Small Business Administration. Foreign travel to the United States, which returns dollars to our shores, is now being promoted through the first Federal agency ever created for this purpose.

Prices and productivity: Our export drive will founder if we cannot keep our prices competitive in world markets. Though our recent price performance has been excellent, the improving economic climate of 1962 will test anew the statesmanship of our business and labor leaders. I believe that they will pass the test; our Nation today possesses a new understanding of the vital link between our level of prices and our balance of payments.

In the long run, the competitive position of U.S. industry depends on a sustained and rapid advance in productivity. In this, the interests of economic recovery, long run growth, and the strength of the dollar coincide. Modernization and expansion of our industrial plant will accelerate the advance of productivity.

Foreign investment: To place controls over the flow of private American capital abroad would be contrary to our traditions and our economic interests. But neither is there justification for special tax incentives which stimulate the flow of U.S. investment to countries now

strong and economically developed, and I again urge the elimination of these special incentives.

The new foreign trade program which I am proposing to the Congress will help to reduce another artificial incentive to U.S. firms to invest abroad. The European Common Market has attracted American capital, partly because American businessmen fear that they will be unable to compete in the growing European market unless they build plants behind the common tariff wall. We must negotiate down the barriers to trade between the two great continental markets, so that the exports of our industry and agriculture can have full opportunity to compete in Europe.

Governmental expenditures abroad: Military expenditures form by far the greater part of our governmental outlays abroad. We are discussing with certain of our European allies the extent to which they can increase their own military procurement from the United States to offset our dollar expenditures there. As a result, the net cost to our balance of payments is expected to be reduced during the coming year, in spite of increased deployment of forces abroad because of the Berlin situation.

To curtail our foreign aid programs in order to strengthen our balance of payments would be to sacrifice more than we gain. But we can cut back on the foreign currency costs of our aid programs, and thus reduce the burden on our balance of payments. A large percentage of our foreign aid is already spent for procurement in the United States; this proportion will rise as our tightened procurement procedures become increasingly effective.

We have sought to induce other advanced countries to undertake a larger share of the foreign aid effort. We will continue our efforts through the Development Assistance Committee of the Organization for Economic Cooperation and Development to obtain a higher level of economic assistance by other industrial nations to the less-developed countries.

Short-term capital movements: Outflows of volatile short-term funds added to the pressures on the dollar in 1960. Our policies in 1961 have diminished the dangers of disruptive movements of short-term capital. For the first time in a generation, the Treasury is helping to stabilize the dollar by operations in the international exchange markets. The Federal Reserve and the Treasury, in administering their monetary policy and debt management responsibilities, have sought to meet the needs of domestic recovery in ways which would not lead to outflows of short-term capital.

During the past year, we have consulted periodically with our principal financial partners, both bilaterally and within the framework of the OECD. These consultations have led to close cooperation among fiscal and monetary authorities in a common effort to prevent disruptive currency movements.

Strengthening the international monetary system: The International Monetary Fund is playing an increasingly important role in preserving international monetary stability. The reserve strength behind the dollar includes our drawing rights on the Fund, of which $1.7 billion is automatically available under current practices of the Fund. An additional $4.1 billion could become available under Fund policies, insofar as the Fund has available resources in gold and usable foreign currencies. Recently, the Fund has diversified its use of currencies in meeting drawings by member countries, relying less heavily on dollars and more heavily on the currencies of countries with payments surpluses. However, the Fund's regular holdings of the currencies of some important industrial countries are not adequate to meet potential demands for them.

In a message to the Congress last February, I said: "We must now, in cooperation with other lending countries, begin to consider ways in which international monetary institutions—especially the International Monetary Fund—can be strengthened and more effectively utilized, both in furnishing needed increases in reserves, and in providing the flexibility required to support a healthy and growing world economy."

We have now taken an important step in this direction. Agreement has been reached among 10 of the major industrial countries to lend to the Fund specified amounts of their currencies when necessary to cope with or forestall pressures which may impair the international monetary system. These standby facilities of $6 billion will be a major defense against international monetary speculation and will powerfully reinforce the effectiveness of the Fund. They will provide resources to make our drawing rights in the Fund effective, should we need to use them. Moreover, the U.S. standby commitment of $2 billion will augment the resources potentially available through the Fund to other participants in the agreement, when our balance of payments and reserve positions are strong. I shall shortly submit a request to Congress for appropriate enabling legislation.

PRICES AND WAGES

Prices and production need not travel together. A number of foreign countries have experienced both rapid growth and stable prices in recent years. We ourselves, in 1961, enjoyed a stable price level during a brisk economic recovery.

While rising prices will not necessarily accompany the expansion we expect in 1962, neither can we rely on chance to keep our price level stable. Creeping inflation in the years 1955–57 weakened our international competitive position. We cannot afford to allow a repetition of that experience.

We do not foresee in 1962 a level of demand for goods and services which will strain the economy's capacity to produce. Neither is it likely that many industries will find themselves pressing against their capacity ceilings. Inflationary pressures from these sources should not be a problem.

But in those sectors where both companies and unions possess substantial market power the interplay of price and wage decisions could set off a movement toward a higher price level. If this were to occur, the whole Nation would be the victim.

I do not believe that American business or labor will allow this to happen. All of us have learned a great deal from the economic events of the past 15 years. Among both businessmen and workers, there is growing recognition that the road to higher real profits and higher real wages is the road of increased productivity. When better plant and equipment enable the labor force to produce more in the same number of hours, there is more to share among all the contributors to the productive process—and this can happen with no increase in prices. Gains achieved in this manner endure, while gains achieved in one turn of the price-wage spiral vanish on the next.

The Nation must rely on the good sense and public spirit of our business and labor leaders to hold the line on the price level in 1962. If labor leaders in our major industries will accept the productivity benchmark as a guide to wage objectives, and if management in these industries will practice equivalent restraint in their price decisions, the year ahead will be a brilliant chapter in the record of the responsible exercise of freedom.

MEASURES FOR A STRONGER ECONOMY

The final section of my report is summary of my recommendations for legislative action (1) to strengthen our defenses against recession, (2) to strengthen our financial system, (3) to strengthen our manpower base, and (4) to strengthen our tax system.

A PROGRAM FOR SUSTAINED PROSPERITY

Recurrent recessions have thrown the postwar American economy off stride at a time when the economies of other major industrial countries have moved steadily ahead. To improve our future performance I urge the Congress to join with me in erecting a defense-in-depth against future recessions. The basic elements of this defense are (1) Presidential standby authority for prompt, temporary income tax reductions, (2) Presidential standby authority for capital improvements expenditures, and (3) a permanent strengthening of the unemployment compensation system. These three measures parallel important proposals of the Commission on Money and Credit, whose further recommendations are treated under the next heading.

In our free enterprise economy, fluctuations in business and consumer spending will, of course, always occur. But this need not doom us to an alternation of lean years and fat. The business cycle does not have the inevitability of the calendar. The Government can time its fiscal transactions to offset and to dampen fluctuations in the private economy. Our fiscal system and budget policy already contribute to economic stability, to a much greater degree than before the war. But the time is ripe, and the need apparent, to equip the Government to act more promptly, more flexibly, and more forcefully to stabilize the economy—to carry out more effectively its charge under the Employment Act.

Standby tax reduction authority: First, I recommend the enactment of standby authority under which the President, subject to veto by the Congress, could make prompt temporary reductions in the rates of the individual income tax to combat recessions, as follows:

(1) Before proposing a temporary tax reduction, the President must make a finding that such action is required to meet the objectives of the Employment Act.

(2) Upon such finding, the President would submit to Congress a proposed temporary uniform reduction in all individual income tax rates. The proposed temporary rates may not be more than 5 percentage points lower than the rates permanently established by the Congress.

(3) This change would take effect 30 days after submission, unless rejected by a joint resolution of the Congress.

(4) It would remain in effect for 6 months, subject to revision or renewal by the same process or extension by a joint resolution of the Congress.

(5) If the Congress were not in session, a Presidentially proposed tax adjustment would automatically take effect but would terminate 30 days after the Congress reconvened. Extension would require a new proposal by the President, which would be subject to congressional veto.

A temporary reduction of individual income tax rates across the board can be a powerful safeguard against recession. It would reduce the annual rate of tax collections by $2 billion per percentage point, or a maximum of $10 billion—$1 billion per point, or a $5-billion maximum, for 6 months—at present levels of income. These figures should be measured against the costs they are designed to forestall:

The tens of billions of potential output that run to waste in recession;

The pain and frustration of the millions whom recessions throw out of work;

The budget deficits of $12.4 billion in fiscal 1959 or $7.0 billion this year.

The proposed partial tax suspension would launch a prompt counterattack on the cumulative forces of recession. It would be reflected immediately in lower withholding deductions and higher take-home pay for millions of Americans. Markets for consumer goods and services would promptly feel the stimulative influence of the tax suspension.

It would offer strong support to the economy for a timely interval, while preserving the revenue-raising powers of our tax system in prosperity and the wise traditional procedures of the Congress for making permanent revisions and reforms in the system. I am not asking the Congress to delegate its power to levy taxes, but to authorize a temporary and emergency suspension of taxes by the President—subject to the checkrein of congressional veto—in situations where time is of the essence.

Standby capital improvements authority: Second, I recommend that the Congress provide standby authority to the President to accelerate and initiate up to $2 billion of appropriately timed capital improvements when unemployment is rising, as follows:

(1) The President would be authorized to initiate the program within 2 months after the seasonally adjusted unemployment rate—

(a) Had risen in at least 3 out of 4 months (or in 4 out of 6 months); and

(b) Had risen to a level at least 1 percentage point higher than its level 4 months (or 6 months) earlier.

(2) Before invoking this authority, the President must make a finding that current and prospective economic developments require such action to achieve the objectives of the Employment Act.

(3) Upon such finding, the President would be authorized to commit—

(a) Up to $750 million in the acceleration of direct Federal expenditures previously authorized by the Congress,

(b) Up to $750 million for grants-in-aid to State and local governments,

(c) Up to $250 million in loans to States and localities which would otherwise be unable to meet their share of project costs, and

(d) Up to $250 million additional to be distributed among the above three categories as he might deem appropriate.

(4) The authority to initiate new projects under the capital improvements program would terminate automatically within 12 months unless extended by the Congress—but the program could be terminated at any time by the President.

(5) Grants-in-aid would be made under rules prescribed by the President to assure that assisted projects (a) were of high priority, (b) represented a net addition to existing State and local expenditures, and (c) could be started and completed quickly.

(6) Expenditures on Federal projects previously authorized by the Congress would include resource conservation and various Federal public works, including construction, repair, and modernization of public buildings.

(7) After the program had terminated, the authority would not again be available to the President for 6 months.

The above criteria would have permitted Presidential authority to be invoked in the early stages of each of the four postwar recessions—within 4 months after the decline had begun. Furthermore, no false signals would have been given. Were a false signal to occur—for example, because of a strike—the authority, which is discretionary, need not be invoked.

The first impact of the accelerated orders, contracts, and outlays under the program would be felt within 1 to 2 months after the authority was invoked. The major force of the program would be spent well before private demand again pressed hard on the economy's capacity to produce. With the indicated safeguards, this program would make a major contribution to business activity, consumer purchasing power, and employment in a recession by utilizing for sound public investment resources that would otherwise have gone to waste.

Unemployment compensation: Third, I again urge the Congress to strengthen permanently our Federal-State system of unemployment insurance. My specific recommendations include—

(1) Extension of the benefit period by as much as 13 weeks for workers with at least 3 years of experience in covered employment;

(2) Similar extension of the benefit period when unemployment is widespread for workers with less than 3 years of experience in covered employment. This provision could be put into effect by Presidential proclamation when insured unemployment reaches 5 percent, and the number of benefit exhaustions over a 3-month period reaches 1 percent of covered employment;

(3) Incentives for the States to provide increased benefits, so that the great majority of covered workers will be eligible for weekly benefits equal to at least half of their average weekly wage;

(4) Extension of coverage to more than 3 million additional workers;

(5) Improved financing of the program by an increase in the wage base for the payroll tax from $3,000 to $4,800;

(6) Reinsurance grants to States experiencing high unemployment insurance costs;

(7) Provisions which permit claimants to attend approved training or retraining courses without adverse effect on eligibility for benefits.

Wider coverage, extended benefit periods, and increased benefit amounts will help society discharge its obligation to individual unemployed workers. And be maintaining more adequately their incomes and purchasing power, these measures will also buttress the economy's built-in defenses against recession. Temporary extensions of unemployment compensation benefits have been voted by the Congress during the last two recessions. It is time now for permanent legislation to bring this well-tested stabilizer more smoothly into operation when economic activity declines.

In combination, these 3 measures will enable Federal fiscal policy to respond firmly, flexibly, and swiftly to oncoming recessions. Working together on this bold program, the Congress and the Executive can make an unprecedented contribution to economic stability, one that will richly reward us in fuller employment and more sustained growth, and thus, in greater human well-being and greater national strength.

STRENGTHENING THE FINANCIAL SYSTEM

Proposals of the Commission on Money and Credit: The report of the Commission on Money and Credit, published last year, raises important issues of public policy relating to (1) the objectives and machinery of Government for economic stabilization and growth, (2) Federal direct lending and credit guarantee programs, and (3) the structure and regulation of private financial institutions and markets. The Commission's report represents the results of thorough analysis and deliberation by a private group of leading citizens representative of business, labor, finance, agriculture, and the professions. The Commission's findings and recommendations deserve careful consideration by the Congress, the Executive, and the public—consid-

eration which should result in legislative and executive actions to strengthen government policy under the Employment Act and to improve the financial system of the United States. The subjects covered by the Commission can—for the purposes of discussion and action in the Government—usefully be divided into four categories.

(1) To strengthen the instruments of policy for economic stabilization, the Commission recommends permanent improvement of unemployment compensation, flexibility in government capital expenditures, and flexibility in adjusting the basic Federal individual income tax rate. These key proposals are reflected in the three-part antirecession program just described.

(2) In its comprehensive new look at existing financial legislation, the Commission concludes that the following financial restrictions no longer serve the purposes originally intended and unnecessarily complicate or obstruct other government policies: the ceiling on the public debt, the ceiling on permissible interest rates on U.S. Treasury bonds, and the required gold reserve against Federal Reserve notes and deposits. I am sure that the Congress will wish to examine carefully the Commission's recommendations on these points.

(3) The Commission reexamines the structure of the Federal Reserve System and its relationship to other arms of the Federal Government. The desirability of proposed changes in the structure which has evolved over the years can be determined only after extensive consideration by the Congress and by the public.

There are two reforms of clear merit on which there appears to be sufficiently general agreement to proceed at once, and which are of direct concern to the President in the exercise of his responsibility to appoint the members and officers of the Board of Governors of the Federal Reserve System.

The first is to give adequate recognition in the simple matter of salaries to the important responsibilities of the Board of Governors of the Federal Reserve System. The United States is behind other countries in the status accorded, by this concrete symbol, to the leadership of its central bank, and I urge that the Congress take corrective action.

The second is to revise the terms of the officers and members of the Board so that a new President will be able to nominate a Chairman of his choice for a term of 4 years coterminous with his own. This change has the concurrence of the present Chairman of the Board of Governors. The current situation—under which the 4-year term of the Chairman is not synchronized with the Presidential term—appears to be accidental and inadvertent.

Provision should be made now for smooth transition to new arrangements to take effect in 1965. I suggest that, on the expiration of the present term of the Chairman in April 1963, the next term expire on January 31, 1965. In order that, starting in 1965, the President may have a free choice when he begins his own term, it is also necessary to provide that the terms of members of the Board—which now begin and end on January 31 of even years—begin and end in odd years. This change can be accomplished very easily by extending the terms of present members by 1 year.

(4) Several of the Commission's recommendations require careful appraisal by the affected agencies in the executive branch as a basis for future legislative recommendations:

(a) Banks and other private financial institutions: The Commission proposes significant changes in the scope and nature of Government regulations concerning reserves, portfolios, interest rates, and competition. I shall ask an interagency working group in the executive branch to examine the complex issues raised by these proposals. This interagency group will keep in close touch with the relevant committees of the Congress, which will no doubt wish to study these issues simultaneously.

(b) Federal lending and loan guarantee programs: It is clearly time for a thorough review of both their general impact on the economy and their effectiveness for the special purposes for which they were established. Again the Commission's report has performed a valuable service in illuminating basic problems. One important question is the appropriate role—with account taken of both effectiveness and budgetary cost—of direct Federal lending, loan guarantees, and interest sharing. I shall ask a second interagency group in the executive branch to examine these programs.

(c) Corporate pension funds and other private retirement programs: It is time for a reappraisal of legislation governing these programs. They have become, in recent years, a major custodian of individual savings and an important scource of funds for capital markets. The amendment to the Welfare and Pension Plans Disclosure Act which I recommend below will be an important step toward insuring fidelity in the administration of these plans. But there is also need for a review of rules governing the investment policies of these funds and the effects on equity and efficiency of the tax privileges accorded them. I shall ask a third working group of relevant departments and agencies to recommend needed actions in this field, taking into account the findings of the Commission as well as other studies and proposals.

A revision of silver policy: Silver—a sick metal in the 1930's—is today an important raw material for which industrial demand is expanding steadily. It is uneconomic for the U.S. Govenment to lock up large quantities of useful silver in the sterile form of currency reserves. Neither is any constructive purpose served by requiring that the Treasury maintain a floor under the price of silver. Silver should eventually be demonetized, except for its use in coins.

(1) As a first step in freeing silver from Government control, the Secretary of the Treasury at my direction suspended sales of silver on November 29. This order amounted to the withdrawal of a price ceiling on silver which had been maintained by Treasury sales at a fixed price.

(2) The next step should be the withdrawal of the Treasury's price floor under domestically produced silver. Accordingly, I recommended repeal of the acts relating to silver of June 19, 1934, July 6, 1939, and July 31, 1946; this step will free the Treasury from any future obligation to support the price of silver.

(3) I also recommend the repeal of the special 50-percent tax on transfers of interest in silver; this step will foster orderly price movements by encouraging the development of a futures market in silver.

(4) Finally, I recommend that the Federal Reserve System be authorized to issue Federal Reserve notes in denominations of $1; this will make possible the gradual withdrawal from circulation of $1 and $2 silver certificates, and the use of the silver thus released for coinage purposes.

STRENGTHENING OUR MANPOWER BASE

The labor force of the United States is its most valuable productive resource. Measures which enhance the skills and adaptability of the working population contribute to the overall productivity of the economy. Several legislative proposals to serve these ends have already been put before the Congress.

(1) I urge speedy passage of the proposed Manpower Development and Training Act. A growing and changing economy demands a labor force whose skills adapt readily to the requirements of new technology. When adaptation is slow and occupational lines rigid, individuals and society alike are the losers. Individuals take their loss in the form of prolonged unemployment or sharply reduced earning power. Society's loss is measured in foregone output. These are losses we need not suffer. A few hundred dollars invested in training or retraining an unemployed or underemployed worker can increase his productivity to society by a multiple of that investment—quite apart from the immeasurable return to the worker in regaining a sense of purpose and hope. Both compassion and dollars-and-cents reasoning speak for this legislation.

(2) For the same reasons, I urge enactment of the Youth Employment Opportunities Act. This bill provides three types of pilot programs to give young people employment opportunities which would enable them to acquire much-needed skills. These programs include training, employment in public service jobs with public and private nonprofit agencies, and the establishment of Youth Corps Conservation Camps. In the current decade, young men and women will be entering the labor force in rapidly growing numbers. They will expect, and they deserve, opportunities to acquire skills and to do useful work. The price of failure is frustration and disillusion among our youth. This price we are resolved not to pay.

(3) I have already made my recommendations for improvement of the Federal-State unemployment compensation system.

(4) I am asking the Congress for more funds to increase the effectiveness of the

U.S. Employment Service. This important agency has already strengthened its operations, improving its staff and placement services particularly in the largest urban centers, and concentrating on labor market problems of nationwide significance—especially those connected with technological displacement of adult workers and the employment of youth. But the matching of jobs and workers is especially difficult and especially important in a rapidly changing economy, and more can be done. When unfilled jobs and qualified unemployed workers coexist—but do not make contact because the flow of job information is not sufficiently free—the employer, the worker, and the country lose. I urge the Congress to reduce that loss in the most effective way—by revitalizing further the agency charged with disseminating information about job opportunities and willing workers.

(5) I ask for enactment of the pending proposal to amend the Welfare and Pension Plans Disclosure Act so as (a) to provide adequate penalties for embezzlement and (b) to vest authority in a responsible Federal agency to enforce the statute by issuing binding regulations, prescribing uniform reporting forms, and investigating violations. Almost 90 million people rely on some welfare and pension plan for part or all of present or future income. These plans are a major support of the economic security of the American people. We are derelict if we do not provide adequate administrative and enforcement provisions to protect the tremendous financial interest of participants in these funds.

STRENGTHENING OUR TAX SYSTEM

The tax system of the United States has consequences far beyond the simple raising of revenue. The tax laws are a vital part of the economic environment; their effects may be equitable or inequitable; they create incentives which may help or handicap the national interest. We cannot safely ignore these important effects in the comforting illusion that what already exists is perfect. We must scrutinize our tax system carefully to insure that its provisions contribute to the broad goals of full employment, growth, and equity.

My legislative proposals in the tax field are directly related to these goals and the corollary need for improvement in the balance of payments. In particular, I urge the earliest possible enactment of the tax proposals now before the House Committee on Ways and Means. The centerpiece of these proposals is the 8-percent tax credit against tax for gross investment in depreciable machinery and equipment. The credit should be retroactive to January 1, 1962. The tax credit increases the profitability of productive investment by reducing the net cost of acquiring new equipment. It will stimulate investment in capacity expansion and modernization, contribute to the growth of our productivity and output, and increase the competitiveness of American exports in world markets.

The tax credit for investment is in part self-financing. The stimulus it provides to new investment will have favorable effects on the level of economic activity during the year, and this will in turn add to Federal revenues. My other proposals for tax reform are designed to improve the equity and efficiency of the tax system and will offset the remaining net revenue loss:

(1) Extension of the withholding principle to dividend and interest income;

(2) Repeal of the $50 dividend exclusion and the 4-percent dividend credit;

(3) Revision of the tax treatment of business deductions for entertainment, gifts, and other expenses, to stop abuses of "expense-account living";

(4) Elimination of the special tax preference for capital gains from the sale of depreciable property, real and personal;

(5) Removal of unwarranted preferences (a) to cooperatives, (b) to mutual fire and casualty insurance companies, and (c) to mutual savings banks and savings and loan associations; and

(6) Revision of the tax treatment of foreign income, to remove defects and inequities in the law. Removal of the unwarranted incentive to the export of capital will be consistent with the efficient distribution of capital resources in the world and will aid our balance of payments position. Tax deferral privileges should be limited to profits earned in less-developed countries, and opportunities for "tax haven" operations should be eliminated.

In addition, I recommend that the corporate income tax and certain excise taxes again be extended at present levels for another year beyond June 30, 1962, except that the structure of taxes and user charges in the transportation field be altered as proposed in my budget message.

In considering tax revision in the United States, we must not limit ourselves simply to Federal taxation. Our States, counties, and municipalities collect nearly half as much tax revenue as the Federal Government. There is great potential for equity or inequity, for incentive or disincentive, in their highly diverse tax systems. In addition, the effectiveness of Federal tax policies can be enhanced by harmonious coordination with State and local fiscal systems. There is wide latitude for improvements in the coordination of tax systems and in operations with intergovernmental implications. In this effort, the Advisory Commission on Intergovernmental Relations is performing a valuable service. I urge careful study of its recommendations at all levels of government.

Later this year, I shall present to the Congress a major program of tax reform. This broad program will reexamine tax rates and the definition of the income tax base. It will be aimed at the simplification of our tax structure, the equal treatment of equally situated persons, and the strengthening of incentives for individual effort and for productive investment.

The momentum of our economy has been restored. This momentum must be maintained, if the full potential of our free economy is to be released in the service of the Nation and the world. In this report I have proposed a program to sustain our prosperity and accelerate our growth—in short, to realize our economic potential. In this undertaking, I ask the support of the Congress and the American people.

JOHN F. KENNEDY.

RESIGNATION AS LEGISLATIVE COUNSEL OF THE HOUSE OF REPRESENTATIVES

The SPEAKER laid before the House the following communication, which was read:

JANUARY 16, 1962.

Hon. JOHN W. MCCORMACK,
The Speaker, House of Representatives,
The Capitol, Washington, D.C.

DEAR MR. SPEAKER: I hereby submit my resignation as legislative counsel of the House of Representatives, United States, effective at the close of January 31, 1962.

Sincerely yours,

ALLAN H. PERLEY.

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that the reply to the letter just read into the RECORD of the Speaker of the House be included at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The letter referred to follows:

THE SPEAKER'S ROOMS,
HOUSE OF REPRESENTATIVES, U.S.,
Washington, D.C., January 17, 1962.

Mr. ALLAN H. PERLEY,
Legislative Counsel,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. PERLEY: I am in receipt of your letter of January 16 resigning as legislative counsel, House of Representatives, United States, effective at the close of business on January 31, 1962. While I respect very much the reasons which prompted you to take this action, I regret very much you are doing so.

I am well aware of the fact that you have been associated with the office of the legislative counsel since 1925 and from 1949 until the present you have been the legislative counsel. I thoroughly understand the great responsibility of that office, and the tremendous duties devolved upon you. Your life has been dedicated through the House of Representatives in the service of our Government. There is no man who could perform his duties more effectively than you. You have had the respect throughout the years of several Speakers and Members of the House of Representatives. You have my complete respect as you had my confidence.

In accepting your resignation, reluctantly as I do, but respecting your wishes, I want to highly commend you for the outstanding character of service that you have rendered in your most trying, sensitive and important position. I cannot too highly commend you. Speaking for myself, and for the Members of the House of Representatives, I express to you my sincere thanks for service well done. I also extend to you and Mrs. Perley my very best wishes for many future years of happiness, and in any activities in which you might engage, many years of success to you.

With kind personal regards to you and Mrs. Perley, I am,

Sincerely yours,

JOHN W. MCCORMACK,
Speaker.

Mr. HARRIS. Mr. Speaker, the Clerk has just read to the House the resigna-

tion of Allan H. Perley. I know all Members of the House of Representatives join me when I say that we regret sincerely that our good, able, and devoted friend, Allan H. Perley, Legislative Counsel of the House of Representatives, is retiring. I personally have known Allan for more than 21 years. Some Members of the House have known him longer than I.

Mr. Speaker, I take this occasion to pay tribute to Mr. Perley for the many, many years of faithful, capable, efficient, and devoted service he has rendered to the House of Representatives and most every Member of this House who has served in this body since 1925.

Allan Perley was born and reared in the District of Columbia. He attended public schools here in the District. He was born December 23, 1898, the son of Morrison Waite and Florence Gertrude Hall Perley.

In 1922 he graduated from the National University Law School which was later absorbed by the Washington University Law School. He was admitted to the bar of the District of Columbia in 1923. He did postgraduate work at George Washington University Law School in 1923 and Columbia Law School, in New York, in 1924 and 1925. While at Columbia University, he worked in the Legislative Drafting Research Fund. In the fall of 1925 he was appointed as law assistant in the Office of the Legislative Counsel here in the House of Representatives.

He was appointed Legislative Counsel of the House by Speaker Sam Rayburn in 1949, upon the retirement of Middleton Beaman, who had held that position since the Office of the Legislative Counsel was created by the Revenue Act of 1918. He married Mary Ellen Dalghleish. They have one child, a daughter, Jane.

Mr. Speaker, the Office of the Legislative Counsel was created by provisions inserted in the Revenue Act of 1918.

For several years prior to that time the creation of some such office had been considered in bills before the House Committee on the Library, but these proposals failed of passage.

In 1911, Columbia University received from Joseph P. Chamberlain a gift for the establishment of a Legislative Drafting Research Fund. The original trustees of the fund were Professor Chamberlain, professor of public law at Columbia, John Bassett Moore, recently judge of the Permanent Court for International Justice, and Harlan Fiske Stone, Justice of the U.S. Supreme Court, and then dean of the Columbia Law School. These research activities were placed under the direction of a staff headed by Middleton Beaman, at that time Law Librarian of the Library of the Congress.

The directors of this fund subsequently determined that a demonstration of the value of a legislative drafting bureau should be offered to the Congress, and in 1916 Mr. Beaman came to Washington and assisted in the drafting of legislation creating the U.S. Shipping Board. Thereafter the Ways and Means Committee availed itself of the services of "the professors" and the volunteer services furnished by the fund thus for sheer lack of time were confined chiefly to matters before this committee.

During the preparation of the Revenue Act of 1918, Representative John Garner, then a member of the Ways and Means Committee, took the view that the committee should not be dependent upon favors from Columbia and that provision should be made for the establishment of an official agency to render aid on legal phases of legislation. Thus it was that the Office came into being through this revenue legislation. Middleton Beaman became the Legislative Counsel for the House.

The functions of the Office have been to supply aid to Members and committees in drafting of bills and amendments. In practice, this is much more complex that might be indicated in that simple statement, for involved is knowledge of constitutional and administrative law, and the problems involved in the form in which the law may be executed and in the judicial review of the law. In addition the Office has assisted in preparation of legal arguments to be included in committee reports to support the validity of proposed legislation, and at times, in the preparation of legal opinions.

In all of this the Office has been consistent in being of technical help only. It has not had any concern with substantive policy, nor intruded any views in that area. Its personnel consistently has been dedicated to the purposes for which the Office was created, and has constantly enjoyed the confidence of the Members of the House and of its committees.

For the 40-odd-years since its creation, the Office of the Legislative Counsel has had only two heads: Middleton Beaman, and since 1949, Allan Perley. Both of them faithfully and conscientiously carried out the work of that Office. Now, with Mr. Perley's retirement, it is very gratifying to note that the direction of this Office will be assumed by Edward Craft, who has been in that Office for some 20 years, and is well and ably equipped to carry out its splendid traditions.

Mr. Speaker, Allan has carried out his job with devotion and understanding. He was interested only in technical matters and never has he tried to impose his own views on the Members of the House or the committees he has served.

Mr. Speaker, Allan Perley has virtually served as technical adviser to our Committee on Interstate and Foreign Commerce. To me he has been of tremendous help. To the chairmen before me he has been of tremendous help, as well as to all the members of the committee. He has worked under the chairmanship of Messrs. Parker—that goes away back—our beloved and recently departed Speaker of the House, Mr. Rayburn, when he was chairman of the committee, Mr. Lee, Mr. Wolverton, Mr. Crosser, Mr. Priest, and now me.

Mr. Speaker, I think it would be appropriate to indicate some of the important work to which he has contributed on this committee, which indicates the tremendous contribution he has made to the welfare of our country. This includes the Securities Act of 1933, the Securities and Exchange Act of 1934, the Public Utilities and Holding Company Act of 1935, the Motor Carriers Act, the Water Carriers Act, the Transportation Act of 1940, the Civil Aeronautics Act, the Communications Act, the Federal Aviation Act, the Food and Drug Act amendments, the Natural Gas Act, the War Claims Act, the Wool Labeling Act, the National Science Foundation Act, the Transportation Act of 1950, and many others.

Mr. Speaker, Allan Perley is one of the most devoted employees that I have ever had the privilege of working with. He is a genuine individual of outstanding personality. He is a man of high character, and a man that we all appreciated and learned to love. We will miss him very much. I regret that he finds that after these more than 36 years of devoted service to this House he is going to retire. But he certainly is entitled to retirement in order that he and his very lovely wife may enjoy some relaxation in life during future years to come.

Mr. Speaker, I shall now be glad to yield to the distinguished majority leader, the gentleman from Oklahoma [Mr. ALBERT].

Mr. ALBERT. Mr. Speaker, I appreciate the distinguished gentleman yielding to me.

Mr. Speaker, I am glad that the distinguished chairman of the Committee on Interstate and Foreign Commerce has taken this time to enable the House to pay tribute to one of its most competent and illustrious officials, Allan H. Perley.

It is doubtful that anyone in or out of Congress has had a greater impact on more important legislation during the last 37 years than Mr. Perley.

First as assistant counsel and then for the past 13 years as chief legislative counsel, he has served as the right hand man in legislative drafting and assistance to some of the most distinguished Members of this century, including not only the gentleman from Arkansas but the late Speaker Sam Rayburn.

In addition, we have all benefited from his invaluable aid in drafting bills, resolutions, and amendments.

He has ably performed the very important functions of the office of the legislative counsel.

Men like Allan Perley who back up the Members and the committee of the Congress are indispensable to the legislative process.

Mr. Perley's work has been outstanding; he has served the House long and well. We commend him and we offer him our heartfelt appreciation.

It is our prayer that in his retirement he will have a long and happy life and that he will maintain these associations which have been so pleasant and beneficial for us all.

Mr. HARRIS. I thank the gentleman.

I am glad to yield to the distinguished minority leader, the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, speaking for myself and, I am very sure, for all of the Members of the House of Representatives on my side of the political

aisle, I want to commend the gentleman from Arkansas for the words he has so well spoken about a great public servant and a person who has been most helpful to this House of Representatives, Allan Perley. As the gentleman knows, it was my great privilege to serve on the Committee on Interstate and Foreign Commerce starting in 1937 and continuing until I became the majority leader of the 80th Congress in 1947. Of course, it will be understood that during all of that time I was in the minority, which permits me, perhaps, to say this much about Allan Perley: that he never was interested in the politics of any situation. He was not interested in the divisions that sometimes appear among us when matters of great domestic concern are before us. His was always an objective approach helping majority and minority alike whenever he was called upon to offer an opinion.

Mr. Speaker, he was a person of complete fidelity and dedication to the responsibilities that went with that great job that he held.

One thing further: in my time I have participated in the drafting of some of the important legislation to which the gentleman has referred. I have never ceased to be amazed at the complete necessity for understanding of the business of drafting legislation. I used to be something of a lawyer myself. I have seen efforts of other lawyers trying their hand at this very unique business of drafting legislation for us. It is a highly specialized operation, and in Allan Perley we had one of the greatest specialists I ever saw in any field of activity.

So, while we shall miss him and I, for one, dislike to see him go, I can only say that I am sure his decision was the right one; and I wish for him the best of everything in the years to come.

Mr. HARRIS. Mr. Speaker, I might say for the information of the Members that we are glad that Mr. Perley and his lovely wife are in the gallery at the time this very deserved tribute is being paid.

Mr. Speaker, I am glad to yield to the gentleman from Mississippi, a member of the Committee on Interstate and Foreign Commerce, who has also had the opportunity to observe the very fine and efficient work of this great public servant.

Mr. WILLIAMS. Mr. Speaker, I wish to subscribe to everything that has been said by my chairman and the majority and minority leaders in their deserved tributes to a great public servant, Mr. Allan Perley.

It was my pleasure to meet Mr. Perley soon after I came to Congress in 1947, and even though I was a freshman Member at the time, I found him most courteous, anxious to help, and most cooperative.

Like most of the other Members of this body, I feel a deep sense of personal obligation to him for the great help he has rendered to me as well as to the Congress during my service here.

Since I have been a member of the Interstate and Foreign Commerce Committee, it has been my privilege to work very closely with Mr. Perley. The more I worked with him, the more impressed I became with his tremendous capacity and competence.

Indeed, I regret his decision to resign, as I know the great contribution he has made to the legislative processes of this body. While I hate to see him leave us, I know he can do so with the satisfaction that comes from having done his job well.

I am sure everyone here joins in wishing for Allan Perley and his charming wife a full measure of happiness throughout the years to come.

Mr. HARRIS. Mr. Speaker, I am glad at this time to yield to the gentleman from Ohio [Mr. BROWN], who has also served on the Committee on Interstate and Foreign Commerce at the time Mr. Perley was working on many of these highly important and highly technical legislative proposals.

Mr. BROWN. Mr. Speaker, it is a real privilege to be permitted to join with the chairman of the great Committee on Interstate and Foreign Commerce, Mr. HARRIS, and others in the House today in paying a well-deserved tribute to one of the greatest and most able public servants it has ever been my privilege to know.

A quarter of a century ago, or nearly so, I came to this House and became a member of the Committee on Interstate adn Foreign Commerce, where I served for 10 years. One of the first individuals with whom I became acquainted was Allan Perley. I soon found that he was not only a great lawyer, and a splendid tactician in preparing legislation, but that he was also an honest, courageous individual who would give us the exact facts as he saw them, regardless of anything else.

To this day I do not know whether Allan Perley has ever voted, or if he has voted whether he voted with or for the candidates of one party or the other.

He has been a dedicated public servant and has done only that which his judgment and his conscience, and his extremely great ability, told him was in the best interest of the Congress and of his beloved Republic. So I join, Mr. Speaker, in wishing Allan Perley well in his days of retirement which he has so deservedly earned. I hope divine providence will keep watch over him and his family throughout the years ahead.

Mr. HARRIS. Mr. Speaker, I yield to our distinguished colleague, the gentleman from Georgia [Mr. FLYNT].

Mr. FLYNT. Mr. Speaker, I take great pleasure in joining with the gentleman from Arkansas and others of my colleagues in paying tribute to Mr. Allan Perley, legislative counsel of the House of Representatives, on the occasion of his retirement. I have been privileged to work very closely with Mr. Perley during the entire period of my service in the House. I have found him always to be a pleasant, competent and able individual with whom to work. He has worked most graciously at the request of any Member of this body. He has responded at all hours of the day to make the work of the committee on which I served, and the work of the entire House of Representatives, more pleasant indeed and an easier task.

Mr. Speaker, I join with those who have preceded me in expressing to him our gratitude for his valuable service to the House of Representatives and to this Nation. I wish for him and Mrs. Perley every happiness in the years of his well deserved retirement.

Mr. HARRIS. Mr. Speaker, I yield to the distinguished gentleman from California [Mr. YOUNGER] who is also a member of the Committee on Interstate and Foreign Commerce.

Mr. YOUNGER. Mr. Speaker, I certainly want to join in the tribute to Allan Perley. I can say from personal experience since I came to this body that I owe a greater debt to him for legislative help than to any other individual. He has always been ready and willing to advise and be helpful on all legislative matters.

There is another feature about Mr. Perley that I would like to mention, because we hear so much today about neutralists. I want to say in all of my experience, I have never seen as true a neutralist as Mr. Perley has been. He has never tried in any way, shape, or form to impose his own views in regard to legislative content other than to corrections, additions, or changes for better wording. He has never tried to argue anyone that I know of out of their position or to take a different position. He has consistently and persistently carried out the full functions of his office, and in doing so he has not only improved the context of the legislation passed by this House but has in many cases offered legislative word corrections in the House of Representatives on legislation passed in the other body.

I certainly wish long life for him and his good wife. I know of no one who better deserves retirement in peace and harmony than Allan Perley.

Mr. HARRIS Mr. Speaker, I yield to the distinguished gentleman from Texas [Mr. THORNBERRY].

Mr. THORNBERRY. Mr. Speaker, I thank our distinguished colleague, the gentleman from Arkansas [Mr. HARRIS], chairman of the House Committee on Interstate and Foreign Commerce, for giving those of us here the privilege of paying a well deserved tribute to Mr. Perley and to express our thanks to him for his distinguished services to the House of Representatives.

It was my privilege to serve on the Committee on Interstate and Foreign Commerce and to come to know Mr. Perley while I was a member of that committee. As other Members have said, he is not only an able lawyer and an able draftsman, but one of the things you must say about Mr. Perley is that he is a gentleman of the highest order.

His was the type of public service that enables us to carry out our responsibilities as Members of the House. I have heard our beloved late Speaker, Mr. Rayburn, pay tribute to Mr. Perley. He talked about him as one of the finest men he ever knew, and he had a high personal regard for Mr. Perley.

I join in wishing for him and for Mrs. Perley a good life in their retirement.

Mr. HARRIS. Mr. Speaker, I yield to the gentleman from North Carolina [Mr.

BONNER], chairman of the Committee on Merchant Marine and Fisheries.

Mr. BONNER. Mr. Speaker, I am proud to join the chairman of the Committee on Interstate and Foreign Commerce, and other Members of the House, in paying well-earned tribute to one of the great aids of this Congress.

As legislative counsel of the House, Mr. Perley has filled, with great ability and distinction, one of the most exacting and responsible posts in a legislative body. The legislative counsel must be available at all times; frequently called upon on short notice to work on highly complex and controversial matters. He must be totally impartial and objective. He must be an artist as well as an artisan in the employment of the English language. Allan Perley has proven all those qualities. The magnitude of the work of this House requires that the legislative counsel have a highly trained and efficient staff under his responsibility. Under his leadership and direction, the fine gentleman to whom we pay tribute has developed a splendid and dedicated staff of which we all may be proud.

My first acquaintance with Mr. Perley was shortly after I became a Member of this body on one of the most controversial bills I ever sat on in a committee. The bill came before the Committee on the Election of the President, Vice President, and Members of Congress, and dealt with soldiers' absentee ballots. The committee held session after session. It was most controversial, especially as to the constitutional effects of the bill, and the effects of the bill on various parts of the country. Mr. Perley demonstrated more leadership and guidance during the construction and the writing of that piece of legislation, I think, than any other member of the group.

I learned from him many things that have stood me in good stead throughout the years I have enjoyed in this House.

I hope for him and his wife pleasant living and enjoyment the remainder of their lives. My thanks and best wishes go with them.

Mr. HARRIS. I thank the gentleman for his most appropriate remarks.

Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. Mr. Speaker, I yield to the gentleman from South Carolina [Mr. HEMPHILL].

Mr. HEMPHILL. Mr. Speaker, I am one of the younger members of the Committee on Interstate and Foreign Commerce, but it could not escape anyone's attention who serves on that great committee that this man's service was exemplary service, the kind of service we would hope for from anyone whose talents are employed for the good of the Nation. If others would employ their talents in the way this great man has and give the kind of service this man has given we need have no fear for the future of this Nation or the efficiency of its administration.

I also want to say that he not only gave exemplary service himself but that he was always quick to get members of his able staff to assist in the same way. I am certain that not only we on the committee on which I am privileged to serve will miss this man as a fine public servant, but we will think of him also as a friend and be glad we enjoyed his confidence.

I know we can look forward to working with the fine staff he accumulated, trained, and inspired. The staff is composed of able personnel and will carry on in the same high tradition and capable service he exemplified.

I thank my chairman for giving me the opportunity to join with other Members of this body in paying tribute to this gentleman.

Mr. HARRIS. Mr. Speaker, I yield to the gentleman from Texas [Mr. ROGERS].

Mr. ROGERS of Texas. Thank you, Mr. Speaker. It is certainly an honor for me to stand here on the floor today and pay tribute to a man who has done so much in the legal work in the House of Representatives, especially in the Interstate and Foreign Commerce Committee.

It has been my pleasure not only to have watched this man work with great finesse and as a true artist in legal procedure, especially in the preparation of bills with which we were going to be required to live, but I have had occasion to travel with him on matters of great importance to this Nation where his great legal mind could keep those of us on the committee fully advised at all times.

He has done a splendid job throughout the years. I think it is wonderful that we have an opportunity here today to pay tribute to a man who has devoted much of his life and who has contributed so much to the laws that have been passed before they went to the floor and before the Members of Congress were required to vote on them.

I am glad to pay tribute to him and I wish him well in the years to come.

Mr. HARRIS. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. CURTIN].

Mr. CURTIN. Mr. Speaker, I feel privileged to add my voice to that of my colleagues in paying tribute to Allan Perley, now retiring from his 37 years with the legislative counsel's office in the House.

During this period, Mr. Perley has been most helpful in his chosen field, and much of the legislation which has gone through this honorable body bears the mark of his research and knowledge. His legal advice has been most helpful to all of us and the Interstate and Foreign Commerce Committee, on which I, although one of the younger Members, am privileged to serve, has been helped very materially on many occasions, by this capable attorney.

I, together with his many friends, wish him well in the years ahead.

Mr. HARRIS. Mr. Speaker, I yield to the gentleman from Tennessee [Mr. LOSER].

Mr. LOSER. Mr. Speaker, I am indeed grateful for the privilege of saying just a few words in reference to Allan Perley.

When I first came to Congress I had the honor to serve on the Committee on Interstate and Foreign Commerce, and for a period of 2 years I served on that committee I heard his very fine words and became convinced that he was a lawyer with fine talent. I came to know him during that period as a gentleman and a scholar.

I went on a trip some 4 or 5 years ago with Mr. Perley and other members of this great committee. For a period of about 3 weeks I was with Allan Perley day and night. It was then that I came to know him as a courteous, cultured, and refined gentleman.

So I am happy to be privileged to say just a few words about this distinguished man. May I say when he comes to the end of this toilsome journey and he lays down the working tools of life it will be his high privilege to hear from him who sitteth as the Judge Supreme the welcome words:

> Well done, thou good and faithful servant; thou hast been faithful over a few things, I will make thee ruler over many things: enter thou into the joys of thy Lord.

Mr. HARRIS. Mr. Speaker, I yield to the gentleman from New York [Mr. O'BRIEN].

Mr. O'BRIEN of New York. Mr. Speaker, I believe the gentleman from Arkansas has done a very wonderful thing here today in arranging this tribute to a distinguished man, because, in a sense, what we are doing is to remove some of the wrappings and revealing the structural steel, if you will, of the legislative processes.

I think it is men like Mr. Perley who give continuity to this process, and in paying tribute so well deserved by him we are paying tribute also to all of those who make so many of us look good.

It has been my personal experience that Mr. Perley had at his fingertips a vast reservoir of ability and accumulated knowledge. I found, too, when some of us junior members of the committee went there for the bucketfuls of knowledge that we needed they were supplied by Mr. Perley, and when the distinguished chairman of that great committee, much more able than the rest of us, went there for the thimbleful he required, he was supplied also.

I am personally grateful to Mr. Perley for all his kindnesses, and I wish for him and Mrs. Perley all of the best in the years to come.

Mr. HARRIS. Mr. Speaker, I yield to the gentleman from Ohio [Mr. SCHENCK].

Mr. SCHENCK. Mr. Speaker, I thank the distinguished chairman, the gentleman from Arkansas [Mr. HARRIS], of our Committee on Interstate and Foreign Commerce for yielding to me.

Mr. Speaker, when I learned that Mr. Perley is retiring, I was extremely sorry to hear it, because I knew that we were losing the help and the assistance of a very able, fine gentleman. I am very grateful to Mr. Perley for his wise and

very capable service to all of us through the years. I am also, of course, very glad and happy that Mr. Perley can retire while he can enjoy life and I wish for him and his family many, many years of healthful and enjoyable life.

The entire legislative staff associated with our good friend, Mr. Perley, has been extremely helpful to each of us on our committee many, many times. Some of our questions are often quite complicated, and to have someone well prepared, well able to give such excellent counsel and well informed advice and technical information, is extremely valuable service and extremely helpful to each of us. Mr. Perley and his associates have always been more than willing to do everything they could, so I would like to join with my colleagues of the great Committee on Interstate and Foreign Commerce in expressing our deep appreciation to Mr. Perley for his devoted and long and able service and also our very good wishes for his continued good health and happiness.

Mr. HARRIS. Mr. Speaker, many Members of the House, I am sure, know that our Committee on Interstate and Foreign Commerce reports a great deal of legislation, most of which is highly technical and complicated. This is because of the tremendous jurisdiction of the committee and the broad coverage of so many phases of our life and the lives of the people throughout the United States, dealing in commerce and all of those matters related to it.

Mr. Perley has been efficient in his work with us in the development of this type of technical and highly complicated legislation, and I think I could not express it more correctly than to repeat to you what our beloved and late Speaker Rayburn said on one occasion when we had a highly complicated piece of legislation on the floor, and difficult to understand by most Members. The Speaker said that if Mr. Perley helped the committee in developing this legislation, it was developed well and it is right.

I regret that Mr. Perley will not be with us any more as a member of the office of legislative counsel and to assist our committee. I personally am going to miss his very valuable service as I know other members of the committee and other Members of the House will. I know, however, that we can take pride in the fact that the responsibility of this office will go to Ed Craft. Ed and other members of the office will continue the valuable work and I know will render to the Members of this House the assistance we need from time to time.

But, I must say, speaking for myself personally, Allan, I am going to miss you. I know I speak for the other Members of the House. I also have a feeling that this is not going to end the valuable service that you will render to the people of America. I know that a man of your ability and your devotion to public service, even in retirement, which you have deserved after all of these many years, will find some way of making a contribution to the betterment of this country and to the welfare of our people.

So I say to you on behalf of our committee and the Members of the House, we thank you for the valuable services that you have rendered. We appreciate the services that you have rendered to us. You carry with you our best wishes, you and Mrs. Perley and Jane, for many years of happiness and many years of enjoyment as you continue on your life's journey.

Mr. TEAGUE of Texas. Mr. Speaker, many individuals, employees on the Hill, supply the oil and lubrication which keep the complicated legislative machine operating.

The man we are honoring today is certainly an important part of this machine. In fact, in my opinion, he is one of the main gears. Allan H. Perley is the legislative counsel of the House who is retiring, after 43 years of Government service, at the end of this month. He is truly a great and devoted public servant and one who has made the greatest contribution in the formulation of our laws during his long period of service. For at least a 30-year period it would be difficult, if not impossible, to mention an important law on our statute books in which Allan Perley has not had an important and decisive hand.

The world has changed greatly in the 43 years of Mr. Perley's service but this modest, unassuming, thoughtful man has remained steadfast in his devotion to the House of Representatives and to its Members whom he has so ably served.

The beloved former Speaker of the House, Sam Rayburn, would have been the first to speak today if he were here because no Member of the House held Mr. Perley in higher esteem or greater regard than did our former Speaker.

I have heard it said by the former chairman of the Committee on Veterans' Affairs, John Elliott Rankin, that Allan Perley could have made half a million dollars a year in practice outside the Government had he chosen to do so. I am inclined to agree with Mr. Rankin's estimate.

I have only had the good fortune to know and work with Mr. Perley and his associates since I came to Congress 15 years ago, but I have nothing but the highest regard for him and the greatest respect for the office he so ably heads. His assistants, George Skinner, James Menger, Jr., and Robert Guthrie have all worked on legislation originating in the Committee on Veterans' Affairs. Mr. Skinner and Mr. Menger spent literally weeks with the staff of the committee and representatives of the Veterans' Administration, the Bureau of the Budget and the Office of Education in the drafting of what became Public Law 550 of the 82d Congress, the Korean GI bill of rights, which I had the honor to sponsor. It is a tribute to the art and craftsmanship of the legislative counsel's staff that there have been no major amendments to that act and no major corrective measures necessary.

The same can be said of H.R. 9700 which became Public Law 85–857, and provided for the codification of all Veterans' Administration laws into title 38, United States Code. Mr. Menger did nearly all of the drafting for that monumental job and it, too, is standing the test of time in a very splendid fashion. There have been many compliments received by the committee on this work and most of them must be attributed to Mr. Menger's fine draftsmanship.

I wish for Mr. Perley the happiest sort of retirement and one which I am sure will be fruitful and most enjoyable for a man who has devoted his life to serving others so long here on the Hill. I am sure that he will continue to find many worthwhile fields of endeavor.

To his successor and long-time associate, Edward Craft, I offer my congratulations and best wishes and also an appreciation of the fact which I am sure he is aware of the fine tradition in which he is following.

MORAL HEALTH NECESSARY TO STRENGTHEN NATION

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD, and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, the pages of history warn us of once-powerful nations that succumbed not to military assault, but to moral deterioration. Today, the United States is concentrating on the military strength that is necessary to hold the enemy outside in check, but little attention is paid to the enemy within; the temptation to take the easiest way of self-indulgence that weakens the moral fiber of the Nation.

Corruption, sensationalism, greed, juvenile delinquency: these are but a few of the symptoms that identify moral decay.

When people lose confidence in the integrity of government; when police officers in some of our larger cities have to travel in pairs for their own protection; when young hoodlums act more like animals than as human beings; when the pursuit of pleasure and profit stills the voice of conscience; then we are in danger of defeating ourselves.

Perhaps the Communists are counting on this, confident that, when we lose the spirit and the character that made our Nation great, we shall collapse from within.

Let us heed the warnings and take steps to cure the disease before it becomes fatal.

I bring to your attention the editorial, "O Tempora, O Mores!" from the Washington Star of November 21, 1961. It comments approvingly on the latest annual statement of the Roman Catholic bishops of the United States in these words:

> The Catholic bishops are undeniably right: The United States, not less than the world in general, is in need of a spiritual catharsis that will revive the kind of God-fearing morality that marked its character until relatively recent years. Otherwise, in due course, it may well go the way of the old Roman Empire, declining and falling of its own hedonistic excesses, not with a bang but with a whimper.

Under unanimous consent, I wish to reprint this editorial in the CONGRESSIONAL RECORD.

O TEMPORA, O MORES!

The latest annual statement of the Roman Catholic bishops of the United States constitutes an eloquent warning that deserves to be listened to most carefully by all Americans, regardless of creed, who are adult and patriotic enough to be concerned about the future of their country. For the warning is very much to the point, and nobody with eyes to see and ears to hear can shrug it off, or belittle it, as if it were a comment of minor consequence on a subject of no great importance.

Actually, the subject is truly basic and vast in its significance, and this is so because it has to do with nothing less than the moral health and the moral survivability of our Nation. As the bishops' statement indicates, the problem involved is global in character, and at the root of it "has been the influence of secularism—the banishment of God from public and private life and the enthronement of human nature in His place." A consequence of this, in the statement's words, is that many modern men find themselves "on a lonely eminence of their own making forced to determine for themselves what is good and evil, right and wrong."

As far as our own country is concerned, here is something quite new in our history. Despite certain decisions by the Supreme Court in recent years (such as the one outlawing voluntary interdenominational religious instruction in public schools), the Founding Fathers of our Republic were God-fearing men who believed in the abstract moral law and favored (as did Thomas Jefferson at the University of Virginia) a solid education in religion. Yet today, as the Catholic bishops have asserted, "our national ideal no longer rests upon a foundation of broad and solid popular morality. Ignorance of moral principles and the rejection of the very notion of morality are on the rise today and threaten to undermine our Nation and its most sacred traditions." This does not seem to us to be an exaggeration. Anyhow, again to quote from the prelates' statement:

"The evidences of our moral decline are everywhere to be seen: In the alarming increase in crime, particularly among the young; in the sensational treatment of violence and sexuality in literature, on the stage, screen and television; in the disclosures of greed and cynicism in government, labor and business; in the stubborn continuance of race prejudice and injustice; in the multiplication of divorce and in the rapid disintegration of the family; in a harsh and pagan disregard of the sacredness of human life. This present moral deterioration cannot be interpreted as a mere temporary relaxation of standards. The conditions we face are unique; for them, the past gives neither precedent nor guide."

It seems clear enough that in our time, which surely has been one of the most tumultuous in human history, there has been a sort of stupid tolerance of decadence here in American and abroad. Nor can there be any doubt that large numbers of moral illiterates and educated ignoramuses—including some in Hollywood and the publishing world—have poisoned our society with productions equating liberty with license and licentiousness. The Catholic bishops are undeniably right: The United States, not less than the world in general, is in need of a spiritual catharsis that will revive the kind of God-fearing morality that marked its character until relatively recent years. Otherwise, in due course, it may well go the way of the old Roman Empire, declining and falling of its own hedonistic excesses, not with a bang but with a whimper.

OUR NATIONAL DEFENSE POSTURE

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, the space age has dawned, but how many Americans comprehend its challenges or know what progress the United States is making to develop missiles for defense and the space vehicles to explore the moon and beyond?

It is difficult for earthbound men to stretch their understanding and grasp the meaning of this new dimension. As members of a free society, however, it is necessary for Americans to keep up with the expanding frontiers of knowledge, so that they will be able to encourage and support Government and science in their development of space technology.

The immediate military applications concern us most, for our very survival may depend upon superiority in this field. Mr. Speaker, as majority leader, you were in close contact with all phases of our missile, and related space programs. Day by day they are becoming more important to our security and our progress.

Drawing upon your extensive knowledge of these subjects, and moved by your belief in the people's right and obligation to know, you have written an excellent report on "Our National Defense Posture," published in the January 1962 issue of V.F.W., the magazine that speaks for the Veterans of Foreign Wars. Under permission granted, I insert it in the CONGRESSIONAL RECORD for the benefit of the public at large:

OUR NATIONAL DEFENSE POSTURE

(By Hon. JOHN W. MCCORMACK)

The United States of America is dedicated to a policy of peace through strength, with honor. These principles go hand in hand. Peace alone could not be worth having. In the world of today, with the evil intents and purposes of international communism, military strength is vitally necessary. Honor without peace—in an age of weapons of mass destruction—would also be empty.

Our policy of peace with strength and honor has several elements. One necessary part is to meet the threat of aggression from abroad with an effective system capable of both offense, as well as deterrent action. But having our weapons in being gives us a power for peace in those parts of the world where only armed strength is respected.

Another element in our national policy of peace with honor is to develop a stronger and growing economy. It is not that material progress is to be equated with human happiness, but it is important so long as some segments of our population are inadequately housed, fed, and clothed. Our problems are small compared with most parts of the world, but we can see room for improvement, including the assurance of employment to all those who need it.

A stronger economy makes it easier to carry the tax burden of our national defense. A stronger economy also lays a part of the foundation of a necessary element in our policy of peace through strength, with honor. We seek a better life for our people. If they have their economic needs met, we can also improve their education, increase leisure time, support the fine arts, and aesthetic improvements in our cities and countryside, and do other things which make for what people call a better life.

Another element in our national policy is one of cooperation with the rest of the world. In the moral sense, all men are our brothers, and the world has become too small a place for us to be able to disregard what goes on in other parts of the world. Trade, technical assistance, cultural interchange, travel, and a sincere interest in other peoples make the world a better and safer place and make the United States more deserving of the leadership which its great capacity and strength has thrust upon her. For many practical reasons, we need allies, both in peace and in war, if it should come. For these reasons, international cooperation in its many forms is an element in our national policy of peace through strength, with honor.

We are interested in the national security of the United States because our individual well-being and even survival is dependent upon the protection of the Nation, and because the Nation is the embodiment of values important to our hearts and minds. National security is a broader concept than national defense, which is an important element in national security. Our security is a result of comparing our defenses, military, political, social, and moral, with the several threats which confront them. Thus our national security is affected not only by the strength of our Armed Forces, but also by our position of economic and political leadership in the world. It is affected also by such moral leadership and respect as we may have won, and certainly by the mood and resolution of our people. It is within this conceptual framework that we can assess our national defense posture with particular reference to the missile and space programs.

Our national space program, which is still in its early stages, is the product of cumulative forces at work throughout our society, particularly in the technical area. But it is more than this, for the fundamental knowledge required to start a space program has been present for many years longer than the national decision to pursue such aims. Dreamers in several parts of the world have conceived in their minds how man could be free from the bounds of earth to explore the vast reaches of infinity. But space received its first strong start in the area of military innovation. The Germans pushed experimental rocketry to a practical level which included the penetration of space by ballistic missiles.

After World War II, these technologies were further developed in several parts of the world, but particularly by the Soviet Union. Our own leadership in nuclear weapons and in heavy bombers reduced the urgency of developing long-range ballistic missiles until a fairly recent date. However, in 1954 there came a breakthrough in the size of possible missile nuclear warheads. For the first time, such missiles represented a logical course of weapons development by the United States. The Soviet Union, for reasons which are not altogether clear, decided some years earlier, before small warheads were available, to develop long-range ballistic missiles. These required great size if they were to perform any useful military task.

The consequence was that we started toward an efficient size of ballistic missile for the intercontinental range in 1954 and 1955, while the Soviet Union demonstrated a much larger missile in actual test as early as 1957. In turn, they have been provided automatically with a large space booster of well-tested efficiency for putting up very large space payloads. Only much later have we begun the process of designing large boosters for space purposes, although our work on smaller efficient missiles has continued without abatement since 1954.

Incidentally, even the fact that we have missiles now is based upon a series of experimental rocket developments carried on in this country between 1946 and 1954. Without these we would have lacked the technological base for the ballistic missile effort.

We were fortunate to have both the Army work carried on at White Sands and Redstone Arsenal, and the Air Force work carried on principally in California. This work led to a moderately large rocket engine and the type of structure copied in our present-day operational missiles. The Navy made its contributions, too, in this earlier period, especially in its experiments with solid propellants and guidance techniques.

Gradually as our techniques improved, military leaders and scientists joined in urging a real assault on space by the United States. But these pleas were not too seriously taken by the people or by the Government until the IGY started a scientific satellite program in 1955 and the Soviet Union electrified the world with the launching of Sputnik I, followed by increasingly large payloads carrying the hammer and sickle label. Leadtimes are so long that many months or even years must pass between the time of making a decision and seeing the results in space flight. Patience is not one of our national virtues, since all of us are so eager to see progress in the U.S. space program.

Moving with great effectiveness in 1958, the Congress and the executive branch, in a most successful cooperative, bipartisan effort, created the means for pursuing a vigorous space program by the passage of the National Aeronautics and Space Act. This act dedicated our development of outer space to peaceful purposes while at the same time protected our legitimate defense interests in space. I was chairman of the House committee responsible for this legislation.

The National Aeronautics and Space Administration was created as a civilian agency to develop our space know-how and to find uses for these techniques. The results are beginning to become apparent. Space is paying off in many directions, as was intended. There is a new demand for improved education, particularly in technical and scientific fields, to meet the growing needs for new skills related to space and to our industry across the board. Advances in science brought about by space research are increasing not only our understanding of the universe, but also are finding application in medicine to save lives, in power generation to cut costs, in computers to revolutionize many parts of present-day life, and so forth down a long list of fields.

To meet the challenges of space technology, our industry is having to work with new materials to closer tolerances, and thus gaining a versatility which will richly reward us with its new found strength and vigor. Just the new investment in plant and facilities for space is creating more jobs. For money spent for space is spent here on earth. Space is enhancing the national security by its opportunities for us to cooperate with friendly nations in such areas as weather satellites and communications satellites, in navigation, and tracking. The work being pursued by the National Aeronautics and Space Administration is leading toward a broad based capability to travel in space and do what we wish in space for whatever purpose is necessary.

I mentioned that the Congress protected the military interest in space when it passed the Space Act in 1958. This was because we realized that in the world of today, the threat of naked Soviet power is very great. We, in Congress, even strengthened the hand of the Department of Defense in its right to engage in space activities over what was originally proposed by the administration. The Department of Defense is given jurisdiction over space activities which relate primarily to or are peculiar to weapons systems. But more than that, the Department of Defense is permitted to pursue any other space research and development important to the defense of the Nation. Of course, means were also provided to coordinate the space work of the NASA and the Department of Defense and prevent needless duplication through the President's National Aeronautics and Space Council. It was placed on a detailed day-to-day basis through a Civilian-Military Liaison Committee (now replaced by the Aeronautics and Astronautics Coordination Board).

Our military power in space has several elements, and conditions are changing so rapidly that what exists today may be quite different in a very few years. Particularly, our long-range missiles can be regarded as space devices. This is because they travel through space on the greater part of their flight, and partly because they use the same vehicles. These long-range missiles have been used in modified form to launch most of our space satellites and probes.

Already, satellites are serving experimentally as navigation aids, for geodetic purposes, for weather reporting, and for communications. Note that all of these purposes have civilian as well as military values. Much of the division of effort between NASA and the Department of Defense is one of administrative convenience. Later, there may be military uses for space which are more uniquely in that category, such as missile detection, reconnaissance, satellite inspection, and so forth. Even these, though classed as military, support the peace by lessening the chance of surprise attack, and hence strengthening our deterrent against general war.

If new military needs arise in space, they will be identifiable and available for development because of the provisions written into the Space Act which permit the Department of Defense to pursue such research even in advance of formal designation of any weapons system.

Today we have already in place and in operation several complexes equipped with the Atlas missile of full intercontinental range. Coming along are new installations for later model Atlas missiles which are in partially hardened sites, giving them increased survivability against surprise attack. Also there are Titan missiles of full intercontinental range, being emplaced in hardened sites, and these will be joined a little later by the Titan II. The Titan II will carry storable propellants instead of using liquid oxygen and kerosene. This means they could be fired in a minute or so of the time a decision was made to do so, instead of the minimum countdown time of about 15 minutes on the earlier models.

These several types of liquid-propelled missiles will be joined in the next couple of years by considerable numbers of completely hardened Minuteman launching silos, carrying the solid-fuel Minuteman of intercontinental range. Our deterrent as well as offensive power will be further diversified and be given a new invulnerability by Skybolt, a ballistic missile which can be carried under the wings of a B-52 bomber for air launch from directions no enemy can anticipate in detail.

Actually, our strongest missile deterrent this last year has been Polaris. By the fall of 1961 it had reached the level of five submarines on patrol carrying 16 Polaris missiles each. They are able to guarantee certain destruction to the main centers of power of any enemy foolish enough to attack us, even if the enemy had been able to catch all of our continental missile sites and all our aircraft by surprise (an unlikely event in itself). Polaris has the further advantage of requiring an enormous defensive effort on the part of those who have reason to fear a retaliatory blow from the United States. And if, God forbid, war should ever be forced on us, Polaris would draw a portion of enemy strength away from our own shores.

The latest estimates reach the somewhat surprising although gratifying conclusion that the United States is presently ahead in the number of long-range ballistic missiles on station. Apparently the Soviet Union, for reasons unknown, did not or could not press the advantage of production in their earlier start. Even if this assessment is correct, and absolute proofs are hard to come by, this is no excuse for any relaxation in our efforts to prepare strong defenses. Conditions can change, and what is adequate today can be neutralized later through further advances in weapons.

The Congress has shown itself to be especially sensitive to the dangers of a technological upset. We have pushed vigorously for the most rapid development and production of an effective antimissile missile, embodied in the Nike-Zeus project. The first nation which can perfect a defense against ballistic missile attack will overturn much of the present power position in the world. There is some evidence that the Soviet Union is working very hard on missile defenses, and it is vitally important that we do at least equally well in this most difficult technical task.

Congress has also urged greater support for the B-70 bomber, a revolutionary aircraft of great versatility which will cruise at three times the speed of sound. Congress has urged more support for the Dyna-Soar, a manned maneuverable space ship which can glide back to a field of its choosing rather than fall back in pure ballistic flight. Congress has supported the new administration in providing funds for an increased airborne alert of the Strategic Air Command. This is an interim measure to keep an important percentage of our bombers out of the reach of any surprise Soviet attack by missiles during the time that our own missile bases are still striving to reach their planned goals of adequate numbers, dispersion, hardening and quick reaction time.

In keeping with the broad concepts of national security which I have offered, we have undertaken an enormous task as a national mission. This was the President's call for an all-out effort to place an American expedition on the moon during the course of this decade, preferably ahead of any such feat by the Soviet Union. Such a program is an official executive branch recognition of policies urged in a succession of congressional reports dating back to 1958. This great project includes within its purposes virtually all the elements of national security which I have outlined. It will be the basis for a great expansion of our industry, employment, and scientific knowledge. It will enhance our international prestige and sense of national purpose. It will provide a steady fallout of economic applications of space technology to make the program pay for itself in benefits. And it will provide a new versatility in the use of space to meet any future military threats which emerge there in the years ahead. It is hard to imagine a program which is more worth doing and which will make a greater return to every part of our national life.

In short, the missile and space age is bringing great challenges which our Nation is prepared to meet with resolution. The way will not be easy, but in net balance, we have no other choice. The rewards will be in proportion to the effort we make.

PENDING POSTAL RATE REVISION BILL

Mr. JAMES C. DAVIS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. JAMES C. DAVIS. Mr. Speaker, when the pending postal rate revision

bill, H.R. 7927, is taken up tomorrow I intend to strongly support the amendment, which the distinguished chairman of the Post Office and Civil Service Committee has informed all of the Members he will propose, except with respect to the 1 cent added charge on second-class mail as it applies to newspapers.

I am supporting the Murray amendment, with this one exception, because I am convinced that it is necessary and proper if we are to meet the issue of fiscal responsibility. At the appropriate time, however, I will offer an amendment to the Murray amendment to make a highly desirable and equitable change in the second-class rates as they apply to newspapers mailed beyond county of publication.

My amendment will exempt these newspapers from the proposed rate increase of 1 cent per piece. I am convinced that if the 1-cent surcharge is imposed on newspapers, as provided by the Murray amendment, it could sound the death knell to some small weekly and daily newspapers in the rural areas of the United States. These are the community newspapers which serve such a valuable purpose in farm and rural areas—tying together the economic and the social and the cultural life in the less heavily populated areas from Maine to California and from Minnesota to Florida. Most of them, as our committee members will recall from the testimony, operate and perform their valuable service with an extremely narrow margin of profit.

By operation of the proposed 1-cent surcharge, all of the small newspapers would pay an extra 1 cent per piece, on top of the regular pound rates already provided by law. The great mass-circulation publications would be subject only to this identical 1 cent per piece surcharge, and would not feel nearly so heavy an impact.

Mr. Speaker, I believe that the newspapers of America—and especially those in rural areas—are an invaluable part of our American way of life and that it would be dangerously adverse to the national interest to risk the virtual certainty that many of them would be forced out of business by this 1 cent surcharge. The additional postal revenue that might come from the surcharge is many times outweighed by the value of keeping this important segment of our free American press a vigorous and flourishing part of our economic, social, and cultural life. I believe that it will be well worth our while to forego the small additional revenue that the 1-cent surcharge would gain from newspapers in order to assure this objective. As a matter of fact, it is very evident to me that the surcharge would force so many newspapers either out of business or to some other method of delivery that in no event would the added revenue from the surcharge be a material factor in the postal revenues.

I hope that this highly equitable amendment that I intend to present will receive general support and I want to emphasize that it is entirely consistent with the basic principles of the Murray amendment. The Murray amendment, with my amendment thereto, still will provide added revenues sufficient, with the postal policy provisions, to eliminate the postal deficit—our chief objective in meeting the issue of fiscal responsibility and in providing sound financing for the postal establishment.

I strongly urge the approval of my amendment and the adoption of the Murray amendment after my amendment is made a part thereof.

PAYING OFF THE NATIONAL DEBT

Mr. JAMES C. DAVIS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. JAMES C. DAVIS. Mr. Speaker, I rise today to again urge that action be taken upon my bill, House Concurrent Resolution 43, to authorize the Federal Government to begin paying off our national debt by at least 1 percent a year.

I call the attention of the House to the continued, prolonged failure of the Federal Government to practice fiscal realism in the face of the most overwhelming national debt ever charged to any country since the dawn of history.

Apprehension regarding this constantly increasing debt is shared by many thoughtful, thrifty Americans—as well it should be.

One of the oldest rules of economics is that no individual, family, business—or government—may continue indefinitely to spend more than it earns—to run up huge and unmanageable debt. There must always be a day of reckoning.

The pages of history show that debt and its inevitable partner, inflation, have wrought the collapse and fall of governments. Some of these fallen governments were replaced by totalitarian regimes. Nazi Germany was born out of the fiscal chaos of the Hindenburg government, when a loaf of bread cost two and a half billion marks and the American dollar was quoted at four and a third trillion marks.

Not even the strongest nation can long continue to roll up huge debt without inviting inflation, the debauchery of the dollar, the erosion of confidence in our monetary system.

But this is exactly what the United States is now doing—and has been for the last three decades. In 25 of the last 31 years we failed to live within our income, balance the budget or pay anything at all toward reducing the national debt.

Correspondingly, the national debt has grown from a manageable $19.4 billion in 1932 to the present $296 billion. This is an increase of more than 1,500 percent. And today we are face to face with the practical certainty that the Federal debt this year will reach and surpass the $300 billion figure for the first time in our history.

The figure 296 billion is incomprehensible; it defies imagination almost.

But the size of the national debt can be placed in perspective when we consider that it is some $50 billion more than the combined debts of all the other 132 countries of the world—when we consider that it exceeds by $4 billion the total amount spent for all purposes, in peace and war, by the Federal Government from the day President George Washington took office in 1789 through the year 1943.

The runaway national debt cannot be blamed entirely on the great depression of the 1930's or even on the Second World War, as some excuse makers would have us believe.

The Federal indebtedness during the whole of the 1930's increased only from $16.1 billion to $40.4 billion. And during World War II, when we were financing our own vast military forces, when we were contributing an estimated $60 billion in lend-lease to our allies, when we were mass producing ships, planes, tanks, and guns—even then, the national debt never came within $27 billion of what it is today.

The national debt has increased $40 billion since 1950; since 1958 it has increased $26 billion—which is a sum greater than the total increase during all the depression years of the 1930's; the national debt has increased $10 billion in just the last year.

Now, there are some who defend these dangerous increases as the price we must pay to build up and maintain our national security in this era of maximum danger from the Communist world. The record does not sustain this claim.

In the period from 1955 through 1961, defense spending increased only 17 percent—but spending for purely domestic-civilian purposes advanced 43 percent, or more than three times as fast as military expenditures.

In the last 7 years civilian domestic spending doubled to $34.6 billion. And this Congress is now being called upon to authorize a long, new line of costly and unnecessary Federal aid programs.

Even if some of these domestic spending programs were desirable, they still would have to yield to necessity. And more than ever before in our history, that necessity is for rigid economy in domestic affairs. Financial solvency is just as vital to the security of the United States as military strength.

The advocates of big spending, the promoters of the welfare state claim that deficit financing is harmless, that a little inflation is a good thing, that our national economy is robust enough to withstand the normal enervating effects of massive debt.

This claim is not supported by fact. It is not supported by commonsense.

It is true that our national gross product—which measures the Nation's output—stands today at an estimated $503 billion. This is an impressive figure. In 1939, the final year of the depression, the national gross product amounted only to $84 billion.

But look at the other side of the coin. Inflationary pressures exerted by prolonged deficit financing have reduced the buying power of our dollar from a base of 100 cents in 1939 to only 46 cents today. Thus, 54 percent of the apparent dramatic increase in the gross national

product has been watered down and absorbed by inflation.

Furthermore, inflation is estimated to have cost the Nation's thrifty citizens some $200 billion in the last 20 years. For example, a $5,000 savings bond purchased with a so-called 100-cent dollar in 1939 is worth only about 2,300 of today's cheapened dollars.

Something is substantially wrong when the Federal Government, through ill-advised fiscal policies, penalizes and punishes the thrifty while paying out billions upon billions of dollars to individuals and nations alike who feel that thrift is to be avoided at all cost.

Because we of the present have refused to listen to the past, to plan for the future, the American people are being compelled to carry an almost unbearable tax burden—a tax burden that is confiscatory in nature, that stifles incentive, that retards and discourages industrial expansion, a debt that our generation is not going to pay but that will be handed down to our children and even to generations yet unborn.

Since 1939, our rate of national growth has increased six times. But in the same period Federal tax collections have gone up almost 90 times. On a per capita basis, the average tax bill in 1940 was barely $40 per person. Today, the average American pays an estimated $517 a year in Federal taxes alone.

Business is being hit particularly hard by Federal tax rates. Fifty-two percent of every dollar that is earned by corporations goes to the Federal Government. Without a fair profit, business cannot expand, open new plants, inspire creativeness, devote sufficient revenue to vital research, give incentive rewards, or create the 1 million new jobs a year that are demanded by our growing population.

The ill-advised fiscal policies of the Federal Government also are impairing confidence abroad in our monetary system. Because of this lack of faith in our ability to protect the integrity of our currency, foreign markets more and more are depleting our gold reserve.

It is because of this lack of confidence that our gold reserve has been declining steadily since 1949. Today, foreign claims against this gold supply actually exceed our reserves.

Still, we have failed, and are failing to heed the danger signals that are so obvious both here and abroad.

The administration has submitted a budget calling for the expenditure of $92.5 billion for the fiscal year beginning next July 1. We are being asked to commit billions of dollars to so-called welfare state programs—programs that are not essential and could be left off.

If business remains good, if personal incomes remain high, if there are no labor strikes, if so-called temporary excise taxes are continued for yet another year, if postal rates are increased—if all these "iffy" things occur in concert, then the administration promises a surplus of $500 million.

Actually I do not believe there will be any surplus. I believe instead there will be another deficit—the 26th in the last 32 years.

The city of Albany, Ga., on last Saturday, January 20, set the Nation a splendid example of economy and self-reliance. The city officials declined an offer by the Federal Housing and Home Finance Agency to furnish Albany $2,000,103 in urban renewal funds, and suggested that the money be applied to the national debt, or to the $52 billion defense budget for the coming year. Albany city officials wrote the Housing and Home Finance Agency:

> The decision of a majority of the Board of City Commissioners of Albany, Ga., is that necessary programs can be accomplished more expeditiously and economically with use of purely local funds. That, we feel, is the desire of community public opinion.
>
> Without attempting to appear presumptuous, may we ask that the total of $2,000,103 set aside for planning and capital improvements in Albany, Ga., under Project No. Ga. R-52 be applied to one of two areas of the Federal 1963 budget as proposed by the Honorable John Fitzgerald Kennedy, President of the United States, either to the defense effort, which will cost the Nation $52 billion during the fiscal year 1963, or to the national debt, which will rise above $300 billion during fiscal 1963.

Unless the Congress reasserts itself and draws the line on reckless spending, I am pretty confident that the budget will not be balanced. Certainly, such promises of a balanced budget have turned sour many, many times in the last 30 years.

The national debt is now $296 billion. We are being asked to raise the so-called temporary ceiling on the debt limit to $308 billion. This is the ninth time in just the last 8 years that we have been called upon to bail the big spenders out of an emergency of their own making.

Actually, the liability of the Federal Government is far greater than the national debt indicates. The Government has piled up huge unrefunded commitments and liabilities for future years that are not reflected in the national debt. It is estimated that these hidden debts total almost $500 billion additionally.

These are commitments that were obligated by this generation. But they are commitments that will not be paid off in our lifetime. This burden will be passed along to the next generation—to the young men and women who are just getting out of school and beginning their jobs and careers.

Seldom, if ever, has any generation faced the heavy, discouraging burdens of debt that—through no fault of their own—confront our young people. It has long been my conviction that it is the duty of each generation to pass on to the succeeding generation a government that is solvent; a government whose fiscal policies do not create heavy and oppressive debt, a government that does not tax people to the breaking point.

This generation has not kept the faith.

This generation has adopted the fraudulent philosophy that it is the duty of Government to provide everything we need from cradle to grave. The evils of this philosophy are compounded by the fact that we are passing on to our children—and our children's children—the bill for our own extravagance.

Is this to be our gift, our legacy to the coming generation? I say no. I say we must at least begin to halt and reverse the reckless fiscal policies that threaten our economy, that penalize thrift, that disproportionately tax success, that hold future generations liable for debts not of their own making.

We can begin by drawing the line on massive spending programs that are socialistic in nature. We can begin by making a real effort to reduce the national debt.

This can be done best by paying a fixed amount each year to the principal of the national debt. To those who say that this cannot be done, that we cannot afford to pay our debts, I remind you that just since 1950 we have paid $77.2 billion in interest alone on the national debt. We are going to pay another $9.5 billion this year.

The interest on the Federal debt is the second largest item in the budget. It is exceeded only by the amount we are setting aside for national security. This interest is costing the taxpayers almost four times what we spend on space research on technology; it is costing us one and a half times what we spend for veterans affairs and benefits.

I urge as strongly as I can that my resolution, House Concurrent Resolution 43, to authorize the Federal Government to begin paying at least 1 percent annually toward the national debt be reported out of committee and adopted overwhelmingly by this body.

We cannot begin to meet our obligation to our children and coming generations until we do an about-face and seek to lift at least part of the heavy burden that we have stamped upon them.

We cannot in good conscience do less.

A NEW ABC ACT FOR THE DISTRICT OF COLUMBIA

Mr. MULTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York,

There was no objection.

Mr. MULTER. Mr. Speaker, I have today introduced a bill revising the Alcoholic Beverage Control Act of the District of Columbia.

During the course of the hearings on several bills amending that act conducted by the subcommittee, of which I have the honor to be the chairman, of the House District of Columbia Committee, I announced that we were reviewing the entire act with a view to modernizing it and bringing it up to date. No such effort had been undertaken since the original enactment of the act in January 1934.

Everyone interested in the subject matter was invited to submit their suggestions and recommendations for the improvement of that law. We have had many valuable informal conferences and discussions with representatives of the many agencies having jurisdiction over the subject matter, as well as with rep-

resentatives of the various industries affected. We have heard from officialdom, management, labor, and the general public.

The committee staff, with the aid of the legislative counsel and under the fine supervision of the clerk of the committee, William McLeod, have worked hard and diligently on the matter.

I would like to make it clear that the bill is not by any means the last word on the subject. It has incorporated into it changes recommended by the agencies, and by those interested as well as the amendments proposed by the bills of several Members.

I hope that full hearings will be conducted on the bill in the near future, which will develop the pros and cons as to each proposed change, and that the bill as finally reported to the House will reflect the best thinking on the subject. In that way we hope to not only modernize the local law but enact a workable statute which will best serve the public interest, at the same time protecting the rights of all concerned.

PAKISTAN CONTRIBUTES RUPEES FOR LOCAL LABOR TOWARD COST OF CONSTRUCTING AMERICAN EMBASSY BUILDING AT KARACHI

Mr. EVINS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. EVINS. Mr. Speaker, in reading through the President's proposed budget for 1962, I was struck by a small but significant and heartwarming footnote. It was this:

> The Government of Pakistan agreed to contribute rupees for local labor toward the cost of constructing an American Embassy building at Karachi. The cumulative amount committed by the Government of Pakistan is equivalent to $357,000. The project was largely completed in 1961.

I thought how refreshing it was, in going through this massive budget of some 1,200 printed pages—a book the size of the Metropolitan Washington telephone directory—to find this mention of another nation's contributing something to the United States. It is the only instance so mentioned.

I am informed that this contribution was made by the Government of Pakistan as a goodwill gesture and that it is the only contribution of this type ever made by a foreign nation to the United States. Pakistan is a proven friend and ally in south Asia—a member of both the Southeast Asia Treaty Organization and the Central Treaty Organization, two of the free world's bulwarks against Communist aggression. This gesture on the part of the Government and people of Pakistan should not go unnoted.

I hope this story will become known to every American traveler who passes through Karachi. It should be pleasing to all Americans as we face our tax obligations this year that at least one nation in the world appreciates U.S. aid and assistance, and has proved such by its actions.

AID TO EDUCATION BILL

Mr. DELANEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DELANEY. Mr. Speaker, I have just placed in the hopper an education bill.

The bill provides for equal educational opportunities for every American child, regardless of race, color, or religious belief. It preserves the parents' freedom of choice in education.

It authorizes, for a 2-year period, an annual grant for financial assistance for each child attending school, whether public or private. In the case of children attending a public school, the grants would be issued to the local school agency of the political subdivision in which the school is located. In the case of a private school child, the grant would go to the parent or legal guardian, and would be honored for payment only when endorsed by the payee to the school of the pupil's attendance and then endorsed by an authorized official of that same institution.

To insure the welfare of our country, it is imperative that our educational systems operate at their fullest capacity. Our greatest national asset is the development of the minds of all the children of our country.

While talented students in institutions of higher learning should be given Federal support, the primary and secondary schools form the basic foundation of American education, and they must be reinforced from the ground up. Loss of talent in the sciences, as well as in other vital fields, begins in these schools, and it is here that the chain reaction of either national growth or decline will begin.

Today, as never before, because of the Soviet threat, the national interest requires that every child be educated to his highest potential. In the American-Soviet battle of the classroom we cannot afford to deny better educational opportunities to 7 million potential scientists and leaders in other fields simply because in addition to secular subjects they receive some religious training.

If we deny freedom of education to millions of American children, we are playing with national suicide. We must allow our children under their parents to have freedom of mind and freedom of religion in the pursuit of truth. We cannot regiment the minds of our children and hope to retain our freedom as a nation.

In this country, we believe in competition. We think that rivalry is healthy. We do not like monopolies. They stultify, especially when they control the thoughts and beliefs of men. That is why I think diversity in education is essential to a free and open society, and why it is essential to America.

The education of children in science, mathematics, reading, languages, literature, geography, history, civics, economics, sociology, and other school subjects serves a public purpose. The local community, the Nation and Western civilization profit when all children are given the best education possible. Society and the American Nation suffer when 7 million children are deprived of equal educational benefits because of their religious beliefs.

THE CONSTITUTIONAL RIGHTS OF AMERICANS MUST BE PROTECTED

The parental right to choose the education of his offspring is a natural, civil, and constitutional right, protected by the first, fifth, and ninth amendments to the U.S. Constitution.

The U.S. Supreme Court in *Meyer* v. *Nebraska* (262 U.S. 390 (1923)) struck down, as unconstitutional, a Nebraska statute which made it a crime for any teacher to teach any subject in any elementary school in any language other than English. Under this statute, Meyer, a teacher in a school maintained by the Lutheran Church, was convicted of reading, in the German language, Bible stories to a child. The Supreme Court in declaring the statute unconstitutional declared that individuals had certain fundamental rights which must be respected.

Subsequently, in the case of *Pierce* v. *Society of Sisters* (268 U.S. 510 (1925)), the U.S. Supreme Court declared unconstitutional an Oregon statute which required all children to attend public schools. The Supreme Court again emphasized the natural, civil and constitutional right of a parent to educate his children in a school of his own choosing.

It is significant that the United Nations, in General Assembly, proclaimed in the Universal Declaration of Human Rights set forth in subdivision 3 of article 26:

> Parents have a prior right to choose the kind of education that shall be given their children.

The 14th amendment includes the equal protection of the laws clause. This concept of distributive justice should bar any discrimination so that all American children will benefit under any Federal aid to education.

PRESENT STATE OF FEDERAL AID TO EDUCATION

At the present time there are many Federal programs for aid to education. For the most part, these are limited to Federal aid to higher education on the college level. In addition to the some 29 programs administered by the Department of Health, Education, and Welfare, which are set forth in the Department's memorandum dated March 28, 1961, addressed to Senator MORSE, Federal aid to higher education is also included in several military programs—for example, the ROTC and similar programs.

In addition, legislation was enacted which provides educational benefits to page boys of the Supreme Court and Congress. This enactment permits the boys or their parents to choose the schools they wish to attend, including parochial schools.

In all of these programs there is no discrimination insofar as children or students attending church-related institutions are concerned. In all of these programs the principle of freedom of choice of education is recognized.

The extent to which Federal aid to higher education has developed may be illustrated by a few examples.

Harvard University in its annual report stated that 25 percent of its total budget for the year 1961 represented funds appropriated by the Federal Government. Howard University is supported mainly by the Federal Government. Allied with these institutions of higher learning are schools of divinity and religion.

Although no Federal grant is involved, another example where amounts of public funds are placed under the jurisdiction of a religious institution is Yeshiva University in the city of New York. The parent school in Yeshiva University is a Jewish orthodox seminary and, by a contract between it and the city of New York, the medical school organized by Yeshiva University has jurisdiction over and the responsibility of nominating members of the clinical and other professional staff of a $45 million Bronx Municipal Hospital Center.

No one can deny the value of the great contributions all of these three institutions of higher learning have made to our national life.

NEED OF EXTENDING FEDERAL AID TO PRIMARY AND SECONDARY SCHOOLS

Throughout the country many school areas feel that they cannot continue to keep abreast of local needs without Federal aid. This situation has developed primarily because of three factors:

First. The population bulge which has occurred in this country beginning in 1941 and continuing to the present time.

Second. The development of our tax structures so that local communities can no longer bear the increasing cost of education.

Third. The threat and competition of the Soviet Union.

EXTENSION OF FEDERAL AID TO PRIMARY AND SECONDARY EDUCATION SHOULD BE PATTERNED AFTER FEDERAL STATUTES ALREADY ENACTED

As already indicated, the various Federal aid programs to higher education now in force and effect respect the principle of freedom of choice in education and the parental right to choose the education of their children.

Both the GI bill and the Page Boy Education Act serve as exemplars of the type of statute which should be enacted to extend Federal aid to primary and secondary education. Both of these acts have worked well and neither of them discriminates against any American nor do they encourage a monolithic or totalitarian school system.

Secular subjects taught in church-related schools are, of course, the same as secular subjects taught in our public schools. There is no Jewish multiplication table. There is no Catholic Boyle's law in physics. There is no Protestant alphabet.

My bill is a GI bill for junior. It treats every child alike and penalizes none of them because they study secular subjects in a Protestant, Catholic, or Jewish school. I should like to emphasize, however, that my bill does not provide aid for the study of religious subjects.

The bill merely follows the approach used in the GI bill of rights and the page boy bill, both of which have worked successfully and without criticism.

It is definitely a step in the right direction.

It is the commonsense solution to this problem.

RAISING THIRD-CLASS RATES

Mr. HECHLER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. HECHLER. Mr. Speaker, all of us have had the experience of having our mailboxes crammed with unwanted circulars, promotion schemes, worthless material, and sheer junk which goes directly to the wastebasket. I daresay I have had more protests about junk mail than on any other single issue.

It is bad enough that we have to put up with this junk mail, but it is adding the proverbial insult to injury when the taxpayers have to support the cost of carrying much of this type of mail.

H. R. Pinckard had a telling statement on this subject in the Huntington, W. Va., Herald-Advertiser of January 21, 1962, which under unanimous consent I would like to insert at this point in my comments. Mr. Pinckard rightfully points the finger not only at business organizations but also at the nonprofit organizations who take advantage of the cheaper rates to release the floodgates of this material. Oh, if we only had some means of enforcing birth control on the outfits which spawn the teeming millions of junk-mail pieces.

The people are fed up to the teeth with junk mail. They expect the Congress to act.

Personally, I feel that the only fair thing to do is to raise rates on third-class mail steeply. I will work toward that end. Probably it would be easier to confine the increase at this point to those classes of mail which do not include nonprofit organizations. I believe the latter eventually should be raised also, but we should face the practical realities of the legislative situation and put through a higher rate first on the more objectionable types of mail.

I know it will be said that billions of dollars and many jobs are tied up in this business, and that such action might hurt business. Well, businesses that depend for their profit and employment on distributing such junk probably deserves some curtailment. I hope that my colleagues will join in an effort to boost third-class rates and provide a new declaration of independence for the overburdened mailman and the overstuffed boxholder.

The article referred to follows:

A PERSONAL COLUMN

(By H. R. Pinckard)

Short takes: Complaints about the junk mail problem are heard on every side. Solutions to the problem are fewer and the distance between them is greater. (That is to say, they are few and far between.)

The problem in newspaper offices is terrific. In some batches of mail as many as 4 out of every 5 pieces are worthless. They come from advertising agencies, public relations firms, associations of this kind and that, foreign embassies and do-gooder groups, colleges and other public institutions, trade organizations and industrial groups, labor unions and chambers of commerce, and goodness knows what else.

We often wonder when, if ever, the mailing lists of some of these groups are checked. Some of this stuff comes addressed to people who have been dead for 15 years or more. Other addressees parted company with these newspapers nearly as long ago, and they may be receiving the same mailing pieces at their newer locations.

None of this material—or at best only a minute portion—is ever read. Some of it is opened and instantly discarded. Much is thrown away because the addressee or the return addressee reveals that it is inconsequential.

What do the people who send this material through the mails think about Do they have any illusions that it is useful, or that it is ever printed?

I always visualize the people who prepare and mail this junk as a group of quiet, almost faceless individuals, sequestered in some dim corner of a big building.

They never seek to attract attention, but rather to avoid it. They've been there so long that nobody knows precisely what they're doing or what they're supposed to do.

Their address plates are so ancient they blur with each impression, but they hesitate to revise them. It might turn up the real destination of most of the stuff they send out.

I could tell them that the destination of most of it is the wastebasket, but they must realize this, on those rare occasions when they permit themselves to think about it.

OUR RELIGIOUS LIBERTIES

Mr. LIBONATI. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. LIBONATI. Mr. Speaker, in this world of turmoil and injustice, with the teeming millions of hopeful humans suppressed in their religious concepts of worship by godless leaders, we Americans are proud of our religious liberties.

Our Government protects, and with humble dignity honors, the servants of God at whose altars we are all exhorted to perfect the solidarity of the family strengthened by prayer; the love of God and country fused together by the eternal fires of love for the church and as defenders of the Nation. The spiritual leader accentuates the undeviating laws of God, instilling discipline and profound respect for all laws.

Just such a follower of Christ is Msgr. Edward P. McAdams, presently pastor of the St. Joseph Catholic Church in Washington. His diamond jubilee was celebrated Saturday, January 4. He received the papal blessing of Pope John XIII, from Archbishop O'Boyle, who also celebrated a mass of thanksgiving. Msgr. John K. Cartwright, rector of the St. Mathew's Cathedral, gave the sermon. Msgr. Joseph T. Kennedy, pastor of St. John's Church, Forest Glen, attended, who had served as Monsignor McAdams' assistant at St. Joseph's Par-

ish 37 years ago. President Kennedy sent a congratulatory message.

As an important leader of the faith in the Washington diocese, in natural sequence he, influenced by historical surroundings, became an avid student of U.S. history. It is commonly known that the monsignor ranks as an authority in this field—and the history of the church and the diocese, as well.

A true religious scholar in his sacred responsibility, God entrusted, bows in humility to the divine will and accepts, with devout fervor, the lofty mission of his religious life.

Many years are spent in devoted study to instruct the faithful in the mysterious designs of the Lord's will, and to explain many intricacies of the diverse paths of religious thought. He must impart to others theological truths that, in themselves, contribute to the strength of their religious beliefs. Through all the years of his life he must concentrate on his mission and gather strength to combat the forces of evil, not only for others, but proximate to his very person, to keep alive the graces of his heavenly aims.

The sermon referred to follows:

SERMON DELIVERED BY THE RIGHT REVEREND JOHN K. CARTWRIGHT AT THE DIAMOND JUBILEE OF THE RIGHT REVEREND EDWARD P. MCADAMS, NOVEMBER 4, 1961, ST. JOSEPH'S CHURCH, WASHINGTON

The church's eternal priesthood is composed of a multitude of individuals whose single lives are fractions of her total history. Today we gather to do honor to one priest whose ministry has covered the unusual space of 60 years. His life as a priest began with the century and has continued in valued and honorable service through about one-thirtieth of the entire record of the church on earth. Now the oldest of our diocesan clergy, 10 years older than the next in seniority, his career is memorable not only for its length but for its usefulness. Today he can look back on the reaping of many harvests and we all rejoice with him as he holds up for perhaps the 20,000th time the host and chalice which perpetuate the sacrifice of his Master. It has been the will of our Lord to keep him for so long a time as His servant in the vineyard and as the herald of His word. Hundreds and thousands of his beneficiaries are thankful to Christ for the ministries of grace through this man's priesthood. This is for them, for us, and for him a day of benediction.

What have been the characteristics of this long career?

First, as with all good priests, fidelity. Always, as when he first began, dedicated to the daily round, always obedient to the promises he had made in ordination, always accepting and administering the duties laid upon him by his three archbishops, always devoting himself to the spiritual welfare of the souls thus placed under his leadership, always offering the mass, always providing the sacraments, always preaching the eternal truths, always guiding, directing, inspiring, always keeping the flame of faith alive in the midst of outer darkness, always pointing out to men, amidst the Babel confusion of earthly aims, the supreme and lasting significance of life, always maintaining in the vicissitudes of earth the primacy of the spiritual.

This faithfulness, this tenacity of will and purpose, this refusal to get lost or be diverted, is the great quality of the Catholic priesthood. We are human and therefore imperfect. As St. Gregory says, it is inevitable that even spiritual minds should be soiled somewhat with earthly dust. "Necesse est de mundano pulvere etiam religiosa corda sordescere."

Sometimes use and custom tarnish the glory and pride of the priesthood. But always the charge and the duty remain in the inmost citadel of the soul, and the true priest never gives up the custody of that citadel. Monsignor McAdams has kept that honor of the priesthood, that fidelity which is quintessential to Christ's church, that unity of the spirit in the bond of peace. He shares it, thank God, with all of us. But he has sustained the charge much longer than any of us, and we his fellow priests look upon him with admiration and with pride.

But this is what might be said at any jubilee. Each priest, however, has his own manner of understanding and carrying out his office. Perhaps we might all agree that in Monsignor McAdams' case his chief way of being a priest and of imitating the Master is his ready and unvarying kindness, his striking gift of friendliness. Sometimes we of the clergy are so impressed with our responsibility for carrying the Tablets of the Law that we take on a certain mask of sternness to the ordinary ways of men. But the First Priest was not of that sort. He ruled and rules by kindness. In His court all the courtiers are volunteers. And that priest speaks best for Christ who carries out Christ's courtesy to souls. Those obey his guidance most surely and dependably who obey it willingly and gladly. The strongest priestly authority is always the most gracious. In the many places of this priest's ministry, in Baltimore, in the Maryland counties, in the U.S. Army, in Westernport, in Washington, he has not only served souls, but he has been the friend of souls. He has known how to combine zeal for salvation with the quality of mercy and human affection. His congregations have been the sheep of his flock, but they have also been his friends.

As pastor of his church, he has been distinguished for his love of the beauty of God's house. When he first came to St. Joseph's he had the building renovated and adorned, putting into the work much of his own thought and taste. There has been in our time a very considerable improvement in this matter all over the United States. When monsignor was young the old-fashioned wedding-cake altars and the tasteless vestments were still the rule. His generation was among the first to set up new precedents. And he was in full accord with the much needed changes that have now become widespread.

He loved not only his people but the Church as such. This was reflected in the interest in history of the church for which he is so celebrated. Particularly the history of this archdiocese was an absorbing concern to him as was also the history of our country and of our Capital City. He was deeply and continuously interested in Maryland and her traditions. He understood the fact which is so much forgotten that the first place to proclaim and establish religious freedom was that beloved State under its Catholic settlers. When the freedom train went through the country with its exhibition of documents, this fact of the Maryland Catholic primacy in religious freedom was ignored. If everybody in Maryland took an interest in her history like that of monsignor such an omission would not have been possible.

His residence has always been a sort of historical museum and he has contributed to St. Mary's, Baltimore and to Mount St. Mary's, Emmitsburg, much of his valuable collection of books. The latter college has a splendid new library and a conspicuous adornment is a large painting of the first mass in Maryland. This painting was done at monsignor's order and was originally in this church. It now serves wider use in its present location. It helps to point up the first glory of Maryland's history and it will remain a monument to Maryland and to one of Maryland's finest sons.

And so, dear monsignor, we greet you today and thank you for these and many other reasons. We are happy that you have been granted so long a day to stay with us. We hope that your time with us will still be long and happy. "Mane nobiscum quoniam adverperascit." May God grant us the favor of your remaining with us until it is very late.

UNANIMOUS-CONSENT REQUEST

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 hour on February 14 and again for 1 hour on February 15 at the conclusion of all other legislative business and following any special orders previously entered.

Mr. Speaker, I might say that I do not intend to talk on both occasions. February 15 is the anniversary of the sinking of the *Maine*, and if we are in session on the 15th I shall talk at that time; if not, on the 14th. I am asking unanimous consent on both February 14 and 15.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

RENEWAL OF THE RECIPROCAL TRADE ACT

Mr. HARRISON of Wyoming. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

Mr. HARRISON of Wyoming. Mr. Speaker, with the time approaching for the renewal of the Reciprocal Trade Act, I believe it is timely to call attention to the desperate situation in which the wool industry finds itself. Among the textile group, wool is the worst off and if this important industry is to survive, it must have immediate relief. The wool industry is important to the economy and the defense of this country and I believe that it must and should be saved.

Briefly stated, the textile problem is an import problem.

In woolen goods, imports have reached a higher proportion than in any other branch of the textile industry.

Yet no action whatever has been taken for the relief of the wool sector of the industry under the President's textile program. No plans have been made for it, and the State Department has declared that at present it intends to do nothing about it. And this despite the studied conclusions by many Members of the House and Senate, transmitted to the President June 27, 1961, emphasizing the gravity of the textile and apparel import problem and stating that the continued absence of limitations on imports "will insure the continued deterioration of the U.S. industry"; and despite the reply of the President on June 30, 1961, that "the State Department has been

instructed to get the best possible relief not only for cotton but for all other fibers."

The State Department has sought on the following grounds to justify this failure to implement the President's textile program on wool: That tariff adjustments on certain classes of woven cloths of wool had been made effective January 1, 1961, and that since the consequence of these changes might be to reduce the volume of imports of wool products, the Department preferred to "wait and see."

The reasons alleged for failure to follow the President's instructions are mistaken and unsupported by fact.

The tariff adjustments relied upon affect only a minor part of the total volume of wool imports. To most wool textile classifications they are irrelevant.

These tariff changes are also irrelevant to the President's textile program. They were made merely to overcome administrative difficulties in the application of an old trade agreement provision of 1956 on wool cloth. The duty adjustments had already been made when the President issued his instructions to proceed with the best possible relief for wool and other fibers.

These modifications of the wool cloth duty cannot be relied upon to arrest the continuing rise of wool product imports.

The need for relief is urgent. The serious readjustment which the wool and worsted industry has experienced since 1947 has entailed the liquidation of 314 mills and the loss of employment of over 100,000 persons. Over 50 percent of the productive capacity and jobs in the U.S. industry has been lost, while the woolen and worsted industries of all other countries have increased wool consumption by 50 percent.

During this same period imports have been rising rapidly, having increased by 327 percent since 1948. In 1960, imports amounted to over 15 percent of domestic production of woolen and worsted broadwoven fabrics.

The President in presenting his program last May said:

It is time for action.

It should be brought to his notice that his instructions have not been complied with and the ensuing delay has been seriously prejudicial to the wool industry.

UKRAINIAN INDEPENDENCE DAY

The SPEAKER pro tempore (Mr. ALBERT). Under previous order of the House, the gentleman from Pennsylvania [Mr. FLOOD] is recognized for 60 minutes.

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to revise and extend my remarks, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, at the conclusion of my remarks and the insertions I shall make, I ask unanimous consent that the gentleman from Massachusetts [Mr. CURTIS] be permitted to extend his remarks at that point; I make the same request in behalf of the gentleman from New York [Mr. OSTERTAG], the gentleman from Michigan [Mr. O'HARA], and the gentlelady from Illinois [Mrs. CHURCH].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, at the conclusion of the remarks of the gentleman from Pennsylvania and others for whom permission has been asked, I ask unanimous consent to extend my own remarks on the same subject.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. FLOOD. Mr. Speaker, I ask unanimous consent that all Members desiring to do so have 5 legislative days in which to extend their remarks on this subject, following my own.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, I am proud to join with Americans of Ukrainian ancestry in celebrating the 44th anniversary of Ukrainian Independence Day. The history of the Ukrainian people during the last 1,000 years is the history of a struggle for independence against overwhelming odds, an attempt that was repeatedly made impossible by foreign invaders. The northern and western parts of the Ukraine are the ancient territories of the earliest medieval Russian state of the 9th through 13th centuries, having Kiev as its capital and the valley of the Dnieper River as its principal economic artery. These populous and flourishing territories were completely devastated by the Mongol invasions of the 13th century. Many of the present day inhabitants are descendants of these people, the original population of Kievan Russia.

The people of the eastern and southern Ukraine are for the most part descended from Ruthene immigrants from the north who, to escape the oppression of the area princes and nobles, escaped to the frontier, where they formed free and democratic communities and came to be known as Cossacks. Then in 1667 the portion east of the Dnieper River was ceded to Russia and then the Ukrainians were once more divided, the left-bank Ukraine belonging to the Poles, while the Turks controlled the southern steppes. In 1794 the major portion of the Ukrainian people came under Russian rule, as a result of the second partition of Poland, although many Ukrainians remained scattered in the Austro-Hungarian Empire and in Rumania.

The modern political movement whose ideal was the union of all Ruthenes in a Ukrainian nation is associated above all with the names of the Ruthene scholar Kostomarov and the poet Shevchenko. This movement, which started in the middle of the 19th century, gathered force especially after the outbreak of World War I.

During his short life Taras Shevchenko touched every chord of the Ukrainian heart. He shared the fortunes of his people and during his unhappy life suffered all the hardships of serfdom, of exile, and of police supervision that was the fate of the greater part of his compatriots. Seldom has a poet lived and suffered to the full as did Shevchenko and rarely has a man so fully incorporated all the aspirations of his people. Truly it can be said that the poetry of Shevchenko represents the entire nation of 40 million Ukrainians who have so far failed to receive that independence which they so richly deserve.

Shevchenko experienced the hardships of 19th century Ukrainian toil as a young serf from a broken family. His artistic inclinations never had a chance to develop. Later, through the efforts of influential Russian artists who purchased his freedom for 2,500 rubles—an exorbitant sum—he returned to the land of his birth and saw the evils under which the Ukraine was suffering through the eyes of an enlightened, progressive, and successful man of the world. In various poems, including one called "Epistle To My Dead, Living and Unborn Countrymen in Ukraine and Not Ukraine," he expressed his bitter indignation at the denial of independence and liberty to his people. But in 1848 Shevchenko's poetry was regarded as treacherous to Russia, and he was exiled to the life of a soldier for almost a decade. After his release, the poet wanted to settle in his native Ukraine and look after his friends, but he was soon arrested by narrow-minded landowners and was then forced to settle in St. Petersburg to avoid further trouble with the government. He died at the age of 47, still working for the improvement of the Ukrainians. Shevchenko's life was filled with tribulation and sorrow; after his death, his body was carried back to his native Ukraine by triumphant admirers.

The ideals of Shevchenko were not destined to be realized, although the collapse of the Russian empire in 1917 and the downfall of the Habsburg Monarchy which followed seemed to be the opportunity for which Ukrainians had long been waiting. In March 1917 a formal demand for the recognition of Ukrainian autonomy was made to the provisional government at Petrograd, and in April a Ukrainian national convention met at Kiev to elect a council. As the Bolshevik revolution broke out in Petrograd on November 20, the rada—council—of Ukrainian patriots proclaimed a Ukrainian People's Republic, whose independence was accepted in principle by the Bolsheviks. This council became what has been called the first modern Ukrainian government. Professor Hrushevsky, V. Vynnychenko, and Simon Petlyura were the leaders in this government. By this time the suffering Ukrainian people had been under the rule of the czars for more than 250 years and that of the Habsburg Monarchy of Vienna for some 150 years. During all that time they re-

tained the hope of freeing themselves from alien oppression.

The Provisional Government of Russia, set up after the overthrow of the czarist regime, was alarmed by this separatist movement in Ukraine. Efforts were made to conciliate the Ukrainian leaders, and apparently the Ukrainians were willing, at that time, to remain within the Russian realm. But the overthrow of the Provisional Government in Russia in November and Lenin's rise to power changed the situation. Some Ukrainian leaders were seemingly impressed by Lenin's claim that he favored self-determination, which he preached throughout his revolutionary career. They decided to assert their independence, but the move was rejected by the Bolshevik government in Moscow headed by Lenin. Lenin's government ignored all claims to independence on the part of the Ukrainian people, and proved determined to deny them by force if necessary. Subsequently the Red army attacked Ukraine, occupied its capital city of Kiev in January of 1918, and began to carry out mass executions there.

In the midst of these events, on January 22, 1918, Ukrainian leaders proclaimed Ukraine's independence, and asked Austria and Germany for help. With the aid received from Germany, Ukrainians reorganized their forces and were able to expel Russian Bolsheviks from most of Ukraine by April. Late in April a constitution was adopted and Hrushevsky was elected President.

In the meantime factious strife was developing among Ukrainians, and this was encouraged by the Germans. At about the time when Hrushevsky was elected President, Gen. Pavlo Skoropadsky, supported by the Germans, proclaimed himself the ruler of Ukraine. This remained a problem until the end of the war; then General Skoropadsky fled to Germany.

On November 15, 1918, Ukrainian leaders reasserted their rights and revived the suppressed Ukrainian National Republic. On January 22, 1919, 1 year after the original proclamation of independence, the Government proclaimed the Union of Western Ukraine. However, neither this memorable event nor any other step taken by isolated Ukrainian leaders could save their independence. This became evident when the newly born Ukrainian National Republic found itself under insuperable political and economic handicaps. It was attacked by the resurgent Red army. Early in 1920 the Red army moved against Ukraine, and by June its massive onslaught had led to the capture of virtually the entire country. In an armistice signed in June, there was no mention of an independent Ukraine. The Ukrainian Socialist Soviet Republic was set up and became part of the Soviet Union. Thus in the course of 2 eventful years independent Ukraine had vanished and once more the Ukrainian people were brought under Russian rule, this time as part of the U.S.S.R.

After reciting this tragic narrative of a people's unfulfilled yearning for independence, I would like to recall a few lines of Shevchenko's verse. During the first years of his service in the Russian Army, his mind was filled with longing for the Ukraine, and although he was able to write only with great difficulty, some of his poems of this period are among his finest personal lyrics:

Songs of mine, O songs of mine,
You are all I have.
Do not leave me now, I pray,
In this dreadful time.
Fly to me, my little dovelets,
With your wings of gray.
From the spreading Dnipro fly here
To the steppes and stay
With the poor and needy Kirghiz.
They are really poor,
Yes, and naked, but in freedom
They can pray to God.
Fly to me, my darling thoughts,
With calm words and true,
I shall greet you as my children
And shall weep with you.

Mr. Speaker, since last March, when I introduced House Resolution 211 to establish a Special Committee on Captive Nations, I have provided considerable evidence of the popular nationwide support that exists in behalf of this proposal. This support will have to be reckoned with sooner or later.

As the record clearly shows, this popular support of our proposal is extensive and deep. All major national organizations directly concerned with this primary problem are fully behind it. Forty similar resolutions have been offered in favor of it. The nationwide observance of Captive Nations Week highlighted it. Thousands of letters have underscored the necessity of it and articles, editorials and commentaries in a variety of organs have emphasized the need to concentrate on Moscow's colonialism and imperialism. I am certain that my colleagues are vividly aware of all this.

The resolution follows:

H. Res. 211

Whereas on the issue of colonialism the blatant hypocrisy of imperialist Moscow has not been adequately exposed by us in the United Nations and elsewhere; and

Whereas two Presidential proclamations designating Captive Nations Week summon the American people "to study the plight of the Soviet-dominated nations and to recommit themselves to the support of the just aspirations of the people of those captive nations"; and

Whereas the nationwide observances in the first anniversary of Captive Nations Week clearly demonstrated the enthusiastic response of major sections of our society to this Presidential call; and

Whereas following the passage of the Captive Nations Week resolution in 1959 by the Congress of the United States and again during the observance of Captive Nations Week in 1960, Moscow displayed to the world its profound fear of growing free world knowledge of and interest in all of the captive nations, and particularly the occupied non-Russian colonies within the Soviet Union; and

Whereas the indispensable advancement of such basic knowledge and interest alone can serve to explode current myths on Soviet unity, Soviet national economy and monolithic military prowess and openly to expose the depths of imperialist totalitarianism and economic colonialism throughout the Red Russian Empire, especially inside the so-called Union of Soviet Socialist Republics; and

Whereas for example, it was not generally recognized, and thus not advantageously made use of, that in point of geography, history, and demography, the now famous U-2 plane flew mostly over captive non-Russian territories in the Soviet Union; and

Whereas in the fundamental conviction that the central issue of our times is imperialist totalitarian slavery versus democratic national freedom, we commence to win the psychopolitical cold war by assembling and forthrightly utilizing all the truths and facts pertaining to the enslaved condition of the peoples of Poland, Hungary, Lithuania, Ukraine, Czechoslovakia, Latvia, Estonia, White Ruthenia, Rumania, East Germany, Bulgaria, mainland China, Armenia, Azerbaijan, Georgia, North Korea, Albania, Idel-Ural, Tibet, Cossackia, Turkestan, North Vietnam, and other subjugated nations; and

Whereas the enlightening forces generated by such knowledge and understanding of the fate of these occupied and captive non-Russians nations would also give encouragement to latent liberal elements in the Russian Soviet Federative Socialist Republic—which contains Russia itself—and would help bring to the oppressed Russian people their overdue independence from centuries-long authoritarian rule and tyranny; and

Whereas these weapons of truth, fact, and ideas would counter effectively and overwhelm and defeat Moscow's worldwide propaganda campaign in Asia, Africa, the Middle East, Latin America, and specifically among the newly independent and underdeveloped nations and states; and

Whereas it is incumbent upon us as free citizens to appreciatively recognize that the captive nations in the aggregate constitute not only a primary deterrent against a hot global war and further overt aggression by Moscow's totalitarian imperialism, but also a prime positive means for the advance of world freedom in a struggle which in totalistic form is psychopolitical; and

Whereas in pursuit of a diplomacy of truth we cannot for long avoid bringing into question Moscow's legalistic pretensions of "noninterference in the internal affairs of states" and other contrivances which are acutely subject to examination under the light of morally founded legal principles and political, economic, and historical evidence; and

Whereas in the implementing spirit of our own congressional Captive Nations Week resolution and the two Presidential proclamations it is in our own strategic interest and that of the nontotalitarian free world to undertake a continuous and unremitting study of all the captive nations for the purpose of developing new approaches and fresh ideas for victory in the psychopolitical cold war: Now, therefore, be it

Resolved, That there is hereby established a committee which shall be known as the Special Committee on the Captive Nations. The committee shall be composed of ten Members of the House, of whom not more than six shall be members of the same political party and of whom five shall be members of the Committee on Foreign Affairs, to be appointed by the Speaker of the House of Representatives.

Sec. 2. (a) Vacancies in the membership of the committee shall not affect the power of the remaining members to execute the functions of the committee, and shall be filled in the same manner as in the case of the original selection.

(b) The committee shall select a chairman and a vice chairman from among its members. In the absence of the chairman, the vice chairman shall act as chairman.

(c) A majority of the committee shall constitute a quorum except that a lesser number, to be fixed by the committee, shall constitute a quorum for the purpose of administering oaths and taking sworn testimony.

Sec. 3. (a) The committee shall conduct an inquiry into and a study of all the captive non-Russian nations, which includes

those in the Soviet Union and Asia, and also of the Russian people, with particular reference to the moral and legal status of Red totalitarian control over them, facts concerning conditions existing in these nations, and means by which the United States can assist them by peaceful processes in their present plight and in their aspirations to regain their national and individual freedoms.

(b) The committee shall make such interim reports to the House of Representatives as it deems proper, and shall make its first comprehensive report of the results of its inquiry and study, together with its recommendations, not later than January 31, 1962.

SEC. 4. The committee, or any duly authorized subcommittee thereof, is authorized to sit and act at such places and times within or outside the United States to hold such hearings, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, and to take such testimony as it deems advisable.

SEC. 5. The committee may employ and fix the compensation of such experts, consultants, and other employees as it deems necessary in the performance of its duties.

Mr. FLOOD. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. FENTON].

Mr. FENTON. Mr. Speaker, the anniversary today of the independence of Ukraine has an added significance to me and the people of my district for it was my privilege and honor to escort to the House today to offer prayer, the Reverend Joseph J. Fedorek, rector of St. Michael's Ukrainian Catholic Church, Shenandoah, Pa., which is in my congressional district.

Father Fedorek was designated by Metropolitan Senyshyn, of Philadelphia, to deliver a prayer on the occasion of this annual tribute in the House to one of the captive nations, particularly since the Congress adopted the captive nations resolution. For the largest captive non-Russian nation in Eastern Europe such an opportunity is given with the observance of the 44th anniversary of the independence of Ukraine.

There is no speculation as to how colonial Moscow reacts when truths about captive Ukraine are raised. The evidence is substantial, clear, and indisputable. Khrushchev suffered a nightmare when for the first time the 86th Congress listed this nation in the captive nations resolution. At the recent 22d Party Congress Khrushchev again attacked the resolution. In 1960 Canada's Prime Minister dwelled on Ukraine in a United Nations address and Moscow maligned him for weeks. In a memo of November 25, our U.N. Ambassador stressed Moscow's colonial domination over Ukraine, and the Russians were stunned. The confession by Moscow's agent, Bogdan N. Stashynsky, to the murders of patriotic Ukrainian leaders in exile—Dr. Lev R. Rebet in 1957 and Stepan Bandera in 1959—gives further proof of Khrushchev's terrorism and his fear of Ukrainian nationalism. Amazing, is it not, for one who would bamboozle the world with his missiles, and so forth.

If we seek to gain the offensive in the cold war, these few examples show why it is so necessary to spotlight the captive status of Ukraine. Our part here today in focusing worldwide attention on the Ukraine will help enormously in the cause of freedom and truth, and will inspire both hope and gratitude in the souls of millions.

This 44th anniversary of the independence of Ukraine brings the minds and souls of all Americans, and freedom-loving people everywhere, together in the common objective that the day will soon dawn when the freedom-loving Ukrainians will have the joy and happiness in their hearts which is just as much their God-given heritage as is yours and mine.

Who amongst us, or, for that matter, men and women everywhere who have their souls and spirit turned to the eternal light, can but hope and pray that Ukraine will soon have its tyrannical Soviet bonds broken, and the myth of enforced Communist coexistence buried in the depths of the unknown.

It is incumbent upon us to do everything within our earthly powers to help restore the independence of Ukraine in a manner which will bring peace on earth to those who are even willing to give their lives so that the freedom of others can be restored and perpetuated in future generations.

In the hard coal regions of Pennsylvania, which I have the honor and privilege to represent, we have what you might call a crucible—a melting pot of people of all nationalities. They came there, hundreds of thousands from foreign shores, where they could establish themselves to work and worship as they saw fit.

A great majority in yesteryear came to our region not in search of a free and easy life, but to enter the bowels of the earth where they sweat and toiled to make themselves independent, and to insure the future of their offspring. Among the thousands and thousands of these offspring we have those of Ukrainian descent.

These children of former Ukrainian immigrants are now amongst the leaders in our business, our industrial, our civic, our cultural, and our religious life. They are freedom-loving people. They have inherited this great blessing from a strong and sturdy race that brought them to our shores. Is it any wonder that they are joined together today in helping to reestablish in the homeland of their forebears the liberty and freedom which they enjoy in our country today?

I say to you, Mr. Speaker, and to all citizens of the United States and our liberty-loving allies, that we are again united with our Ukrainian brothers in the hope, work, and prayers that Ukraine must be liberated from the yoke of Communist tyranny and its independence restored. This is our common objective—our common pledge.

Mr. FLOOD. Mr. Speaker, I yield to the gentleman from Ohio [Mr. FEIGHAN], who for many years in this House has been particularly active in all matters dealing with minority problems of countries under the oppression of Communist domination.

Mr. FEIGHAN. I thank the gentleman from Pennsylvania.

Mr. Speaker, I wish to express my appreciation and compliment the gentleman from Pennsylvania for the splendid exposition he has made with reference to this great nation of the Ukraine on the 44th anniversary of its independence.

I want to congratulate the gentleman particularly on his foresight in bringing to this Congress the resolution calling for the establishment of the Captive Nations Committee. I think it is extremely important that this committee be established at once. Such a committee would be a factfinding group. It would, by the process of hearings and studies, permit a continuous and systematic study of all the captive nations of Europe and Asia. Such a committee could make available to our Ambassador at the United Nations information that would present forcefully and accurately the situation with reference to these Russian-occupied and Russian-submerged nations.

I think that when the true facts are properly disseminated it will advance the cause of peace and freedom. When the vast empire which the Russians have established by terror, armed aggression, and subversion is clearly defined and exposed to the world, it will demand justice for the many non-Russian nations submerged in the empire.

In my opinion we will not have permanent peace until all nations, large and small, are free and independent again.

I wish to congratulate the gentleman on his presentation.

Mr. FLOOD. Mr. Speaker, I now yield to the distinguished gentleman from Pennsylvania [Mr. SCRANTON] in whose district there are many Americans of Ukrainian extraction.

Mr. SCRANTON. Mr. Speaker, I thank the gentleman from Pennsylvania [Mr. FLOOD] for yielding and I wish to express at the outset my deep appreciation for his taking this time today. Many people in my district had the honor and privilege of listening to a speech he made last September in the city of Scranton to the Convention of the Ukrainian Youth League of North America. It was a fine speech, dealing primarily with the problems of the captive nations and the necessity for having a Captive Nations Committee in the House of Representatives.

This splendid speech covered the subject better than I ever heard it covered before. I commend him for that as well as for his leadership and his efforts with regard to the captive nations and the people behind the Iron Curtain.

Second, may I say I was particularly pleased to have the gentleman refer today to that great poet, Taras Shevchenko, who is not only a tremendous person in the history of the Ukraine but is also one of the greatest poets in the history of the entire world, a man whose poetry I have been privileged to read and have found truly inspiring.

January 22 may mark no special anniversary in American history, but it should be a day of inspiration for us all, nonetheless. For on that day, 44 years ago, an independent Ukrainian state was proclaimed at the ancient capital of Kiev, to the sound of Russian guns across the Dnieper.

It was a day of triumph for the Ukraine, but it was a triumph that was

destined to be short lived. The Communists, both then and now, vociferously claim to support the principle of self-determination; even Lenin himself had recognized the Ukraine's right to independence in unequivocal language. Yet simultaneously the Bolsheviks were preparing to crush the fledgling Ukrainian democracy. Communism early wore the mask of treachery.

The swirl and confusion of events as revolutionary and counterrevolutionary armies marched across Russia cannot be detailed here. The young Ukrainian state was beset by enemies. It struggled valiantly, but by November of 1921 it had fallen victim to the Soviet armies and the indifference and even hostility of the victorious Allied Powers of World War I.

For Americans, January 22, 1918, can only serve to reinforce our well-founded mistrust of the Communists. For Ukrainians, it is a day to honor the memory of those who aspired to restore the Ukraine to her ancient independence. For the whole world it is a reminder that the Soviet Union pays lipservice to the principle of self-determination, but uses it only to advance the interests of world communism. Even as we recall the significance of this day, we renew our faith in the eventual freedom of all peoples held captive by the Soviet Empire.

And this is the prime reason why I have supported and continue to support the House resolution for the establishment of a Captive Nations Committee. We must continue to demonstrate our faith in those behind the Iron Curtain who wish to be free.

The State Department personnel are somewhat inhibited from doing this, for they must daily concern themselves with the so-called presently constituted governments of the captive nations. Thus it is appropriate and necessary that the Congress take up this task. The best vehicle for promoting this effort would be a Captive Nations Committee.

I include as part of my remarks the following letter from the Ukrainian Congress Committee of America, Inc., whose chairman is the distinguished Dr. Lev E. Dobriansky, of Georgetown University:

UKRAINIAN CONGRESS COMMITTEE
OF AMERICA, INC.

Hon. WILLIAM W. SCRANTON,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN SCRANTON: Whatever section of the country you formally represent, on matters of foreign relations, you really represent the entire Nation. In every State and district, responsible and thinking Americans are manifesting a deep interest in all the captive nations, particularly those in the U.S.S.R. itself. There is a growing appreciation of what the Soviet Union really is and how crucial its internal captive nations are to the security of our country.

You have doubtless sensed this yourself. I believe that for our total national interest and goodwill, understanding of all nations and peoples, you would seize every opportunity to express the freedom aspirations of each captive nation. For the largest captive non-Russian nation in Eastern Europe, such an opportunity is given with the observance of the 44th anniversary of the independence of Ukraine on January 22.

There is no speculation as to how colonial Moscow reacts when truths about captive Ukraine are raised. The evidence is substantial, clear, and indisputable. When for the first time the 86th Congress listed this nation in the captive nations resolution, Khrushchev suffered a nightmare. At the recent 22d Party Congress, he again attacked the resolution. In 1960 Canada's Prime Minister dwelled on Ukraine in a U.N. address, and Moscow maligned him for weeks. In an unprecedented memo of November 25, our U.N. Ambassador stressed Moscow's colonial domination over Ukraine, and the Russians were stunned. The recent confession by Moscow's agent, Bogdan N. Stashynsky, to the murders of patriotic Ukrainian leaders in exile—Dr. Lev. R. Rebet in 1957 and Stepan Bandera in 1959—gives further proof of Khrushchev's terrorism and his fear of Ukrainian nationalism. Amazing, isn't it, for one who would bamboozle the world with his missiles, etc.

If we seek to gain the offensive in the cold war, these few examples show why it is so necessary to spotlight the captive status of Ukraine.

Sincerely yours,
LEV E. DOBRIANSKY,
Chairman, Georgetown University.

Mr. FLOOD. I am very grateful to the gentleman from Pennsylvania for his very kind words about my efforts, and I appreciate his contribution to the remarks today, more particularly those words in which he encourages action in the Committee on Rules for the adoption of a resolution on captive nations.

I now yield to the distinguished gentleman from Illinois [Mr. PUCINSKI], who at one time served as my chief clerk and my chief investigator and my chief cook and bottle washer, I would say, without whose valiant service as interpreter the investigation by the Katyn committee of the massacre of some 7,000 Polish officers by the Russians would never have been the success it was. I am also very happy that a few years after that great work of his the people of his district saw fit to send him to join us as a Member of this body.

Mr. PUCINSKI. I thank the gentleman for his remarks.

Mr. Speaker, I consider it a privilege to join the gentleman from Pennsylvania [Mr. FLOOD] in paying tribute today to the great people of the Ukraine on the 44th anniversary of their declaration of freedom. I think it is extremely important that we observe these ceremonies here in the House. I would like to particularly commend the gentleman from Pennsylvania [Mr. FLOOD] for arranging today's tribute to the people of the Ukraine.

The speaker immediately preceding me discussed briefly the significance of these observances. I agree it is important that at least we here in Congress give assurance to the world that our Nation is not forgetting the plight of those millions of people now living in oppression behind the Iron Curtain. I think that these observances which we conduct here in the House are important. They help again dramatize the full meaning of the treachery and the deceit of the Communist system.

The Ukrainian people have a long history of dedication to the principles of freedom and the dignity of the individual, and certainly our voices should be raised in their defense. I am particularly grateful to the gentleman from Pennsylvania [Mr. FLOOD] for his emphasis today on the need for the creation of a Captive Nations Committee here in Congress. There is no question in my mind that the continuous subjugation by the Communists of millions of people in Europe, in the Ukraine, in Poland, in Czechoslovakia, in Rumania, in Hungary, in Bulgaria, in Lithuania, Estonia, and Latvia constitutes to the Soviet Union a real Achilles' heel. There is no question in my mind that if the Kremlin thought for one second that they could count on these subjugated peoples as allies, the Communists would certainly have violated the peace of the world a long time ago. I think the Captive Nations Committee, proposed by the gentleman from Pennsylvania [Mr. FLOOD], would certainly help keep the spirit of freedom alive among those in the captive nations and it would help bring to the world the full ugly record of Communist deceit.

Mr. Speaker, I think the gentleman has conducted a great public service today in arranging this program. Permit me to point out, in concluding my remarks, that without his sincere and dedicated effort on the Katyn committee, on which I had the privilege of serving as chief investigator in 1952, without the assistance, without the skill and the knowledge of the gentleman from Pennsylvania [Mr. FLOOD] I am sure we would not have been able to write the first significant international indictment against the mass crimes committed by the Communists during World War II against Allied soldiers.

Mr. Speaker, during the Katyn massacre investigation we uncovered indisputable proof that the Soviet Union was guilty for this monstrous crime; that the orders were given by Joe Stalin to murder these 15,000 Polish Army officers in the Katyn Forest in Soviet territory because the Communists knew that these were the people who in the postwar period would have led the opposition to the Communist takeover of Poland.

Mr. Speaker, during that investigation we came across another horrible massacre where the Communists also massacred thousands of Ukrainian citizens at Venetza, simply because these people refused to give in to the Communist doctrine. The same technique of execution was used by the Communists against the Ukrainian victims as was used against the Poles in Katyn.

So, the whole scope of Communist infamy is written across the continent of central Europe, including the Ukraine, and the other captive nations.

Mr. Speaker, several weeks ago I wrote a letter to the Premier of Poland, Mr. Gomulka, in which I called upon him not as Premier of Poland but as chairman of the Communist Party in that country to admit and denounce the part that Joe Stalin played in ordering the massacre of 15,000 Allied army officers in the Katyn Forest. It is significant to me that Mr. Gomulka has not responded to this appeal, simply because we know that these atrocities, these infamies, these crimes that the Soviet Union and the Communists have perpetrated against mankind not only in the Ukraine and Poland, but all the other nations of Europe, are today the greatest threat to

their survival, even though in Moscow they are today denouncing Stalin and trying to erase his brutality from Communist history. The fact remains that the Soviet-dominated leaders in countries of central Europe are afraid to admit that it was Stalin who was guilty of those atrocities in Katyn and the Ukraine, even though the Katyn committee whose chairman was our distinguished colleague, the gentleman from Indiana [Mr. MADDEN], had proved beyond any doubt that the Communists were responsible for those crimes.

Mr. Speaker, it is only by these memorial services that we who are here in this House can remind the world again of the full scope of Communist treachery.

Mr. Speaker, I congratulate the gentleman from Pennsylvania [Mr. FLOOD] for arranging today's tribute on the 44th anniversary of the independence of the Ukrainian people.

Mr. PUCINSKI. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. O'HARA] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, on this 44th anniversary of the independence of the Ukraine my thoughts and my prayers are with the men, women and children in the captive nations of Europe who look forward to the time when the heel of the tyrant will be removed and again they can find dignity and contentment under their own free, independent, and sovereign nations.

I am happy that the distinguished gentleman from Pennsylvania [Mr. FLOOD] has arranged time for us in the House of Representatives of the Congress of the United States to observe, as properly we should, the Ukraine's Independence Day. I join with him; with my distinguished and beloved friend from Ohio [Mr. FEIGHAN]; with my good and close friend, my colleague from Illinois [Mr. PUCINSKI]; and with the many others in this body in renewing our pledge that we shall stand steadfast with the peoples of the captive nations until the night of tyranny is over and again they are free.

Mr. Speaker, the night under Russian tyranny has been long and cruel to the peoples of the brave Ukraine and the other captive nations. That night it is within our power to shorten by prompt passage of the resolution creating a Special House Committee on Captive Nations. I trust that very early in this session the special House committee will be authorized.

Mr. PUCINSKI. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. LIBONATI] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. LIBONATI. Mr. Speaker, on this memorable day, January 22, 1962, we celebrate the 44th anniversary of Ukraine's independence. It is important that we keep alive the memories of this anniversary in the United States, especially in that we include Ukraine as an extension of freedom's frontier.

The many Congressmen have entered in the RECORD of our proceedings their sincere feelings toward captive nations and their leaders. The 86th Congress reflected this greatest of suppressed desires in the passage of the captive week resolution, Public Law 86-749, when a statue was authorized to commemorate the memory of Europe's great freedom fighter, Shevchenko: House Document 445. This was truly a measure of hope to those nations behind the Iron Curtain, and proved to the world that American thought for the struggles of liberty-loving people was not lost nor abandoned in our materialistic and economic struggle for supremacy.

We have not been miserly with our riches but, rather, have supported, by enormous appropriations, our contributions to aid the many underdeveloped countries of the world.

To be sure, some may assert that we did this from a selfish point of view; namely, to keep these peoples on our side and, thus, to counteract the support of communism. But, in reality, we have accomplished a great deal in improving the standard of living and the opportunities for greater progress in the development of individual and national pride of accomplishment, giving realistic proof that the institutions and principles upon which our Government was founded are the best security for protecting the freedoms that we enjoy.

The freedom-loving patriots in these captive nations, armed with the truth and realistic proof of what we are doing for other nations, including several of those under Soviet domination, will someday feed the fires of patriotic ambitions among those persons, to rise up against the common enemy of mankind. This aroused populace will, someday, flex its muscles of freedom and establish for themselves a government, modeled after their early governments, and realistically celebrate the anniversary of their independence as a free people. This will truly be the end of the cold war and result in the independence and freedom among all nations of the new, extended frontier of peace.

The celebration of this anniversary will give confidence and hope to a suppressed nation.

The United States salutes Ukraine on the anniversary of the celebration of independence.

Mr. FLOOD. The gentleman from Illinois [Mr. PUCINSKI] has always been more than kind and eloquent in espousing this cause.

Mr. Speaker, I now yield to the gentleman from Indiana [Mr. BRUCE], who from time to time since I have introduced this resolution has appeared in all our debates, and I see him willing again.

Mr. BRUCE. Mr. Speaker, I certainly would like to join in commending the gentleman from Pennsylvania [Mr. FLOOD] for his perseverance and his dedication to this important cause. Certainly, the history which he has outlined of the Ukrainian people and the events that are transpiring today stress the importance of our continual emphasis upon the spirit of the millions who have been enslaved by the international Communist conspiracy.

Mr. Speaker, as he traced the history of the Ukraine, certainly those who have spent time in studying this matter recognize that the tactics that were used to bring about the subjugation of the Ukrainian people are no different than those being used today by the butcher of the Ukraine, Mr. Khrushchev. We all recall, as we read through the pages of history that the cry then was the cry of peace from the leaders of the Bolshevik movement, when the Western World was in a position to crush the threat. It is the same today—the cry of peace, the dialectic of peace of the Bolshevik tyrants—so that today the leadership of the Western World is needed to give the strength necessary to prevent the butchery and exploitation not only of the Ukrainian people but of other millions. The cry is still the same today. The cry is the Communist cry of peace, but they do not mean live and let live, and self-determination, which has been clearly indicated. They mean the swallowing bit by bit of people who have lived with the traditions and heritage of freedom. This heritage may or may not be exactly as we understand it, but it is still a heritage that is their own self-determination.

Mr. Speaker, certainly the perseverance of the gentleman from Pennsylvania in every year raising this cry again, obviously in the face of a feeling of frustration since action has not followed here at the congressional level as far as this resolution is concerned, certainly that feeling of frustration one of these days, sooner or later, is going to be replaced with a feeling of satisfaction that there are those of us who understand the very nature of our enemy and who understand the necessity of exploiting what the gentleman from Illinois [Mr. PUCINSKI] calls the Achilles' heel of communism, the people who are enslaved by this ruthless tyranny presently headed by the butcher of the Ukraine, Mr. Khrushchev, with his wringing of his hands and cry of peace. Certainly, we hope success will come to these attempts to establish this Captive Nations Committee.

Perhaps we will be able in our outlook on world affairs to substitute for the errors that have taken place here through changing administrations the establishment of a movement which may give some hope to these people that there will come a day of liberation.

Again, Mr. Speaker, I thank most sincerely the distinguished gentleman from Pennsylvania.

Mr. FLOOD. Mr. Speaker, the eloquence of the gentleman from Indiana is always most helpful. Mr. Speaker, I have the opportunity now of remembering the day I took the floor here first to oppose and attack Castro, when everyone at that time thought he was quite a charming friend. And at my right hand then as today was the distinguished gentleman from South Carolina [Mr. RIVERS] who hastened to join me in that first attack, in this memorable Hall, against the bearded marvel from Ha-

vana. Mr. Speaker, I am pleased to yield to the distinguished gentleman from South Carolina [Mr. RIVERS].

Mr. RIVERS of South Carolina. Mr. Speaker, I joined the gentleman against Castro, because the gentleman from Pennsylvania was the first one to recognize that Castro was a Communist, from the beginning. This was over 2 years ago. He was not only a prophet, he was a superprophet. But, anyway, he was a prophet then and he is a prophet now.

These are pages of history, Mr. Speaker, that should not be forgotten. I do not have any of these great people living in my part of the world, but we know of them and we know of the great trials through which they have passed and the infamies visited on them by these godless people who have captured the whole state of Russia. Not enough people know about this page in history.

The distinguished gentleman from Pennsylvania [Mr. FLOOD] has been in the forefront of the battle against communism, in Central America, in Cuba, in South America, indeed all over the world. He has always been the first to raise his voice against communism and this House and the Nation owes him a debt of gratitude. The Nation should know again and again, should be told again and again what happened to these great people. They say that less than 3 percent of the people in Russia are Communists and yet the Communists have captured over 200 million people. The point the gentleman is making today is what has happened to those people could happen here. And it must not happen here. So we owe the gentleman a debt of gratitude. The State of Pennsylvania should feel honored in having him here as a Representative in this branch of the Congress.

Mr. FLOOD. Mr. Speaker, without those flattering words from my cousin from South Carolina this day would not have been a success.

Mrs. CHURCH. Mr. Speaker, it was 44 years ago that the people of the Ukraine joyously proclaimed the Ukrainian National Republic, after centuries of subjection to the rule of Russia. We rise today to commemorate this significant occasion in the history of this great people, in the hope that the tribute which we gladly pay will serve to strengthen their spirit of freedom.

One of the first peoples to establish their independence following the fall of the czarist regime, the Ukrainians, on March 17, 1917, established their own governing body, the Rada, and in July of that year drafted a constitution. It was on January 22, 1918, that the Republic was officially proclaimed.

We recall with sorrow how short lived was their independence. Here, again, the Russians—this time, the Bolsheviks who had gained power—used brute force to suppress a young Republic. Mass deportations, forced famines, and other unspeakable tortures were inflicted by the Communist imperialists. No oppression, however, has been strong enough to quench the yearning for freedom that lies deep within the Ukrainian heart.

Today, these vigorous, hard-working people, over 40 million strong, compose the largest ethnic group behind the Iron Curtain and represent one-fifth of the population of the Soviet Union. Their lands extend from the Black Sea to the Carpathian Mountains, to the Donets Basin and the Don River, and comprise one of the most productive farm areas in the world. Their subjugation was accomplished only through military force, terror, and deceit, a pattern familiar in all Communist-dominated countries. Their rights of personal and political freedoms are flagrantly disregarded—they are, indeed, captive people. Nevertheless, the relentless effort throughout generations to integrate these people into the Russian culture and to destroy their political freedom has not lessened or eradicated the boundless love of the Ukrainians for their homeland and for their own culture. In no way has their hope diminished that soon again they will stand as freemen. Our thoughts and prayers are with them today, as once more we pay tribute to their courage and acknowledge their contribution to the cause of freedom everywhere.

It seems fitting also, at this hour, that we remind ourselves of how rich a gift Americans of Ukrainian descent have made to the culture and political heritage of our own country through demonstrated devotion to democratic ideals and strong belief in justice and liberty. We share with them their aspirations for the freedom and independence of the land of their forefathers.

Mr. O'HARA of Michigan. On the 22d of January, people of Ukrainian background all over the world will be acknowledging the 44th anniversary of independence. Independence is more than a word, more than an expression to these people. It represents hope, a desire, an aspiration. It remains an aspiration today because these people are not free. They are not independent. Yet, Ukrainians take note of an independence day.

This date commemorates their independence which was declared after the czarist regime in Russia was overthrown. The brave Ukrainians did not have the weapons nor the organization that was necessary to defend themselves against the overwhelming number of Bolshevik troops sent to conquer them. Thus after only a short-lived independent period, the Ukraine became part of the Soviet Union.

Throughout much of its history, the Ukraine has been overrun by rulers who attempted to incorporate the area into their own nations. In spite of this, the courageous people of the Ukraine have been able to maintain a spirit characterized by their own definitive culture and language. This is exemplified today as the Ukrainians strive to maintain a distinction between themselves and their Soviet oppressors. Today, the people are living under a tyranny far more oppressive than any that they have ever experienced. Communist rule has endeavored to stamp out the flame of freedom that burns in their valiant hearts. The Soviets are attempting an impossible task. The Ukrainian yearning for independence is much stronger than Soviet oppression. On the surface, the Communists seem to be sovietizing the Ukraine. However, underneath, these people, experienced in giving lipservice to foreign rulers, have that same spirit that enabled them to achieve independence in 1918.

I salute Americans of Ukrainian heritage who have continually demonstrated fine citizenship in this country. I also want to express the sincere hope that someday the people of the Ukraine will be citizens of a free, truly independent nation.

Mr. OSTERTAG. Mr. Speaker, today marks the 44th anniversary of the independence of Ukraine. This independence was short-lived, however, lasting only a little more than 2 years, and for 42 long years Ukraine has been the largest captive non-Russian nation both in the U.S.S.R. and behind the Iron Curtain. Ukraine was the first victim of the Russian Communist aggression. Therefore, her tragic fate should serve constantly as a warning for the free nations throughout the world.

But, it must also serve as a constant reminder to us of our own duty. Those who now live under tyranny look to us, as leaders of the free world, to maintain and strengthen the cause of freedom everywhere. This we must strive to do, so that these oppressed peoples may continue to hope and work and fight for the blessings and joys of real liberty.

The continuous pressure for freedom by more than 40 million Ukrainians cannot be ignored. The desire and longing for national freedom in the Ukraine have never been extinguished through 40 years of tortures, famine, purges and deportations. Valiant efforts have been frustrated time and again, but the determination of the Ukrainian people remains strong and powerful in their epic struggle against the evil of Soviet imperialism and tyranny.

The free world must continue to hold out the hand of support to these courageous people. Our own dedication to liberty should be strengthened by the knowledge that Ukrainians have not forgotten the sweetness of freedom—though their experience with it was tragically short.

Mr. CURTIS of Massachusetts. Mr. Speaker, this January 22, 1962, marks the 44th anniversary of the declaration of independence of the Ukrainian Republic—an independence too briefly enjoyed and of which it has now been deprived by Soviet totalitarian communism.

The Soviet Union continually reproaches the free world nations for colonialism. Let us in answer refer to the Ukrainian people and other peoples today held in bondage by Communist tyranny. Let us not only answer back, let us give these people in bondage reason to keep up their hopes. American policy does not recognize the present Soviet domination of these captive nations as permanent.

Despite the hardships suffered by the Ukrainian people, their spirit of freedom remains alive. We join with the sons of the Ukraine in their hopes and prayers that the longed-for better life for the millions of Ukrainians behind the Iron Curtain will in good time be won and enjoyed in full measure.

Mr. ANFUSO. Mr. Speaker, today, January 22, Americans of Ukrainian descent and their kinsmen in other countries are observing the 44th anniversary of the independence of their ancestral homeland, the Ukraine.

The Ukraine, unfortunately, is one of the captive nations of Eastern Europe. It is a nation of some 40 million people, who were among the earliest victims of communism and are still enslaved by the ruthless rulers of Moscow.

Despite this long interval of time, the people of the Ukraine have not relinquished their desire for freedom and independence. This yearning and desire on their part must be kept alive for their own sake and for the sake of the free world. We can give them heart and encouragement by demonstrating to them that they have not been forgotten in this very bleak period in human affairs.

There will—and there must—come a day when they will again have the opportunity to rehabilitate their national life, their culture and religion, their way of life and dignity as human beings. It is, therefore, imperative that we do all in our power to keep those sparks of hope alive in these very trying and difficult days.

For us it is extremely important to continue to focus the spotlight of the world on the subjugated status of the captive nations struggling under the yoke of communism, if we ever hope to gain the offensive in the cold war. The more we do this, the more we stress the extent of Communist imperialism, the sooner we shall place Russia on the defensive and subject her to worldwide criticism.

On this day of the anniversary of Ukrainian independence, the American people renew their moral support and their prayers that the day of liberation for the Ukraine and all other captive nations will soon arrive.

Mr. RYAN. Mr. Speaker, January 23, 1918, is a memorable event in Ukrainian history. On that date the Ukrainian people signed a pact with the Russian Czars granting them freedom. Unfortunately, these happy people were to enjoy the blessings of liberty for only the short period of 2 years. Early in 1920, the Red army occupied the country and by the end of the year the Ukraine was made a Soviet Socialist Republic. The freedom for which these brave people had so gallantly struggled was quickly extinguished. The tactics of arrests, trials, executions and deportations adopted in an attempt to eliminate Ukrainian nationalism horrified the free world. To this day there is evidence that the Soviets are continuing to employ these measures to keep the Ukrainian people under the firm grip of the Kremlin.

We in America are conscious of what the Ukrainians can accomplish in an atmosphere of freedom and justice. Ukrainian-Americans have played an important part in the building of our Nation. They have diligently worked in our factories, mines and on our farms and railroads to strengthen this great land of ours. In addition, they have contributed much to the spiritual and cultural growth of our country. We will always be thankful for their contributions to the American way of life.

Today we know that Ukrainian-Americans will be thinking of their friends and relatives behind the iron curtain. They know that there will be no opportunity for open observations of their independence day. Consequently, it is proper that all Americans join with them in speaking for the silenced Ukrainians. It is just that we assure the Ukrainians that we will continue to demand the right of all people to choose the form of government under which they desire to live.

Mr. FORD. Mr. Speaker, this day, January 22 marks the 44th anniversary of Ukrainian independence. On this date in 1918, the Ukrainian National Republic began its short-lived period of independence—an independence period of only 2 years which it had struggled to gain after being oppressed for 300 years. At the end of these 2 years of freedom, the Ukranian National Republic was savagely swallowed by the greedy and powerful Soviet Union.

The 40 million Ukrainian people today are not free in fact; they are held captive within the imperialistic grip of Communist Russia. We know that the spirit of freedom still burns brightly for these downtrodden people because of their unrelenting resistance to the forced collectivism of the Red masters.

We understand the plight of the conquered Ukrainian peoples and on this anniversary we vow renewed dedication to the efforts of these people to break their bonds of enslavement to the U.S.S.R.

We confidently look forward to that day when once again the Ukraine will renew its birthright as a free and independent nation and when the Ukrainian people may again celebrate this day as free people in a free country.

Mr. CUNNINGHAM. Mr. Speaker, this somber anniversary of Ukrainian independence gives the free world another opportunity to pledge its unceasing efforts toward the goal of freedom for the Russian captive nations.

While Russia tries to propagandize the world about colonial powers, the Soviet Union itself is the greatest colonial power in the world. Hundreds of millions of citizens of formerly free countries now are forcibly held behind the Iron Curtain of fear, tyranny, and oppression.

Let us once more renew our pledge of everlasting support for the people of Ukraine until the joyous day when the Russian troops and commissars leave their land. We are bound together in our determination to free that nation and all other Russian colonies from the armed control of the Soviet Union.

I believe it is imperative that the House of Representatives establish a Special Committee on Captive Nations to call continuing attention to this tragic situation which exists today. We must never allow the world to forget the subjugation of these free nations.

Mr. RODINO. Mr. Speaker, few peoples have suffered so cruelly under the yoke of alien despots as have the Ukrainian people. For three centuries their only respite came during the years 1918–20, when their burning for freedom and independence came alive and glowed briefly, like a candle in the eye of a hurricane. The collapse of the decrepit czarist regime gave the Ukrainians their cherished opportunity. On January 22, 1918, they proclaimed their independence and established the Ukrainian National Republic. The next 2 years were perilous. The Ukrainians struggled to consolidate and protect their freedom. But the Russian Red Army grew stronger, and more and more threatened the valiant Republic. The Ukrainians fought bravely against overwhelming odds. Finally the Communist forces proved too strong, and in the latter part of 1920 the Ukrainians' precious freedom was snuffed out. All opposition was cruelly suppressed and the area was incorporated into the U.S.S.R.

Today, over 40 years later, we are witnesses to the fact that the yearning for a peaceful and independent homeland still burns in the hearts of the Ukrainian people. Communist totalitarianism has not stifled their passion for liberty; it has fed it. Today I am proud to join with Americans of Ukrainian ancestry in celebrating this 44th anniversary of Ukrainian Independence Day. The Ukraine will never die.

Mr. BUCKLEY. Mr. Speaker, today we are living in a world that is being increasingly torn asunder by strife. We are living in an era where the conflict among the forces of democracy and those who would overthrow democracy becomes more and more acute with each passing day. Today millions of people lie oppressed and subjugated behind the Iron Curtains and Bamboo Curtains of communism. Today we are faced with the greatest challenge to our form of life since the inception of this great American Republic, and today January 22 stands out as an exceptional one in this battle against communistic tyranny. Today marks the 43d anniversary of the independence of the Ukraine.

That independence no longer exists for the people of the Ukraine who like millions of others toil and live under the heavy cloud of dictatorial communism. These people were among the earliest victims of communism. These people know full well through many bitter years of living with communism how cruel and unrelenting the masters of this evil system can be. Despite this there still burns within the souls of the Ukrainian people a true love for freedom and a true desire for their own self-determination which makes them serve as a shining example to all of us in our continuous battle to see that all mankind will one day have the right to determine its own existence on this earth and its own form of government.

Over the years I have been privileged to salute the people of the Ukraine and their leaders. I am proud today to stand here in the well of this House and once again raise my voice in a deserved tribute to the freedom loving people of the Ukraine. It is my fervent hope, and I am sure it is the wish of all true believers in democracy, that one day the people of the Ukraine will have the right to choose

their own destiny in the manner that they desire. When that day is finally reached then I am sure not only the people of the Ukraine but every man and woman on the face of this earth will be able to live in the manner that God intended—freely and without fear of any form of tyranny.

Mr. PILLION. Mr. Speaker, at a time when this country and the rest of the free world are engaged in a life and death struggle with the evil Communist world conspiracy, it is reassuring to note that millions of freedom loving people behind the Iron Curtain still maintain faith in an eventual liberation from Communist-Soviet tryanny. At the forefront of these courageous legions striving for freedom are the Ukrainian people.

Not since January 22, 1918, when the Ukrainian National Republic was established, have the Ukrainian people wavered from their goal of freedom and independence.

On that day, now 44 years ago, the Ukrainian people issued a proclamation at the Sophian Square of Kiev declaring the following:

> Let it be known, that from this day forward, the following states, Galicia, Bukovyna, Karpato-Ukrainia are now united in one independent Ukrainian National Republic.

Following the Russian-Ukrainian war, the freedom loving peoples of the Ukraine became subject to the ruthless domination of their Bolshevik conquerors. This apparent defeat, however, never succeeded in quenching the valiant spirit and the love for freedom of the Ukrainian people.

Today's celebration of the anniversary of the proclamation of Ukrainian independence evidences the undying determination of Ukrainians everywhere for eventual victory over the Soviet oppressors. The United States will continue to lend its assistance to the people of that great nation in once again achieving the status of a free people.

I would also like to take this opportunity to pay tribute to the Ukrainian Congress Committee of America, an organization which represents some 60 fraternal, social, cultural, and political groups whose membership is comprised of Ukrainian people in the United States. The goal of this committee is to present a common, united anti-Communist front for people of Ukrainian extraction now living in America.

I am convinced that the patriotic thoughts, feelings, and actions of these thousands of Ukrainian-Americans represent the same beliefs in the ideals of true democracy that is cherished by the captive Ukrainian people. I am honored to salute loyal Ukrainians everywhere, for the blood they have shed, and the blood they will shed, if need be, to once again restore freedom to their beloved land.

Mr. DULSKI. Mr. Speaker, for 300 years the Ukrainians have cherished but one goal: freedom and independence in their historic homeland. Although they have been opposed at every turn by oppressive Russian totalitarianism, no alien despotism could stifle their passion for liberty.

When the rotted czarist regime crumbled in 1917, the Ukrainians realized that the long-awaited moment had arrived. On January 22, 1918, they proclaimed their independence and established the Ukrainian National Republic. Tirelessly they worked to consolidate their new freedom, but finally in 1920 the valiant Republic was overcome by a new Russian tyranny even more cruel than the last.

Today some 42 million Ukrainians suffer under the yoke of Russian Communist inhumanity. Deplorable though their lot is, few can be optimistic about their future. But as we saw in 1918 the valiant Ukrainians will proclaim their love of freedom whenever circumstances give them the opportunity. Let us hope that the future will fulfill their worthy goals. I am truly proud to join loyal Americans of Ukrainian ancestry in celebrating today the 44th anniversary of Ukrainian Independence Day.

Mr. MILLER of New York. Mr. Speaker, the Ukrainian people will celebrate this month the 44th anniversary of their independence. The story of that independence depicts the political, ethnic, cultural, economic, social, and religious slavery which has been imposed behind the Iron Curtain since formation of the Union of Soviet Socialist Republics.

The population of the Ukraine is estimated at 41,893,000, 80 percent of whom are Ukrainian and only 20 percent Russian.

Concerning the Ukraine, Lenin said in 1917:

> Russia cannot exist without the Ukrainian sugar. The same can be said regarding coal, grains.

Ukrainian religion, culture, history, and language have been distorted by the Russians. The Russian past itself is not immune from distortion. The Ukrainians are among the nationalities who have objected to Communist dictatorship and to the imposition of the Russian language and culture upon them.

The Ukraine was the scene of many uprisings against communism in the twenties and thirties, and its underground reappeared in full force constantly fighting against the oppressors. Resistance to Soviet rule even continues in the Ukraine today.

It is a sad commentary that the struggle for freedom, which was fought so bravely, was so ruthlessly crushed, and that Ukraine independence must be observed in foreign countries while the Ukrainian people themselves are enslaved.

Here in the United States there are approximately 1 million Ukrainian refugees who own their homes, churches, social, political, scientific, and educational institutions, businesses, and other essentials for a life of freedom that was denied them in their country.

But it is heartening to realize that despite the years of suffering Ukrainia has endured, its spirit of independence still lives.

I am particularly happy to pay tribute to the great Ukrainian people for their devotion to liberty. I think it is well at this time to reiterate that behind the Iron Curtain, in the most oppressed of all lands, there glows the spark that someday may set the world ablaze with a newer and nobler freedom because the love of freedom and the devotion to human liberty of so great a people well could provide the inspiration for all free peoples.

Mr. Speaker, I am sure I join all America in saluting the Ukrainian people and the Ukrainian Congress Committee of America, one of the groups which speak for them in this country.

Mr. KOWALSKI. Mr. Speaker, in this country we celebrate our Independence Day on July 4. It is a day of patriotic rededication, but it is also a day for the enjoyment of life. What a difference there is for the Ukrainian people on their independence day, January 22d. Only those Ukrainians living in exile will pause to note the anniversary. For them, it will be a day of sorrow, a day to dwell on the might-have-been. There will be no parades, no dancing in the streets; for the Ukrainian Republic born on January 22, 1918, died in infancy. Its life was snuffed out by the Soviet Government, with no noticeable protest from the rest of the world.

The Soviet myth makers have long since rewritten the story of the Ukrainian Republic, where they have not expunged it altogether. Composed of democratic elements, and supported by the great majority of the Ukrainian people, it dared to oppose the Communists, who have placed the stamp of opprobrium on it ever since.

The fate of the Ukraine should be a warning to us all to pay no attention to Communist propaganda. For years the Soviet Union has boasted about its nationalities policy, under which its various nationalities within Russia supposedly enjoy cultural freedom. But this so-called freedom allows no play for genuine nationalist sentiment. There is no easing of rigid Communist control. There is no political freedom worthy of the name. What there is is merely window dressing, behind which the Communists suppress all national manifestations which do not serve their interests.

On January 22, and every day of the year, democratic Ukrainians need no reminder of these facts. They are there for the rest of us, particularly those young nations attracted by the siren song of communism, to ponder.

Mr. McDONOUGH. Mr. Speaker, on this 44th anniversary of the independence of Ukraine, I take this opportunity to pay tribute to the courageous Ukrainian people who have struggled ceaselessly and so valiantly to regain their independent status as a free nation.

On January 22, 1918, the people of Ukraine for the first time realized their dream of independence at the close of World War I, when the Ukrainian leaders proclaimed their national independence from the oppression and cruel domination of Russia.

This marked the formal and official restoration of the independence of the Ukrainian nation.

Unfortunately, freedom was short-lived, and in 1920, after a brief span of only 2 years of independence, Ukraine was attacked by the Russian Communist forces, overrun by the Red Army in a

fierce and bloody struggle, and incorporated against the will of the Ukrainian people into the Soviet Union.

In spite of all the efforts of the Communists to destroy the Ukrainian national identity, the Ukrainian people have refused to submit to Russian enslavement and have stood firm in the faith expressed in their historic national anthem, "Ukraine Will Never Die."

Today the 40 million Ukrainian nation is held in bondage, the largest captive non-Russian nation in the U.S.S.R. and behind the Iron Curtain. The plight of these people is a matter of grave concern not only to the United States but to all the people of the free world.

On this 44th anniversary of the independence of Ukraine, we join with the Ukrainian people and with those of Ukrainian descent everywhere in the fervent hope and prayer that the sacrifices and valiant courageous struggle of the people of Ukraine will be victorious, and that the liberation of the Ukrainian people will come, and the independence of Ukraine will soon be reestablished.

Mr. SEELY-BROWN. Mr. Speaker, there is a particular significance in the notice given to the 44th anniversary of the Ukraine, not only here today in this Chamber, but throughout our country, and throughout the world.

For the times are breeding the dissolution of the last expanses of empire, and the whole world knows that the Soviet Russian empire is the cruelest, the most illegal, and the biggest empire in the world today.

The largest captive non-Russian nation, with some 40 million people, continues only by force and subversion to be a part of the Soviet empire. It is just as certain that the people of the Ukraine once again will be free and independent as a nation, as it was a generation ago that, sooner or later, India would be independent of the British Empire.

When 25 new nations have broken their way out of empire and taken their seats in the parliament of man, how can Russia expect to much longer hold Ukraine and the other nations behind the Iron Curtain in bondage?

A definite answer to this question cannot be supplied just now; but the answer is on the way.

Soviet Russia has demonstrated through the years that it cares nothing about morality, about ethics between the peoples of the world, about international law. But in these critical times—and there is evidence that the times are more critical behind the Iron Curtain than they are in the free world—Russia has demonstrated that she does want to maintain a favorable world opinion, no matter by what means.

Khrushchev becomes enraged at any reference to the plight of Ukraine and all the other captive nations. He is particularly nervous about the disclosures by Moscow's agent, Stashynsky, about the murders of Ukraine leaders in exile in 1957 and 1959.

The day will come when Soviet Russia and its leaders must come to judgment for its crime against freedom-loving people everywhere.

So, on this 44th anniversary of the day that means so much in the illustrious past of Ukraine, let us here pour it on, in our exposure, in our denunciation, and in our determination to seek the good offices and to join with all of the free nations of the world, in bringing about in time the disgorging by the Soviet colonial colossus, of Ukraine and the other captive nations.

Mr. CONTE. Mr. Speaker, it is appropriate for us to pay tribute today to Ukrainians everywhere on the 44th anniversary of their nation's short-lived independence. The peoples of the Ukraine, whether they now reside in Western Europe, the United States, or any other part of the world, hold one cause—the renewed independence of their country—deeply within their hearts. We Americans take this opportunity to reassure them and their Communist masters that a free Ukraine is our cause as well. There is no difference in our conception of their right to freedom than there is in the right of Hungary, Poland, or Lithuania to self-determination. The nation was subjugated, its unique characteristics mostly destroyed, and the will of the people controlled by a foreign power.

During these, the beginning days of the 2d session of the 87th Congress, it would be well for us to rededicate ourselves to another closely related effort—the establishment of a Special Committee on Captive Nations within this House of Representatives. Such a committee will be of concrete aid in providing official evidence of America's continuing concern for the plight of peoples subjected to Communist imperialism. Furthermore, it will indicate our serious intent to point out to the new nations of the world that imperialism must be recognized as a major facet of Russian foreign policy. Through a Committee on Captive Nations the detailed record of Russian imperialism can be assembled and disseminated. A great lie can be dissected, and the truth can be known. To create a Committee on Captive Nations this year would be a proper way in which to honor the people of the Ukraine and to give new hope to all similarly oppressed peoples throughout the world.

Mr. SHORT. Mr. Speaker, the commemoration today of the 44th anniversary of the Ukrainian Independence Day brings vividly to mind the plight of the 40 million or so peoples in the Ukraine now living as a captive nation.

Prof. Lev E. Dobriansky, chairman of the Ukrainian Congress Committee of America, Inc., of Georgetown University, asserts:

There is no speculation as to how colonial Moscow reacts when truths about captive Ukraine are raised. The evidence is substantial, clear, and indisputable. When for the first time the 86th Congress listed this nation in the captive nations resolution, Khrushchev suffered a nightmare. At the recent 22d Party Congress he again attacked the resolution. In 1960, Canada's Prime Minister dwelled on Ukraine in a U.N. address, and Moscow maligned him for weeks. In an unprecedented memo of November 25 our U.N. Ambassador stressed Moscow's colonial domination over Ukraine, and the Russians were stunned. The recent confession by Moscow's agent, Bogdan N. Stashynsky to the murders of patriotic Ukrainian leaders in exile—Dr. Lev R. Rebet in 1957 and Stepan Bandera in 1959—gives further proof of Khrushchev's terrorism and his fear of Ukrainian nationalism. If we seek to gain the offensive in the cold war, these few examples show why it is so necessary to spotlight the captive status of Ukraine.

In my own State of North Dakota, we have many fine, outstanding citizens of Ukrainian descent who are holding big celebrations today in the Belfield and Wilton, N. Dak., areas. Dr. Anthony Zukowsky, of Steel, N. Dak., president of the North Dakota branch of the Ukrainian Congress Committee of America has prepared the following release which I would like to quote to further emphasize the importance of this event to the free Western World lest we forget these captive souls in the Ukraine who are behind the bars of Soviet domination and slavery:

UKRAINIAN INDEPENDENCE DAY

On January 22, 1962, it will be 44 years since a free and independent state of the Ukrainian people was established, which was on January 22, 1918, in Kiev, the capital of the Ukraine.

On January 22, 1918, a free and democratically elected parliament and government, issued a solemn act and proclamation of the reestablishment of the Ukraine as a sovereign independent nation, called the Ukrainian National Republic.

On this occasion we would like to recall that on November 25, 1961, the Honorable Adlai E. Stevenson, U.S. representative to the United Nations, addressed the U.N. General Assembly, in which he expressed the views of the U.S. delegation on the Soviet memorandum regarding colonialism and imperialism, and it was one of the finest and best U.S. presentations in the United Nations yet on Russian Communist colonialism in the U.S.S.R. Mr. Stevenson said that the Soviet Union has been waging a war on "colonialism" in the U.N. but only against the so-called Western colonialism, while in fact, Mr. Stevenson contended, the U.S.S.R. today is the greatest empire in the world where millions of enslaved peoples are denied the right of self-determination and independence. Citing a declaration of rights issued by the Russian Bolsheviks in 1917, which proclaimed "the right of the nations of Rusia to free self-determination, including the right to secede and form independent states," Mr. Stevenson stated:

"How did this 'right' work in practice? An independent Ukrainian Republic was recognized by the Bolsheviks in 1917, but in 1917 they established a rival republic in Kharkov. In July 1923, with the help of the Red army, a Ukrainian Soviet Socialist Republic was established and incorporated into the U.S.S.R."

We recall these pronouncements on Ukraine by the highest U.S. official at this time as this month Ukrainians in the free world will observe the 44th anniversary of the proclamation of independence of the Ukrainian National Republic.

The young and democratic Ukrainian state was recognized by a number of governments, including the Soviet Russian Government, and it endeavored to pursue its own free course in harmony and peace with other nations. But Communist Russia began a war of aggression against Ukraine, despite the fact that it officially recognized the independence of Ukraine and pledged itself to respect the sovereignty of the Ukrainian nation. For almost 4 years the Ukrainian nation gallantly defended its newly established state, but deprived of military, economic, and diplomatic support by the Western nations, it succumbed to the

superior military forces of Communist Russia. By the end of 1920 Ukraine was occupied by Russian Communist troops which helped to establish a puppet Communist regime, which eventually proclaimed itself a "Ukrainian Soviet Socialist Republic" and in 1923 it was made a part of the Soviet Union.

But the Ukrainian people have never accepted the Communist yoke imposed upon them by Moscow and have continued to fight for their liberation. In the past four decades the Ukrainians have given ample proof of their love of freedom and their desire for genuine independence. Russian Communist persecution and oppression of Ukraine has evoked worldwide protests and indignation. We recall that during the 1960 session of the U.N. General Assembly a number of Western statesmen, including the Honorable John G. Diefenbaker, Prime Minister of Canada, raised their voices in protest against the oppression and enslavement of the Ukrainian nation by Communist Russia. Both the U.S. Congress and the President of the United States of America have recognized the plight of the Ukrainian people by respectively enacting and signing the Captive Nations Week resolution, which listed Ukraine as one of the captive nations enslaved by the Soviet Union.

Today, the Ukrainian people everywhere are celebrating the memorable date of January 22, 1918, as their greatest national holiday. The Russian puppets who pose as a "Ukrainian Soviet Government" in Kiev are neither representatives of the Ukrainian people nor the Ukrainian patriots. The true Ukrainian Government exists to this very day in exile, while millions of Ukrainian patriots are either in the underground resistance, exiled in Siberia, or genocided en masse by the Russians.

But there is a lesson to be drawn from this Ukrainian independence anniversary. The West has played an ignominious role by blindly rejecting all the Ukrainian pleas for help. Instead, it supported anachronistic and antidemocratic Russian generals and admirals who aimed to restore what could never be restored: czarist despotism. Instead of giving tangible assistance to the Ukrainians and other non-Russian nations, which alone were fighting the Bolsheviks, the West procrastinated.

Today, after 44 years of unrelenting struggle against Moscow, the Ukrainians have made much progress, and their cause is known in the world as never before.

The cause of Ukrainian freedom and independence is no longer a patriotic desire of the Ukrainians. It has become a political necessity, for a free world, since independent Ukraine means a substantial weakening of the Soviet Communist empire, and therefore the permanent Soviet threat which hangs over an intimidated humanity.

Americans of Ukrainian descent in the State of North Dakota are planning to celebrate the forthcoming 44th anniversary of Ukraine independence on January 22, 1962, in Wilton and Belfield, in a fitting and appropriate manner. And since the United States of America remains a true citadel of freedom and a hope for oppressed peoples everywhere, the 44th anniversary of Ukrainian independence provides a proper occasion for the people of the United States to demonstrate their sympathy with and understanding of the aspirations of the Ukrainian nation to freedom and independence.

Mr. DERWINSKI. Mr. Speaker, I wish to add my remarks to those of my colleagues in calling attention to this day as the 44th anniversary of Ukrainian independence.

If we are ever to regain the offensive in the psychological propaganda arenas in the cold war, we must emphasize to the world the captive status of the Ukraine and other previously free nations held by the Soviet Union.

The Ukraine is extremely important in this instance since it is the largest captive of non-Russian nations in Eastern Europe and the spirit of Ukrainian nationalism still beats deeply in that vast area of Europe despite four decades of Communist persecution. The Ukrainian people represent an outstanding example of the beastly manner in which communism has held millions of people in bondage. We must never forget the legitimate aspirations of these brave people to once again enjoy the blessings of their own government, to maintain their culture, language, religious freedom, and to enjoy the prominent place they deserve in the family of nations.

Even though the Ukrainian nation enjoyed but a brief period of independence and through that entire period was under pressure from Communist forces, it displayed the ability and sound operation to maintain a government dedicated to the fundamental interests of the Ukrainian people.

Certainly it is fitting that we as individual Members of the House of Representatives pay tribute to the spirit of Ukrainian independence in joining Ukrainian patriots throughout the world, and especially those suffering under Soviet domination in their homeland, in urging an aggressive, affirmative action on the part of our State Department in consistently calling the attention of U.N. sources and other international agencies to the true nature of Soviet colonialism in the Ukraine and other areas of Eastern Europe.

Mr. DANIELS. Mr. Speaker, today, January 22, marks the 44th anniversary of the proclamation of independence of the Ukraine National Republic. On that date in 1918 the people of the Ukraine, for the first time in over 250 years, tasted the sweet fruit of liberty. The czars, who had ruled their country since 1667, had been overthrown by the Russian populace and it seemed as if the Ukraine would finally join the community of nations as a free and independent state. But, as in Russia, the dictatorship of the Communists soon replaced the tyranny of the czars. Only 2 short years after the Ukraine Republic was established it was overthrown by the Red army and the Ukrainian people were once again under foreign rule.

Neither the years under the czarist yoke nor the more recent period of Communist oppression, however, have dimmed the Ukrainians' hope and yearning for freedom. For the realization of this dream they, and all the other peoples subjugated by the Communists, look toward the United States and its free world allies for support. The captive nations behind the Iron Curtain take strength and courage from our firm resistance to the Communists in West Berlin, in Laos, and in Vietnam. On the anniversary it is fitting that we Americans rededicate ourselves to the ideals of freedom and democracy and pledge ourselves to their unswerving defense. Only thus can we give the Ukrainian people the hope that they will soon be free.

Mr. ADDONIZIO. Mr. Speaker, the history of the Ukrainian people, like the histories of the other East European peoples, is full of miseries and misfortunes. Since the signing of a compact between the Russian czar and the Ukrainian leaders in 1654, stouthearted and liberty loving Ukrainians have not been allowed, except for a brief 2-year period between 1918 and 1920, to enjoy the normal benefits of a free and independent life in their historic homeland. The 40 million Ukrainians have been left at the mercy of the turns and twists of fateful international events. For more than 300 years they have been held down under the oppressing yoke of alien despots. They have endured hardships, privations, and indescribable miseries. They have been ruthlessly persecuted for clinging to their national ideals, for dreaming and cherishing their independence and freedom. Yet no oppressive measures, no amount of severe persecution could compel them to give up their yearning for freedom. Instead, oppressions and persecutions have united the Ukrainians against their foes and held them together. Then toward the end of the First World War, when the decrepit czarist regime was overthrown, and Austria's hold over the western Ukraine was broken, the Ukrainians proclaimed their independence and established the Ukrainian National Republic.

This historic event took place on the memorable 22d of January 1918, a day which has become a landmark in the history of the Ukraine and remains the brightest spot in their struggle for freedom and independence. Unfortunately, the newly born Republic was suffering under severe handicaps. It was surrounded by powerful foes, ready to pounce upon it and put an end to its existence. And that is what happened, even before the joy and jubilation had ceased. Before the Ukrainian people had any time to recoup their losses, they were attacked by their inveterate foe, the Red army. Early in 1920 enemy forces entered and occupied the eastern part of the country; soon the whole country was overrun, and all Ukrainian opposition was ruthlessly crushed. In the fall of that year Ukraine became part of the Soviet Union.

Since those fateful days, for more than 40 years, Ukraine has been submerged in the Soviet empire, and the Ukrainian people suffered grievously under Soviet totalitarianism. For all practical purposes the country is sealed off from the free world. The people of Ukraine are not allowed to travel abroad, nor are the people of the free world, except under carefully guided Communist supervision, permitted to go to Ukraine. Thus the country has become a large prison house for its people. Their most cherished possession is their spirit of freedom. Inhuman Kremlin agents have resorted to every devise to deprive the Ukrainian people of this possession, but fortunately they have not succeeded in their task. Today, even under the most relentless of Communist totalitarian tyrannies, the sturdy and stouthearted Ukrainian clings steadfastly to his national ideals and still preserves his fervent love for freedom and independence.

The Ukrainian people, in and out of their homeland, have been a boon to the communities in which they lived. In this country they have been noted for their industry, ingenuity, and tenacity for hard work. They have never shunned heavy labor in preference to something less arduous. In this respect their tough and resilient physique, and their tenacious nature have served them well. Hundreds of loyal, patriotic, and hard-working Americans of Ukrainian origin have always given excellent account of themselves in this country. I can say this because I have known many of them in my congressional district, and have seen them at work. In certain parts of my State they constitute the core of sturdy and stouthearted laborers who perform heavy but necessary tasks with distinction. These people of solid character have contributed to their full measure to the free and democratic way of life and this great Republic. They have been a positive force in the building of our democratic institutions, and they have always been ready to fight and die for the preservation of these institutions. In the words of the immortal Ukrainian national poet, Taras Shevchenko: "They are really poor; yes, and naked, but in freedom they can pray to God." Today on this solemn occasion, I am happy to join them in the celebration of the 44th anniversary of the Ukrainian Independence Day.

Mr. DINGELL. Mr. Speaker, on January 23, the Ukrainian people will celebrate the 44th anniversary of their independence.

Ever since 1654, when the Ukrainian leaders signed a pact with the Russian czar these unfortunate people have not known freedom but for a brief 2-year period, 1918–20.

The memorable event took place soon after the Russian revolution of 1917. At that time the Ukrainians were under the combined rule of imperial Russia and the Austro-Hungarian monarchy. The overthrow of the czar in Russia coupled with the collapse of the Austro-Hungarian monarchy enabled the Ukrainians, on January 22, 1918, to finally obtain their freedom. This period of freedom, unfortunately, was to be short-lived. Early in 1920, the Red army entered the eastern part of Ukrainia, and by the end of the year they had occupied the entire country. The Ukrainian Socialist Soviet Republic was made part of the Soviet Union.

The hardships that the Ukrainian people have had to endure under Communist rule is common knowledge. The Kremlin attempted to obliterate all vestiges of Ukrainian nationalism. Ukrainian history and literature were revised to show how dependent the Ukrainians were in past and future on their "benefactors," the Russians. To this day, trials, execution, and deportations characterize the Communist attempt to keep the Ukrainians under the grip of the Soviets.

Unable today to express their desire for freedom in their enslaved land, these unfortunate people look toward their Ukrainian friends and relatives in the free countries of the world to speak for them. In our country this is being done chiefly by the Ukrainian Congressional Committee. This organization made up of native-born Americans, naturalized citizens, and recent immigrants from the Ukraine, has been working unceasingly for eventual Ukrainian freedom and independence.

Consequently, it is appropriate particularly on this the 44th anniversary of Ukrainian independence that all Americans join with the Ukrainian Congressional Committee in voicing their concern for the subjugated Ukrainian people. For it is only by keeping the fate of these enslaved people constantly to the forefront of human consciousness that we can ever hope that the force of world opinion will aid in the eventual freedom of not only the Ukraine, but all the captive nations behind the Iron Curtain.

Mr. GALLAGHER. Mr. Speaker, it is a sad fact that for four decades, some 42 million stouthearted and gallant Ukrainians have suffered under their ruthless taskmasters, Communist totalitarian tyrants, as their forefathers had toiled under czarist Russians for 250 years. Indeed, in more than 300 years the liberty loving Ukrainian people have known freedom for only the brief period of 2 years, between 1918 to 1920. But these cruel facts do not tell the story of the Ukrainian people's struggle for freedom and independence. That struggle culminated in the birth of the Ukrainian Republic in January of 1918. The date of that event, January 22, became a turning point in the history of the Ukrainian people, and this remains in their annals as a national holiday.

Since the birth of the Ukrainian Republic 44 years ago, and particularly since its destruction by the Red army in 1920, the people of Ukraine have suffered even more than their ancestors had under callous czarist agents. They have been dispossessed of their worldly possessions and reduced once again to the status of serfs. They have been denied all forms of freedom in their historic homeland, and driven to hard work for the benefit of their alien overlords.

However, despite all this suffering and misfortune the Ukrainians have kept faith wtih their tradition. They still fervently cherish their ideals of freedom and independence in their homeland. In the sad history of the Ukrainian people during the last several decades this is the most encouraging fact. On this 44th anniversary of their historic independence day we in the free world wish them more power in their struggle for their righteous cause—peace, happiness, freedom, and independence in their homeland.

Mr. CEDERBERG. Mr. Speaker, our hearts go out today to the victims of the international Communist conspiracy who are living under the heel of dictatorship in Ukraine.

We wish they might have the privilege of openly celebrating Independence Day—it was 44 years ago today that Ukraine acquired its brief period of freedom—just as we celebrate our Independence Day on July 4.

Instead of celebrating, however, the brave people of this small country live under the cloud of the Kremlin. The country is merely another colony behind the Iron Curtain dominated by the lords of Moscow who vociferously proclaim against colonialism.

We have within our shores a million Americans of Ukrainian descent and we join them on this occasion in paying tribute to those brave countrymen who made their brief independence possible. We hope that in the not too distant future the people of Ukraine can really celebrate another and true Independence Day.

Mr. STRATTON. Mr. Speaker, today marks the 44th anniversary of the independence of the Ukrainian National Republic, which was proclaimed on January 22, 1918.

I would like to join my colleagues in commemorating this occasion, and honoring the Ukrainian people who for 2 short years from 1918 to 1920 established and maintained a free and independent state, and who after four decades of subjugation to Soviet tyranny and oppression are an inspiration to freemen everywhere in their dedication to freedom and their hope for independence.

The people of the Ukraine, who have been endowed with great courage and an ambitious spirit, are unable to celebrate their own independence today because of this Soviet oppression. But we, as trustees of their cause, can do so for them in the fervent hope that their spirit and determination will be rewarded.

On this occasion, let the Ukrainian people be assured that we will plead and fight for them, and that their courage and hope will not be in vain.

The American people, many of whom are relatives and descendants of the Ukrainians, share their hopes, and on this day we must rededicate ourselves to the year-round task of leading the cause for the right of self-determination for all nations, and for the freedom of all men.

Mr. GIAIMO. Mr. Speaker, in years past, I have joined my colleagues in this House in paying tribute to the indomitable people of the Ukraine who, although subjugated by a succession of tyrannical empires, have never lost their love of freedom.

I have never ceased to be impressed by the history of these people, who have suffered oppression at the hands of the czar, and the commissar, with but a brief 4-year period of freedom from 1918 to 1921.

It is the 44th anniversary of this short-lived but long-remembered period of independence that we salute today. And in so doing we pay tribute to the Ukrainians' deep-seated love of freedom, which decades of Soviet terror have failed to erase. In their frantic effort to weld together an empire, the Soviets have attempted to stifle the dignity of the individual and his pride in his heritage.

We can never forget that it was Mr. Khrushchev himself who was dispatched by the tyrants in the Kremlin to ruthlessly and bloodily crush a Ukrainian attempt to gain independence. While his cruel methods kept the Ukraine enslaved, he could not completely erase the hope for freedom.

In the Ukraine the Soviet tyranny has demonstrated its determination to stamp

out individuality, and in the Ukraine resistance to the Communist plan has never faltered.

Last fall, a subcommittee of which I am a member, had the occasion to tour part of the Soviet Union, observing its educational system. We visited Moscow, and we visited Kiev—the capital of the Ukraine. The difference in the spirit of the people was apparent.

In Moscow, we saw a sullen, gray, ugly, cold city, dedicated to nothing save the triumph of communism. Kiev, by contrast, was colorfully warm, its tree-lined streets and impressive architecture paying tribute to a populace who will never forget its heritage or its place as the cradle of Christianity in Russia.

The Ukrainians are a noble people—their respect for freedom undiminished, their pride unquelled even by centuries of oppression.

On this 44th anniversary of their independence, let us remember these brave heroes of freedom's fight. Let us continue to fan the spark of freedom and self-determination that still burns within the captive nations of Europe.

Mr. ZABLOCKI. Mr. Speaker, today, January 22, marks the 44th anniversary of the independence of the Ukrainian National Republic.

I am certain that the commemoration in the United States of this important date will serve as an inspiration to the millions of Ukrainians behind the Iron Curtain.

Words are inadequate to describe the tragic plight of the people living under the yoke of communism. Deprived of their basic rights and freedoms, they frequently live in abject poverty, in fear, and in terror. In spite of this, we know that oppression has not succeeded in eradicating from their hearts their love of freedom and justice. The courage and sacrifices for freedom of the peoples of the Communist-dominated nations are an inspiration and an example for all of us.

Today, as we consider the early indications of progress in our arduous struggle with the Communist menace, we should reaffirm our sympathy for the Ukrainian people's quest for freedom. We earnestly hope that this thirst for freedom and justice will be fulfilled before long and we pledge our continued efforts to this end.

Mr. BROOMFIELD. Mr. Speaker, today is the 44th anniversary of hope for the people of the Ukraine. On this date in the year 1918, the proclamation of independence of the Ukrainian National Republic was announced and a new sovereign nation was born.

But liberty, independence, and the blessings of self-determination were short lived for the Ukrainian people. The invading hordes from the Soviet Union overran the Ukraine and turned its people into vassals whose lives were as closely controlled, as arbitrarily regulated as the lives of any serfs during the days of feudalism.

For all these years, the Ukrainian people have suffered under the burden imposed on them by their Communist masters. They had been behind the Iron Curtain for decades before the Honorable Winston Churchill uttered the phrase.

It is fitting that we in Congress, that our Nation, pay proper recognition to the brave people of the Ukraine, who still strive for their freedom, who still have not lost hope that the day will come when they once again will be free to manage their own lives, to elect their own government, and to make their own decisions for the future.

Let us join in this hope that this day of liberation, of freedom for the Ukrainian people, is not too far off, and let us help to strengthen this hope to see that it one day becomes a reality.

Mr. HALPERN. Mr. Speaker, it gives me great pleasure to join my colleagues in commemorating this anniversary of Ukrainian independence.

On occasions such as this one we of this distinguished legislative body have the opportunity to point out once again the colonial and imperial character of the Soviet system.

A year ago I vigorously supported the proposal to establish a committee in the House of Representatives to be concerned with the problems of the captive nations. I supported this proposal because I am deeply committed to the notion that Congress has a duty to do all within its power to call universal attention to Soviet imperialism and colonialism.

The Soviets have persistently asserted that they are opposed to imperialism. A dominating theme in their propaganda is their so-called opposition to colonialism.

However, the truth must be emphasized again and again that the Soviet Union is itself the most oppressively imperialistic and colonial power of modern times.

The U.S.S.R. is a multinational state consisting of ethnic groups variously estimated from 177 to more than 200. One hundred and twenty-five languages and dialects are spoken and 40 different religions practiced. There are Ukrainians, Byelorussians, Armenians, Jews, Latvians, Lithuanians, Estonians, Tatars, Uzbeks, Kazakhs, Azerbaijani, and many others—all individual ethnic groups with separate historical, cultural, political, religious, and social traditions and institutions. Soviet Russia is far from being a melting pot of nationalities; it is a forced union of people who resist assimilation in the Soviet mold. It is a "prison house of nationalities."

Thus, it is our task as Members speaking from this mecca of world democracy to point out to the world the profound contradiction in the Soviet Union. And that contradiction is this: while the Soviets attack the West for colonialism and imperialism, their country, the U.S.S.R., is the greatest of all colonial and imperial powers today. More than that, Soviet ambitions continue to be colonial and imperialistic—they seek to rule the world.

Few times during the year could be more appropriate than this one—the commemoration of Ukrainian independence—to point out these facts. The Ukrainian people have been victims of Bolshevik oppression. Decades ago they demonstrated their desire for freedom, but that was denied them.

On this anniversary of Ukrainian independence, therefore, I join with all other Members of this body to hail a people noble in their aspirations, but above all noble in themselves.

Mr. SCHNEEBELI. Mr. Speaker, the celebration of the 44th anniversary of the independence of the Ukraine is occasion of retrospect and a hopeful future. That a nation which knew only 3 years of complete independence can maintain its individuality, its perspective, and its hope is indeed a cause for wonder and praise. Of course the secret of this achievement lies in the fact that these 3 years were but the fruition of an age-old dream, a dream with the very concrete background of centuries of superior development culturally, politically, economically, and a very real continuance of the independence of spirit and durability of character which marks the people of the Ukraine wherever they may be.

This strength of purpose, the proud and independent spirit, has endured in spite of centuries of domination, of oppression and suffering of their forefathers, and a similar fate in our own times of the Ukrainian people. Their determination has but intensified under the enforced "Russification" under generations of czars and repeated exploitation of their superior culture, resources, and economy by the Soviet Union. Such resistance lends confidence to their hope for a return to the state of political independence which we honor today.

Mr. ROUSSELOT. Mr. Speaker, first of all, I wish to thank the gentleman from Pennsylvania for allowing me the opportunity to say something about a subject which is very close to the heartbeat of the American people. The gentleman from Pennsylvania is to be congratulated for his continual and unceasing efforts to bring this commemorative day to the attention of the American people. I rise not only to praise his efforts to give recognition and dignity to people all over the world who are struggling for freedom but also to commend him for being relentless and untiring in his determination to see that the American people do not allow themselves to forget these people who want to be free.

I have the following observations to make concerning the 44th anniversary of Ukrainian independence which we celebrate this day, January 22:

First. As Americans we do recognize that the people who now live behind the Iron Curtain and who once knew a greater freedom know full well that there is no such thing as coexisting with communism. Since I have been in Congress, I have had the privilege of seeing a great number of these people who have lived behind the treacherous Iron Curtain in Yugoslavia, Hungary, Cuba, East Germany, Rumania, the Crimea, and many other areas or countries. These people all work tirelessly to explain to Americans how absolutely impossible it is to negotiate or in any way compromise with the Communist conspiracy as it exists today. I think they ought to know, because they have lived under the thumb of this criminal conspiracy.

Second. Many of the people who have come to our country after living under communism are convinced that

America is the last stronghold of freedom and that we must do everything within our power to avoid making the mistake of capitulating economically, psychologically, and militarily, as they admit their respective countries did. They learned the tragic error of believing that there can be coexistence only after they were helplessly trapped in the snare of the international Communist conspiracy. These people emphasize over and over again that we seem to be making the same mistake in this country by mentally capitulating inch by inch—that we must avail ourselves of their knowledge of how to meet this challenge and go on the offensive.

Third. Let us recognize our friends in the Ukrainian areas who wish to be free by at least taking the time to educate ourselves completely as to what this mesmerizing, gigantic, fraud actually is. We must learn how communism clandestinely moves into a given country well in advance of actual physical takeover to mentally condition the people of that country to capitulate a little bit at a time. We are told by these fine refugees—many of them are now American citizens—that the Communists accomplish this by tearing down the sense of patriotism, the concepts of constitutional laws, the strong implications of local government, the firm belief in spiritual and religious values, the concepts of private property and free enterprise, the well-kept tradition of the family serving as the basic unit of society, and finally and most important, the fiercely held precept that certain inherent rights of the individual cannot be taken from our citizens by any group or state.

Fourth. Several escapees from the grip of the Communist tyranny have warned us that we are not vigilant. They feel we make light of the statements of policy emanating from Communist Party meetings, such as the October 18, 1961, "Report on Program of the Communist Party of the Soviet Union" presented by Nikita Khrushchev in Moscow. On that date under the title "Communism: Goal of Party and People" Mr. Khrushchev said, and I quote from the November 1961 issue of Political Affairs, a publication identified as the basic Communist publication in this country:

> Yet all our programs are interlinked. Taken as integral parts of a single whole, they yield a clear-cut and time-tested Marxist-Leninist theory of socialist revolution, the construction of socialism and communism.
>
> The programs of the party may be compared to a three-stage rocket. The first stage wrested our country away from the capitalist world, the second propelled it to socialism, and the third is to place it in the orbit of communism. It is a wonderful rocket, comrades.

In other words we have been told time and time again that the Communists plan to undermine and mentally condition us to accept communism. As a nation we have not been willing to admit that one major technique they use to their advantage is socialism. This does not mean that socialism is communism, but as Mr. Khrushchev has said, they use "socialism as a transition stage on the road to communism." Further, William Z. Foster in his book, "Toward Soviet America," has made the same point:

> There are stages of development to be gone through. The first of these is the transition period from the overthrow of capitalism to the establishment of socialism; then there is the period of socialism, which is the first phase of communism. The complete realization of socialism and communism in any country implies the defeat of the world bourgeoisie.

I personally feel, as one Congressman, that the best way for us to begin to move toward freeing the people behind the Iron Curtain is to know best how to resist communism at home. That means resisting the so-called tantalizing concepts of socialism, which many times pave the way for the Communist state.

Mr. ROOSEVELT. Mr. Speaker, 44 years ago, on January 22, 1918, the independence of Ukraine was declared. This marked the end of a long period of unwilling subjugation to alien rulers and the fulfillment of the aspirations for freedom which had sustained the Ukrainian people throughout many adversities. Unfortunately, its nearness to the avaricious Soviets forewarned of a short life for the nascent republic.

Scarcely had a constitution been adopted, a president elected, and the work of constructing a democratic state begun when the forces of destruction of the republic took shape. In November 1918, contrary to the armistice agreement, Joseph Stalin in Moscow set up a Ukrainian Soviet Government composed of Communist leaders of whom only one was Ukrainian. By December 1, a manifesto had been declared proclaiming the Soviet Government and threatening with death anyone who obeyed the laws of the legal Ukrainian Government. The legal Ukrainian Government declared war on Soviet Russia but by November 1920 the troops of the Ukrainian National Republic had been forced into retreat by the Communists. Subsequently Ukraine was incorporated into the Union of Soviet Socialist Republics.

Although they have been forced to endure Communist tyranny and the suppression of basic civil rights, the Ukrainian people have not given up their hope that someday they will live in freedom once again. Ukrainian Independence Day is commemorated to sustain that hope and encourage the peoples living under the Communist government imposed by Moscow. It is commemorated here on the floor of Congress to show that the people in the Ukrainian Soviet Socialist Republic have not been forgotten and to reaffirm that a major goal of United States foreign policy is the strengthening of freedom everywhere.

Finally, I should like to take this occasion to congratulate the Americans of Ukrainian descent for their contributions to this Nation, their concern for the welfare and future of their relatives behind the Iron Curtain, and their devotion to the cause of freedom all over the globe.

Mr. RAY. Mr. Speaker, we salute the courageous aspirations of Ukrainians to free their native land from the scourge of tyranny. Although the Communists have ruthlessly suppressed the independence of the Ukraine, we know that they can never extinguish the light of freedom that burns in the heart of every Ukrainian nationalist.

Commemoration of a day of independence for a nation that is now under the yoke of totalitarian rule brings sadness rather than joy. But this is a day for remembering, for encouragement, and for resolution. We are reminded that freedom is everywhere threatened and that to protect our freedoms we must pursue with vigor policies that will extend the frontiers of freedom to the oppressed.

We must encourage those who would otherwise despair. We have not forgotten the brave people of the Ukraine. We must never let them think that we have forgotten, or that we have accepted their present unhappy fate as permanent. The pursuit of freedom is a common goal; in this we are united.

So let us resolve to make every day an independence day. Let not a day go by when we do not issue a declaration of independence for the enslaved peoples of the Communist world. Today we say to the people of the Ukraine: "We are with you in spirit; do not despair; the Communists cannot win a contest against the human spirit."

Mr. LINDSAY. Mr. Speaker, this week marks the 44th anniversary of Ukrainian independence. It is, therefore, fitting and appropriate that we pause to commemorate this anniversary. More importantly, this historic anniversary compels us to renew our message of support and dedication to the aspirations of the millions of Ukrainians who continue to seek independence and freedom from Soviet oppression.

The 1918 declaration of Ukrainian independence was short lived. The Ukrainian National Republic attained freedom for a mere 2 years after a 300-year struggle against oppression. But that spirit and quest remains despite Soviet captivity. Time bespeaks loudly of the indomitable spirit of these people, and it is obvious that Soviet military might will never contain that spirit.

I join my colleagues on this historic occasion to salute these courageous people, and I look forward to the day when we will join the free and independent Ukrainian people in marking this important event.

Mr. FARBSTEIN. Mr. Speaker, for four decades, some 42 million stouthearted and gallant Ukrainians have suffered under the yoke of their ruthless Communist taskmasters, as their ancestors had done under czarist Russians for 250 years. This liberty-loving people has known freedom and independence for only 2 years, from 1918 to 1920, when their lengthy struggle for freedom and independence culminated in the birth of the Ukrainian Republic. The 22d of January 1918 thus became a turning point in the history of the Ukrainian people, and it remains in their annals as a national holiday. But in 1920 the young Republic was ruthlessly destroyed by the Red army, and since that date the people of Ukraine have suffered even more severely than their ancestors before them. Their worldly possessions have been taken from them and they have

once more been reduced to the status of serfs, denied all the natural joys of their historic homeland, and driven to hard work for the benefit of their alien rulers.

But the Ukrainians still cherish the ideals of freedom and independence in their homeland, which were immortalized in the words of the great Ukrainian national poet, Taras Shevchenko. In the sad history of the Ukrainian people this is a most encouraging fact. On this 44th anniversary of Ukrainian independence I am happy to join my countrymen of Ukrainian origin to wish them well in their struggle for freedom, independence, peace and happiness in their homeland.

Mr. BYRNE of Pennsylvania. Mr. Speaker, when we hail the anniversary of Ukrainian Independence Day we do not have in mind the Ukrainian Soviet Socialist Republic of today. We honor that which declared its independence on December 27, 1917, and achieved it January 22, 44 years ago. The so-called independence of that area, insisted upon at the United Nations by the Union of Soviet Socialist Republics to gain support for what was to be a series of Soviet vetoes, is a travesty upon the true independence of the Ukrainian people. That has been maintained not because of, but in spite of, the Soviet Union.

Overrun for centuries by the Russians, the Ukraine was never willingly a part of their territory or sympathetic with the neighbors to the east. It turned more to the west. Its superior development and culture was more in tune with that of Western Europe; its civilization much older than that of the Russia which sought to absorb it.

Despite all efforts of its neighbors at domination, the Ukraine has remained all but superficially apart. Torn asunder as it has been, not only by the Russians to the east but by envious neighbors to the east, west, north, and south, it has yet remained an entity. Though its richer agricultural and mineral resources have been the envy of the rapacious on its boundaries, they have also been the basis for a higher degree of civilization, a superiority in social, economic, cultural, and religious development. The spirit of individuality, of independence, and of resistance to almost overwhelming odds is likewise a product of this refinement.

It was this true love of freedom and loyalty to ethnic origins and native characteristics which led to real independence 44 years ago. The consciousness of a rich and distinct heritage, a spirit of liberty have remained despite all outward political adversity. The independence of the Ukrainian people is as alive today as it has ever been; and it will ever remain. That is the true independence we celebrate.

Mr. BARRY. Mr. Speaker, 44 years ago today a new republic was born on the Eurasian Continent. The shifts and tides of the First World War, combined with the final collapse of the decrepit czarist empire, gave the Ukrainian peoples the opportunity they had been awaiting for 250 years. On January 22, 1918, they announced their love of liberty and independence and established the Ukrainian National Republic. From its inception the valiant young Republic fought bravely against overwhelming odds. Powerful forces to the northeast were determined to trample this flower of liberty, blooming on the borders of the Russian totalitarian colossus. Finally in 1920 the stouthearted Ukrainians could hold out no longer and the Communist Russian Army swept in upon them. All freedoms of the Republic were wantonly suppressed and the nation became fused with the U.S.S.R.

Today there is no freedom in the Ukraine. But the just love of a brave people for their historic homeland cannot be crushed out of existence. Although 42 million Ukrainians are now called citizens of the Soviet Union, we must never forget that before all else they are the people of their land, which is the Ukraine. Terror and oppression cannot stamp out their love for independence. It can only inspire the noblest strivings for freedom. Truly, the Ukraine will live as long as mothers whisper to their sons, and men stand strong against tyranny. A nation like that can never die.

I am proud to have this opportunity to join loyal Americans of Ukrainian ancestry in this celebration of the 44th anniversary of Ukrainian Independence Day.

Mrs. BOLTON. Mr. Speaker, during this week of January 22, millions of Ukrainians, as well as freedom-loving people everywhere, are celebrating the 44th anniversary of the independence of the Ukraine.

In 1920 Soviet imperialism extinguished liberty and enslaved the people of the Republic of the Ukraine. But liberty, recognizing no boundaries, no race, no nation, and no master, could not be extinguished in the hearts of the people. Ukrainians have courageously maintained their goal of freedom and independence and are an inspiration to all of us.

They, unlike many freemen, recognize that colonialism, despite the vogue to think otherwise, is not a malignancy peculiar to Western civilization. They, unlike many freemen, realize that Communist-dominated peoples are not immune to the spark of freedom that glows eternal in the human heart. They, unlike many freemen, know that there is nothing permanent nor inevitable about Communist colonialism except as complacent freemen make it so.

That is why we must continue to keep alive our contacts with the captive peoples, thereby encouraging internal pressure upon the regimes for domestic changes. The clear voice of liberty helps create conditions for a further growth of diversity in the monolithic Communist structure. Such diversity, increasingly visible with the passage of time, gradually cultivates the seeds of liberty and independence. And independence is a universal right as valid for Europe as for Africa and Asia.

Thus, in keeping faith with our best traditions, all Americans on this anniversary join in the prayer that the Ukrainians, as well as all captive peoples, will soon achieve liberty and independence.

Mr. COLLIER. Mr. Speaker, 44 years ago, on January 22, 1918, the people of the Ukraine declared their independence and established the Ukrainian National Republic.

It was a time of strife and bloodshed. The great war was still in progress and the Bolsheviks were consolidating their rule of terror in Russia. Kiev, the capital city of the Ukraine, had been occupied by the Red army, and the Communists were carrying out mass executions there.

In the midst of this gloom and despair the courage and faith of the Ukrainians stood out as a beacon of light. They were an example to the world of the unconquerable desire for freedom that lives in the hearts of all mankind.

Unfortunately, the Ukrainian National Republic was short lived. Two years after it had been proclaimed the new state was overrun by the Russians. However, the past 40 years of Communist suppression have not broken the spirit of the Ukrainian people. They still maintain their firm belief in their right to national freedom, and on this anniversary of their independence day I salute them.

Mr. RHODES of Pennsylvania. Mr. Speaker, this week Americans of Ukrainian extraction and friends of liberty everywhere will observe the 44th anniversary of Ukrainian independence with pride and sorrow.

The democratic Ukrainian Republic which was established in 1918 was indeed a landmark in that nation's long and bitter struggle against czarist and Russian rule. It is tragic that this candle of liberty was so quickly to be stamped out by Soviet oppression and brutality.

Yet, despite all the suffering and hardship, the Ukrainian people have shown great strength and resourcefulness, and their desire for liberty burns as fiercely as ever in their hearts. That this spirit of liberty can still burn so brightly, in spite of the cruel oppression, executions, purges, and deportations, should be noted by people everywhere.

To those of us who are free and secure, the flame of Ukrainian liberty should give us strength in the heavy burden of defending freedom in its most perilous hour. To those who are among the new and independent nations, the evidence of Soviet colonialism and tyranny in the Ukraine and other captive nations should well reveal the mockery which the Soviets make of such pure words as self-determination, democracy, and freedom. And for those who are living under the cloak of dictatorship, let the spirit of freedom still flaming in Ukrainian hearts give evidence to the old adage that man was made to live in freedom and not in slavery.

I would like to join my colleagues in noting the anniversary of Ukrainian independence and reminding the captive peoples everywhere that we in America do not accept their slavery as final, that we are confident that freedom will again shine in their lands, and that they will take their place, as is their God-given right, among the community of sovereign nations.

Mr. ST. GERMAIN. Mr. Speaker, it is a privilege for me to rise in tribute to the people of the Ukraine on the 44th anniversary of their Independence Day. It is an irony of our time that this great people, as well as those in other parts of Eastern Europe, are enslaved beneath the yoke of despotism after two wars fought to preserve democracy and the right of all peoples to freedom. It is an irony of our time that we salute the people of the Ukraine, and those throughout the satellite nations for their love of freedom, their search for justice, and their faith in the Almighty while the people themselves can give no expression to that love of freedom, that search for justice, that great faith.

The struggles of the Ukrainians and their hopes for the future are of great personal interest to me. My maternal heritage is Ukrainian and my association with this great people began in my home when, as a child, I learned the folklore, traditions, ideals, and history of the people and their homeland. It is a proud tradition with a great heritage. I learned of the struggles of the people for independence, their yearning for the freedom they had so seldom known, and their hopes for a future when their nation could take its place in the world of free states.

I am certain that the seething emotion in the hearts of the Ukrainian people will be given expression in the future. History has shown that when a people have the yearning for freedom this yearning cannot be subdued even by attempts to eradicate and destroy its culture, language, or religion. The forces that urge men to be free go beyond the external. The urge for freedom is part of the inner core of man that can only be subdued by the subjugation of the mind.

The Soviet Union has attempted to erase any traces of a Ukrainian cultural life. This had been attempted several times by the czars before them. It failed when tried by the czars and it will fail as the Soviets attempt the erasure. They cannot succeed because their principles are antithetical to the basic desires, hopes, and ambitions of all peoples.

My colleagues gave mention, in the past few days, of the history of the Ukraine and of its desire for freedom and justice in a world which has seen much injustice in the past two decades. They have spoken, and I speak today, in this Chamber to let the world know that the people of America have not forgotten their fellow men who are behind the Iron Curtain. The people of this Nation salute the courage and perseverance of those who remain hopeful when the passing events seem so hopeless.

I say to you, Mr. Speaker, and to the people of the world, that the people of this Nation cannot and will not be complacent nor satisfied until all peoples are given the opportunity for a life under a free and just form of government.

Mr. BECKER. Today we pause to honor the brave people of the Ukraine on the 44th anniversary of their independence. Their freedom lasted only from 1918 until 1920 when it was snuffed out by the forces of Soviet Russian totalitarianism. Since then this conquered land has been a constant reminder of Soviet imperialism and disregard for the nationalistic sentiments of the peoples that border the Soviet state. The experience of the Ukrainian nation manifests the hypocrisy of Soviet claims to be the champion of national self-determination and the advocate of freedom for all peoples that live under colonial rule.

The American people, throughout their history, have been true advocates of freedom for captive peoples. The continued growth of democracy in America is influenced by our defense of freedom elsewhere in the world. If Americans ever close their ears to the cries of others who call out in the name of liberty they will also become insensitive to the threats to individual liberty that might arise in their own communities. Let us pray that this shall never happen because the defense of individual liberty and national self-determination are part of the very heart of the democratic faith which we all affirm. Today we renew our pledge of allegiance to the flag of freedom as we stand together in this commemoration of Ukrainian Independence Day.

Mr. BOGGS. Mr. Speaker, I am most anxious to join many of my colleagues in the House in commemorating the 44th anniversary of the independence of the Ukraine, which was attained in January 1918 but has been lost to these brave people under the tyrannical heel of the Soviet Communist Government for many, many years. The fact is obvious that we do not have to go beyond the Soviet Union's own borders to find people who are truly enslaved. Thus, for these many years, the Ukrainians have been a "captive nation" within the Russian borders, and the leaders in the Kremlin are well aware of the restless spirit and the great desire for liberty which smoulders unsatisfied in the hearts of the people of the Ukraine. I think it is right that we Americans should point up to the world the fact that the people of the Ukraine are enslaved. Khrushchev and his cohorts behind the Iron Curtain do not like to be reminded that all is not well in their own backyard; our reminding them of their misdeeds is a positive stroke in gaining the offensive in the cold war, and we should do so at every opportunity.

Mr. Speaker, I sincerely hope that the people of the Ukraine soon will know once again the joys of liberty, and the bountiful rewards which come with freedom. In the spirit of our country's Founding Fathers, we should strive to this goal in the service of enslaved men everywhere. To do less would be to neglect our responsibilities as the leader of the free world.

Mr. HOLLAND. Mr. Speaker, the independence of the Ukraine which we celebrate is far different from that of the Ukrainian Soviet Socialist Republic of today. The farce of the establishment of that state for a vote in the United Nations sympathetic with the Soviet Union is apparent to no one more than the Ukrainian people themselves. Domination by the Soviets has been more brutal, more intent even than that of the czars. But, like that of old Russia, it is merely superimposed.

The state of independence which we honor was short lived; it lasted but a few years after World War I, but it was real; and it was the expression of that true independence of spirit, of culture, of superior economic and political development which had characterized the Ukrainians for centuries. The separateness of this people and of their area in the western part of Russia was marked by and envied for its superiority. From far back in history their civilization, based upon rich resources and an ability to develop them, had been much closer to that of Western Europe than to that of the Russian hordes that overran them. They never succumbed to Russification except nominally. Nor have the Soviets been able to eradicate either the spirit or the hope of true independence. That we salute.

Mr. DADDARIO. Mr. Speaker, throughout these early months of the year there fall a number of sad anniversaries. They are the anniversaries of the birth of a number of small nations, composed of freedom-loving peoples, who found in the chaotic and kaleidoscopic events of many years a chance to forge their own affairs in liberty.

They are sad anniversaries because their freedom and liberty as nations were short lived. Indeed, tragedy stalked them, first through counterrevolution and the imposition of tyranny, then through repressive government, through war and punishment. On January 22, the Ukraine marked the 44th anniversary of its independence—but an anniversary of the type I have described above.

The spirit of freedom lives on in the Ukraine and in the minds and hopes of many who have escaped from tyranny and look forward to the day when freedom will return to their native land. I hope that day can be soon.

Mr. PIRNIE. Mr. Speaker, during the week of January 22, 1962, we celebrate the 44th anniversary of the proclamation of the Ukraine as a free and independent Republic.

We recall the high hopes for freedom of the Ukraine people resulting from the historic action of their National Council of Kiev in 1918. The years of independence for this proud people were tragically brief, for in 1920, the Russians brutally subjugated the citizens of the Ukraine and have held them in bondage since that time.

Despite determined Kremlin efforts to suppress liberties and to brainwash the populace, these freedom-loving people have never accepted the Communist yoke. During these past four decades, they have written an indelible record of fierce opposition to Soviet dictatorship.

The Ukraine is the largest non-Russian nation under Soviet imperialism with a national history originating in the 10th century. Our remembrance of this fact means much to them and serves to put the Kremlin on notice that the principle of self-determination remains a fundamental part of our foreign policy—not only for the Ukraine—but for all Communist-enslaved peoples of the earth.

AIR RESERVE FORCES

The SPEAKER pro tempore. Under previous order of the House, the gentleman from South Carolina [Mr. RIVERS] is recognized for 1 hour.

Mr. RIVERS of South Carolina. Mr. Speaker, I rise today to say a word for some of our Reserve Forces who have been called to active duty.

We have read numerous reports in the press about problems in connection with the callup of certain Reserve component personnel to active duty.

Without seeking to judge the validity or possible misplaced emphasis of some of those reports, I would like to call the attention of the Congress and the public to the Reserve Forces of at least one service which have gone about their job without any fuss but with outstanding success.

I am referring to the Air Reserve Forces—the Air National Guard and the Air Force Reserve.

With only 27,000 men called to active duty, they have added the equivalent of 11 wings to the Active Air Force. They have substantially augmented the Air Force's combat fighter strength on duty in continental Europe. Their huge cargo and troop carrier planes have increased the mobility of our ground forces and the cargo and passenger-carrying capacity of the Military Air Transport Service.

The people of my home State of South Carolina are particularly proud of our own 169th Fighter Group and 157th Tactical Fighter Squadron now on duty in Spain as an element of the U.S. Air Forces in Europe.

They are at a place in the southern part of Spain, not far from that wonderful city that we all like to visit down there just outside of the olive country. It is one of our most important bases. We are equally proud of our 77th Troop Carrier Squadron, at Donaldson Air Force Base, which is flying airlift missions for Tactical Air Command.

I only mention this, Mr. Speaker, because I know that all of this is representative of all of the reserves in the service.

To appreciate just what these Air Reserve Forces have helped to accomplish, let us recall, for a moment, the events of last summer.

President Kennedy had just returned from his meeting with Khrushchev in Vienna, where the Soviet dictator had reiterated his determination to force us out of Berlin before the end of the year. It was a very serious situation and, as you may recall, the President in his report to the people on television made it clear just how serious the situation was.

Late in July, the President came before the Congress, with an extraordinary state of the Union message, to recommend a number of actions to step up our military readiness for the expected showdown over Berlin. The actions he recommended included recalling a number of Reserve Forces of the Army, Navy, and Air Force. The Congress quickly passed a resolution to give the President this authority, and the Department of Defense soon issued orders to recall more than 160,000 members of the Reserve components.

I have gone in to some details on these events to help you recall the sense of urgency and concern we all felt at that time on the likelihood of war over Berlin.

But here it is January. Khrushchev's deadline for his threatened action over Berlin has passed. We may be no nearer today than we were last summer in building the foundations for peace. But, thank God, we are not at war.

The recall of our Reserve Forces in this crisis has set an historic precedent for, as the President has said, they were called not primarily to fight a war but to prevent a war. They are doing the job for which they were recalled.

The first assignment for the Air Reserve Forces was to build up our conventional air combat strength in Europe. On October 1, six Air National Guard tactical fighter wings, one tactical reconnaissance wing, two air transport wings, and a tactical control group, plus five Air Force Reserve troop carrier squadrons, entered on active duty.

Before the month was out, 11 Air Guard fighter squadrons left their home stations to fly over the Atlantic. More than 200 single-engine jet fighters took part in this historic mission—by far the largest deployment of jet fighters in history, and the biggest ocean crossing since World War II. Despite the fact that very few of these pilots had any previous experience in long overwater flights, and that the range of their aircraft allowed very little margin for error, every plane reached Europe without mishap. That is exactly 1,000 percent.

In 1951, during the Korean war, it took 3 months for the first Reserve aircraft and crews to reach Korea after being recalled. Yet, in 1961, more than 200 Air Guard planes were on European soil just 1 month to the day after the units were called up.

But even this outstanding record was not to stand for long. To strengthen our air superiority fighter force in Europe, the Air Force on November 1 called up three Air National Guard groups equipped with the high altitude F-104 Starfighter. One of those groups was the 169th from McEntire Air National Guard Base at Congaree, just outside Columbia, S.C.

Just 3 days after they came on duty, an advance party left for Spain to prepare for the deployment of South Carolina's aircraft. The F-104 does not have sufficient range to make the Atlantic crossing, so it was necessary to partially disassemble the planes to be loaded into transport aircraft for the trip overseas. The first plane was on its way by November 10. By November 24, the day after Thanksgiving, South Carolina Air National Guard pilots were flying missions in Europe—just 24 days after being recalled to active duty.

I am sure you will agree that there is perhaps no better authority on the Berlin situation than Chancellor Konrad Adenauer of Germany. I would like to quote a statement made by the Secretary of Defense in a visit last month to one of the Air National Guard wings on duty in Europe.

> I think you should realize how extremely important this movement has been," the Secretary said. "Chancellor Adenauer wrote President Kennedy that, in his opinion, the prime factor influencing Khrushchev in his slowdown on the Berlin crisis was the swift, decisive buildup of American forces, including this wing, standing at the ready in France. We are all proud of you and your magnificent performance."

I might add that our South Carolinians in Spain almost immediately found an opportunity to demonstrate southern hospitality as well as their military capability. Severe floods in the area of Seville, near the base where our people are stationed, had made thousands homeless, without adequate food or clothing. Our squadron commander, Lt. Col. Bob Corbett, called home to Columbia to ask the wives of squadron members to collect food and clothing. Our newspapers and radio and television stations soon joined in and the people of South Carolina contributed more than 16,000 pounds of food and clothing for the homeless people of Seville, flown to Spain by planes of the Strategic Air Command which regularly deploy between Hunter Air Force Base and Savannah and bases in Spain.

What could have been greater, what finer service could have been rendered to these poor people, and think of the fine public relations that these boys have created for themselves and the Nation.

I am proud that the members of the 169th Fighter Group and its 157th Tactical Fighter Squadron are from my home State. I am proud that all members of the Air National Guard and Air Force Reserve are competent and highly motivated citizens. I am proud that the Congress had a major role in assuring that we built up and will continue to maintain strong Air Reserve Forces to meet any threat to our peace and security.

It sickens me to see dedicated Americans maligned and their patriotic motives impugned.

I passed through the Azores recently and saw the Air Guard and the Air Reserve as their planes stopped for fuel, and I read in their eyes that dedication motivated by the highest of American ideals. I saw Americanism at work. I resent, and resent vigorously, any reflection made on the motives of these great Americans. This is the exemplification of the spirit of Washington, Teddy Roosevelt, and that long line of airmen who carved immortal history in World War I, World War II, and in Korea. These men represent the traditions of this great Nation and I do not like them to be talked about, I resent it. They are serving their country and God knows we owe them a debt of gratitude.

The demonstrated capability of these units is evident proof of the effectiveness of the planning and execution of their training. The response of individual members of the Air Reserve Forces is gratifying in the extreme and indicates a clear understanding of the responsibilities of citizenship and the obligations of military service.

Let me quote briefly from a New Year's message by Gen. Curtis E. LeMay, the Air Force's distinguished Chief of Staff, to the families of Air Reserve Forces personnel:

Never before has the U.S. Air Force depended so heavily on the ability of the Air National Guard and Air Force Reserve to respond so quickly and effectively. Never before have the Air Reserve Forces met a challenge with such speed and efficiency.

Let us not allow the weeping of a disgruntled few to obscure these remarkable accomplishments of the overwhelming majority. I give humble thanks for the patriotism and professional competence of the members of the Air National Guard and the Air Force Reserve. They are ready now to help defend us and our allies. Let us resolve not only to give adequate recognition and aid to the members of our Reserve Forces for their service in this time of need but also to assure that they are given the resources and encouragement to continue to stand ready whenever they may be needed in the future.

SPECIAL ORDER PUT OVER

Mr. COAD. Mr. Speaker, I ask unanimous consent that the 30-minute special order I have for today be put over until tomorrow.

The SPEAKER pro tempore [Mr. ALBERT]. Is there objection to the request of the gentleman from Iowa?

There was no objection.

EXTENSION OF REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that at the end of the proceedings today I may insert a resolution passed by the State Senate of Texas concerning our new Member from San Antonio [Mr. GONZALEZ].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

HOUSE SMALL BUSINESS COMMITTEE INVESTIGATES FOUNDATION-CONTROLLED ENTERPRISES

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 45 minutes.

Mr. PATMAN. Mr. Speaker, I wish to announce that the Select Committee on Small Business has undertaken a study of the impact of tax-exempt foundations and charitable trusts on our economic structure—dealing, in part, with problems facing small business as a result of competition from foundation-controlled enterprises. Such a study is important to small business as well as to the whole economy.

On August 14, 1961, I, as an individual member, wrote to about 500 foundations requesting certain information as to their operations. My list was comprised mainly of the larger foundations and company-sponsored foundations. Shortly before the close of the 1st session of the 87th Congress, the committee agreed to carry on the study initiated by me. A resolution was drawn and presented to the members at the committee's first meeting of this session. On January 18, 1962, the committee adopted the following resolution unanimously, one member voting present:

Be it resolved, That the Select Committee of the United States House of Representatives, to conduct studies and investigations of the problems of all types of small business, deems it necessary that it conduct studies and hold hearings on the impact upon small business of the activities and conduct of tax-exempt foundations and charitable trusts and in connection therewith to require the attendance of witnesses and the production of books, papers, and documents, and as a preliminary to the issuance of any subpenas, the chairman may request the voluntary submission of such information, books, papers, and documents, or copies thereof, as he deems necessary, all of the foregoing in accordance with and pursuant to the terms and provisions of House Resolution 46, as adopted by the United States House of Representatives at the First Session of the Eighty-Seventh Congress on February 6, 1961.

The present Select Committee on Small Business was created by House Resolution 46 "to conduct studies and investigations of the problems of all types of small business, existing, arising, or that may arise, with particular reference to first, the factors which have impeded or may impede the normal operations, growth, and development of the potentialities thereof; second, the administration of Federal laws relating specifically to small business to determine whether such laws and their administration adequately serve the needs of small business; third, whether Government agencies adequately serve and give due consideration to the problems of small business; and fourth, to study and investigate problems of small business enterprises generally, and to obtain all facts possible in relation thereto which would not only be of public interest but which would aid the Congress in enacting remedial legislation."

To date, we have gathered a substantial amount of information, of a type that has not been collected heretofore. The material includes copies of exemption applications, copies of charters or articles of incorporation, balance sheets as of date organization, tabulations of income and expenditures, copies of Form 990–A filed with the Internal Revenue Service since 1951, accountant's annual financial statements, names of officers and trustees, names of investment advisers, and book values as well as market values of securities held.

It has been pointed out to us that certain foundations not only engage in money lending on a large scale but have substantial interests and, in many cases, control of business in the following fields, among others: soft drinks, mortgages, real estate, gasoline service stations, oil and gas, baking, utilities, retail, textiles, lumber, meatpacking, restaurant, insurance, coal mining, and commercial laboratories.

One thing is already quite clear in the first stage of our study. Tax-exempt status for over 45,000 foundations is in itself a major national problem, when so little is known about the effect of that exemption on such a large scale. Last August, I informed the Members that the number of tax-exempt foundations filing Form 990–A had increased from 12,295 at the close of 1952 to 45,124 at the end of 1960, an increase of 367 percent. The number of exempt foundations increases daily. It is the duty of Congress to know the resultant effects on our Nation's economy and to determine what should or should not be done about it.

BIG BANKS ARE THREATENING TO RAISE THEIR LOAN RTES

Mr. PATMAN. Mr. Speaker, the signs are growing that we are in for a new round of increases in interest rates. The Wall Street Journal reports that a number of bankers in major cities expect an increase in the banking industry's prime lending rates almost anytime.

The prime rate is the fee charged the biggest borrowers with the best credit rating. Usually, one of the New York banks initiates the change in prime loan rates and then all of the other major banks in the country step into line, and most other bank lending charges are scaled upward in relation to the change in the prime loan rate. The net effect of changes in the prime loan rate is that business borrowers, large and small, have to adjust to a new scale of rates.

NEW INCREASE IN PRIME LOAN RATE TIED TO FEDERAL RESERVE RAISING CEILING ON COMMERCIAL BANK SAVINGS AND TIME DEPOSIT RATES

In past years, changes in the prime loan rate have often been explained or justified by the bankers by shifts in the Federal Reserve discount rate, or by increases in the business loan demand coupled with a decline in free reserves available for lending. The situation today, however, is that there has been no increase in the Federal Reserve rediscount rate, the demand for business loans is quite spotty throughout the country, and free reserves during the past 3 weeks averaged $465 million, as compared with the recent peak of $696 million reached a year ago, when business was at a low ebb.

But one factor stands out as a handy excuse for the big banks to use as a justification for initiating a new increase in the prime loan rate. This is the action taken by the Federal Reserve to raise the ceiling on interest rates commercial banks may pay on savings and time deposits.

FEDERAL RESERVE REASONS FOR RAISING CEILING ON INTEREST RATES FOR SAVINGS AND TIME DEPOSITS

Mr. Speaker, it is interesting to review the reasons given by the Federal Reserve for increasing the interest rate ceiling on savings and time deposits. The reasons are three in number.

In the first place, the Federal Reserve said it wished to permit commercial banks to better compete for savings and time deposits. According to the Federal Reserve:

For some time, a number of commercial banks have contended that the 3-percent maximum rate has restricted them in their efforts to compete for savings and time de-

posits. One effect of the action will be to increase freedom of competition and to enable each member bank to determine the rates of interest which it will pay in the light of the economic conditions prevailing in its area, the type of competition it must meet, and its ability to pay.

The second reason given by the Federal Reserve was to moderate pressures on the balance of payments. This is the way the Fed explained it:

Another effect of immediate significance will be to enable member banks so desiring to compete more vigorously to retain foreign deposits that might otherwise move abroad in search of higher returns and thereby intensify an outflow of capital or gold to other countries. Thus, today's action is in line with previous steps taken to moderate pressures on this country's international balance of payments.

The third reason was to provide an added incentive for savings to finance economic growth and expanding job opportunities. This was spelled out by the Federal Reserve in the following words:

A further, longer range effect should be to give member banks all the scope that may be needed for a considerable period ahead to provide an added incentive for the savings that will be required in financing the future economic growth that will be essential to expanding job opportunities for a growing population.

What the Federal Reserve did not say was that the increase in the maximum permissible rates of interest payable by commercial banks on savings deposits and time deposits actually is, for all practical purposes, an increase in the minimum rates payable. It also did not say that the increase in interest payable by the banks on savings and time deposits would also signal an increase in loan rates charged by the banks, initiating an upward spiral in interest rates throughout the economy.

PAST PATTERN OF CHANGES IN PRIME LOAN RATES

Monetary matters appear to be very complicated to the average person in this country. Most people can readily understand when they hear that the price of bread or the price of steel has been raised. A few months ago, the Secretary of Agriculture sharply challenged as unjustified an increase in the price of bread. Last fall, the President spoke out against an increase in the price of steel.

It is just as crucial to our economy that strong opposition be raised to the prospect of increasing interest rates. Increasing interest rates boosts costs all up and down the line in financing business and agriculture. Increasing interest rates add to the heavy burden of Government expenditures. There can hardly be any more significant cost item in our economy than the cost of interest.

Nevertheless, changes in the prime loan rate—the harbinger of business loan interest rates—take place in much the same manner as changes in the price of bread or steel.

As I have indicated, usually one of the New York banks leads off with a change in the prime loan rate and all the other banks in the country follow suit. It is said that the prime loan rate was born in the depression decade of the thirties. During the past 15 years or so, there have been 19 changes in the prime loan rate—15 increases and 4 decreases. Changes in the prime rate are given top priority in the news columns in the financial press and the Dow Jones financial news wire flashes the announcement across the country of a change made by a major bank.

NEW YORK BANKS ALMOST ALWAYS INITIATE CHANGES IN PRIME LOAN RATES

Mr. Speaker, I would like to include herein a tabulation showing the effective date of each change in the prime loan rate during the years 1934 through 1960, indicating the rate, whether it was an increase or a decrease, and the bank initiating the change:

Changes in the prime rate

Effective date [1]	Rate (percent)	Increase	Decrease	Bank initiating change
1934 to December 1947	1½			
Dec. 15, 1947	1¾	+		Bankers Trust Co.
Aug. 10, 1948	2	+		Irving Trust Co.
Sept. 22, 1950	2¼	+		First National City Bank.
Jan. 5, 1951	2½	+		Bankers Trust Co.
Oct. 17, 1951	2¾	+		First National City Bank.
Dec. 18, 1951	3	+		Chase Manhattan Bank.
Apr. 27, 1953	3¼	+		Bankers Trust Co.
Mar. 17, 1954	3		−	Morgan Guaranty Trust Co.
Aug. 4, 1955	3¼	+		Chase Manhattan Bank.
Oct. 14, 1955	3½	+		First National City Bank.
Apr. 13, 1956	3¾	+		Chase Manhattan Bank.
Aug 20, 1956	4	+		First National Bank of Boston.
Aug. 7, 1957	4½	+		Bankers Trust Co.
Jan. 21 1958	4		−	Chase Manhattan Bank.
Apr. 21, 1958	3½		−	Morgan Guaranty Trust Co.
Sept. 11. 1958	4	+		Chase Manhattan Bank.
May 18, 1959	4½	+		First National City Bank.
Sept. 1, 1959	5	+		Do.
Aug. 23, 1960	4½		−	Manufacturers Trust Co.

[1] As announced by bank initiating the change in rate.

Source Bank Stock Quarterly, June 1961 (p. 12), published by M. A. Schapiro & Co., Inc.

Bank rates on short-term business loans average for 19 large cities, 1934–1961 (percent per annum)

	Rate
1934	
March	3.69
June	3.35
September	3.29
December	3.21
1935	
March	3.06
June	2.93
September	2.79
December	2.85
1936	
March	2.77
June	2.71
September	2.63
December	2.58
1937	
March	2.57
June	2.57
September	2.56
December	2.52
1938	
March	2.48
June	2.56
September	2.53
December	2.60
1939	
March	2.95
June	2.91
September	2.68
December	2.59
1940	
March	2.65
June	2.59
September	2.68
December	2.59
1941	
March	2.58
June	2.55
September	2.60
December	2.41
1942	
March	2.48
June	2.62
September	2.70
December	2.63
1943	
March	2.76
June	3.00
September	2.48
December	2.65

Bank rates on short-term business loans average for 19 large cities, 1934–1961 (percent per annum)—Continued

	Rate
1944	
March	2.63
June	2.63
September	2.69
December	2.39
1945	
March	2.53
June	2.50
September	2.45
December	2.09
1946	
March	2.31
June	2.41
September	2.32
December	2.33
1947	
March	2.31
June	2.38
September	2.21
December	2.22
1948	
March	2.46
June	2.47
September	2.60
December	2.64
1949	
March	2.70
June	2.74
September	2.63
December	2.65
1950	
March	2.60
June	2.68
September	2.63
December	2.84
1951	
March	3.02
June	3.07
September	3.06
December	3.27
1952	
March	3.45
June	3.51
September	3.49
December	3.51
1953	
March	3.54
June	3.73
September	3.74
December	3.76

Bank rates on short-term business loans average for 19 large cities, 1934–1961 (percent per annum)—Continued

	Rate
1954	
March	3.72
June	3.60
September	3.56
December	3.55
1955	
March	3.54
June	3.56
September	3.77
December	3.93
1956	
March	3.93
June	4.14
September	4.35
December	4.38
1957	
March	4.38
June	4.40
September	4.83
December	4.85
1958	
March	4.49
June	4.17
September	4.21
December	4.50
1959	
March	4.51
June	4.87
September	5.27
December	5.36
1960	
March	5.34
June	5.35
September	4.97
December	4.99
1961	
March	4.97
June	4.97
September	4.99
December	4.96

Source: Board of Governors, Federal Reserve System.

It is interesting to note that with but one exception—August 20, 1956—the changes in the prime rate have been initiated by a major New York City bank.

The prospect now is that the new increase in the prime loan rate may originate outside New York, for, according to the Wall Street Journal of January 10, it was the chairman of the First National Bank of Chicago that "predicted an increase in the banking industry's prime lending rate could come almost any time."

The banking industry may feel that it needs another exception to prove the rule that the New York banks set the prime loan rate. But, of course, the statement from the chairman of First National of Chicago may be just his way of indicating that his bank is ready for any boost in the prime loan rate to be announced by a New York City bank.

The president of the Bank of America, S. Clark Beise, also says he expects an increase in the prime loan rate during the spring months. According to the Wall Street Journal of January 17:

He said this, along with increased loans, will help offset the costs of higher rates paid savers.

The Bank of America president is the latest banking official to predict a rise in the prime interest rate in coming months, but many others have indicated they expect the boost before next spring. The prime rate, currently at 4½ percent, is the fee banks charge their biggest borrowers with the best credit standings.

Pressure has been on bankers to raise rates following an increase in savings interest rates in many cities January 1. This followed boosts by the Federal Reserve Board and the Federal Deposit Insurance Corporation in the ceiling rates on savings-type deposits in commercial banks to as high as 4 percent. Bank of America raised its rates from 3 percent to 3½ percent on deposits left with the bank less than a year and to 4 percent on funds on deposit a year or more.

Thus, the bankers are tying the new increase in prime loan rates directly to the Fed's action raising the ceiling on interest for savings and time deposits.

Actually, over the years a group of 6 prominent New York City banks have alternated in 18 of the 19 changes in the prime loan rate since 1934. The two largest Wall Street banks—Chase Manhattan and First National City—shared equally in the initiation of 10 of the 19 changes. Bankers Trust initiated four of the prime loan rate changes. Morgan Guaranty initiated two changes. Manufacturers Trust and Irving Trust initiated one change each.

The only bank outside New York City to initiate a prime loan rate change was First National Bank of Boston.

Some might interpret the follow-the-leader pattern of prime rate changes as a typical administered price. Certainly prime loan rates exhibit many of the recognized characteristics of an administrative price—such as bread or steel. Changes in the rate are made infrequently upon initiation of one of the industry leaders, and quickly adopted by the other leading bankers. The rate then holds for a considerable period of time before a new change is announced. The prime rate is not a volatile rate, changing from day to day, or even month to month, in quick response to conditions in the money market.

But whether the prime loan rate is an administered price, I would not know. There may be more to the setting of the rate than meets the eye. In this connection, the London Economist of January 13 made the following observation:

Uniform lending rates and service fees—for checking accounts, managing trust funds, acting as custodian—are common in many communities, although there are variations between regions. Bankers, however, contend that this uniformity is the result, not of price fixing, but of competition and that this has the effect of forcing interest rates down. Nevertheless, commercial banks in many rural areas pay much less on savings accounts than do those in major cities and the Department [of Justice] suspects that price fixing is taking place.

If the Antitrust Division can prove that conspiracy exists it may seek to challenge the major commercial banks on their uniform prime lending rate—the minimum rate charged on loans to the biggest and most credit-worthy corporate customers. This rate has been attacked in Congress as being an administered price adhered to by all the major lenders and the department would have political backing for any attempt to abolish it.

In any case, it is clear the changes in the prime loan rate have a pervasive effect on rates charged throughout the country. This is demonstrated by a comparison between changes in the prime loan rate and changes in the average rate on all short-term business loans in 19 large cities, as compiled by the Federal Reserve Board.

Thus, a series of boosts from early 1951 through 1953 raised the prime loan rate from 2½ percent to 3¼ percent. Average business loan rates in 19 large cities jumped from about 3 percent to 3¾ percent. A drop in the prime loan rate in 1954 from 3¼ percent to 3 percent was accompanied by a decline in business loan rates from about 3¾ percent to slightly above 3½ percent.

Between 1955 and August 1957, the prime loan rate rose from 3 percent to 4½ percent, and the average business loan rate advanced from slightly more than 3½ percent to more than 4¾ percent.

Again, when the prime loan rate dropped from 4½ percent to 3½ percent during the first half of 1958, average business loan rates fell from above 4¾ percent to below 4¼ percent.

The rise in prime loan rates from 3½ percent in mid-1958 to 5 percent in September 1959 was accompanied by a rise in average business loan rates from 4¼ percent to about 5¼ percent—and a peak of 5.4 percent in December 1959.

The drop in the prime loan rate in August 1960 from 5 percent to 4½ percent was paralleled by a decline in average business loan rates from about 5.4 percent to just below 5 percent.

In short, a few Wall Street banks have been setting the pattern of loan rates charged to business, large and small, across the country.

FEDERAL RESERVE JUSTIFICATION OF INCREASE IN TIME AND SAVINGS DEPOSITS FAULTY

A bit of analysis quickly reveals that the Federal Reserve Board would not have a leg to stand on in lifting the interest rate ceiling on savings and time deposits if it had not fallen back on the standard excuse—the balance of payments problem. And in my considered opinion the balance of payments is a "pegleg" the Fed stands on, and no real justification for the increase at all.

But before we get into the balance of payments matter, let us first consider the other two justifications supplied by the Fed.

Will the increase on savings and time deposits increase freedom of competition for savings and time deposits by members banks?

First of all, the effect of the member bank increase is only to stimulate higher interest rate—or technically dividend—payments by the financial intermediaries, the savings and loan institutions, and others. As the gentleman from Alabama [Mr. RAINS] recently pointed out:

It takes no expert knowledge to predict the inevitable outcome—savings and loan associations will have to raise their rates to maintain a competitive position and we will have just moved one step higher up the interest rate ladder with no appreciable addition to the overall supply of savings.

To meet these higher dividend payments, mortgage lenders will have to exact a higher charge from their borrowers—in fact, a substantially higher charge, since any increase in dividends immediately goes into effect for an institution's entire holdings of savings but its existing portfolio is already committed at past interest rates. Therefore, new loans made have to pay a disproportionate share of the burden of higher rates ("Savings and Economic Growth," address by Repre-

sentative ALBERT RAINS, Democrat, of Alabama, before the National Association of Mutual Savings Banks in New York City, December 12, 1961 (p. 9, mimeographed copy)).

The gentleman from Alabama is chairman of the Subcommittee on Housing of the Banking and Currency Committee, and knows whereof he speaks.

The Wall Street Journal of January 16 reports:

Many banks quickly pushed their rates up to the new ceiling, putting pressure on their competitors to pay still more. Some California savings and loan associations have lifted their rates to as much as 4¾ percent.

COMMERCIAL BANKS HAVE POWER TO CREATE MONEY—SAVINGS INSTITUTIONS DO NOT

But even more significant is the fact that the commercial banks, because of the fractional reserve system, are in the unique position of creating the money they need through making loans. As former Secretary of the Treasury, Mr. Anderson, has pointed out in the U.S. News & World Report, of August 31, 1959, page 68:

Banks are different from other lending institutions. When a savings and loan association, an insurance company, or a credit union makes a loan, it lends the very dollars that its customers have previously paid in. But when a bank makes a loan, it simply adds to the borrower's deposit account in the bank by the amount of the loan. The money is not taken from anyone else's deposit: it was not previously paid in to the bank by anyone. It's new money, created by the bank for the use of the borrower.

The commercial banks do not have to accumulate savings for commercial lending; they create the money they lend, just with a stroke of a pen. When a commercial bank makes a loan to a business firm of to an individual, it creates the money loaned. When a commercial bank buys a Government security, it creates the money to buy it. When a commercial bank buys debt obligations of the State and local governments, it creates the money it uses to buy obligations.

Moreover, the fact is that commercial banks expand on their reserves against time deposits just as much, if not more so, as they expand on their reserves against demand deposits. Reserves against demand deposits and time deposits are commingled and mixed. In point of fact, when a commercial bank computes its required reserves, it computes a single amount which is a weighted average of its required reserves against both demand and time deposits. In other words, when a commercial bank has an increase in time deposits, the reserves set aside against those time deposits permit the bank to create new money in the form of demand deposits.

INCREASE IN COMMERCIAL LENDING RATES SHOULD NOT BE TIED TO HIKE IN SAVINGS DEPOSIT INTEREST

The crux of the matter is that commercial lending rates should not be tied to savings deposit rates. The commercial banks can expand loans and thus create deposits. Their free reserves are more than ample. There is no cost justification for raising commercial loan rates, for the commercial banks do not—and should not—depend on savings deposits as a source of funds for commercial loans.

WILL THE INCREASE IN COMMERCIAL BANK INTEREST ON SAVINGS AND TIME DEPOSITS INCREASE THE VOLUME OF SAVINGS?

It seems strange indeed that the Fed, with a straight face, would claim that an increase in commercial bank interest on savings and time deposits would increase the volume of savings. I am sure the learned economists at the Board would acknowledge that there is a great inelasticity to the savings function. In other words, any modest increase in the interest rate paid by commercial banks on deposits would have practically a negligible effect on the level of savings in the country.

As a matter of fact, the Fed seems mixed up. It is getting the cart before the horse. Savings are created as a product of increasing national income. Such increasing savings, in turn, provide the source of further economic growth and expanding job opportunities for a growing population.

The real and present danger is that the Fed's action may propel us into a snowballing upthrust in interest rates which will throttle business borrowing and cut off the recovery—even before we have reached full employment.

BALANCE OF PAYMENTS WILL BE CURED BY INCREASING THE SCOPE OF OUR FOREIGN TRADE

Now we come to the balance-of-payments bugaboo. It is true that for a number of reasons we have seen the traditional favorable American balance-of-payments picture change to one of touch and go.

I do not care to get into the intricacies of the balance of payments problem at this time, but I would remind the members that, first, increasing interest on commercial bank savings and time deposits—standing alone—will have little favorable effect on the balance of payments. So-called hot money will not stand still long enough in American banks to earn the higher interest rates of member banks.

The real solution to the balance of payments problem is to increase our exports.

As the President so eloquently stated in his state of the Union message:

Above all, if we are to pay for our commitments abroad, we must expand our exports. Our businessmen must be export conscious and export competitive.

In order to be export competitive, costs and prices must be held under restraint. Interest is a crucial item of cost which permeates the whole economy. It is imperative that we not get into a new cycle of increasing interest rates, which would enter into the cost of the items we produce for export, bringing pressure for higher prices, with the consequent loss of foreign market opportunities.

The lessons of 1959 to 1960 remain painfully instructive. At that time, recovery was retarded and eventually stalled well short of full employment—in part by the fastest rise in interest rates in the past century in a comparable phase of the business cycle.

Whether or not we enter into a new phase of increasing interest rates lies largely in the hands of a few New York banks and the Federal Reserve. If the Federal Reserve takes further steps toward monetary restraint, the result is inevitable. On the other hand, if New York bankers, acting upon their own, lead off with a boost in the prime loan rate, again the result is inevitable. The pressures are great, but the consequences are clear.

Americans everywhere—including the prominent Wall Street bankers—are asking what it is they can do for their country in this time of crisis. This is their opportunity. They can restrain their natural appetite for increasing interest rates, for the purpose of promoting a more prosperous America.

The President has called upon labor to exercise restraint in its wage demands and upon industry to exercise restraint in the pricing of its products. The banking community must likewise exercise restraint in the establishing of interest rates.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Carrell, one of its clerks, announced that the Senate had passed the following resolution:

S. RES. 271

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of Hon. ANDREW F. SCHOEPPEL, late a Senator from the State of Kansas.

Resolved, That a committee of Senators be appointed by the Presiding Officer of the Senate to attend the funeral of the deceased.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit an enrolled copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased the Senate do now adjourn.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. RYAN] is recognized for 40 minutes.

CIVIL RIGHTS LEGISLATION NOW

Mr. RYAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RYAN. Mr. Speaker, I rise to discuss a vital problem facing our Nation, one which goes to the very heart of our democratic system and one which, unless solved, casts doubts upon our national commitment to liberty—civil rights. I purposely raise this subject at the beginning of this session, for I strongly feel that the Congress must act, and act now.

The issue of discrimination is a national issue and must be dealt with on

the national level. This is true for several reasons. First, racial discrimination involves the basic moral concepts upon which our Nation was founded. We believe in equal opportunity for all peoples, regardless of accident of race or color. We hold out the promise of the development of every human being to his greatest potential because he is a person, not because of his ancestry or the color of his skin. This is what makes America great—this is what makes us know that democracy will prevail in the world struggle against ruthless totalitarianism. This brings us to the second reason why this is a national question. It involves the picture we present to the world—whether we, in fact, live up to the high standards set forth in the Declaration of Independence where we boldly proclaimed that all men were created equal.

The repercussions of segregation can be readily seen by examining the reports of the press overseas. After the wave of violence last May by those determined to deny their fellow citizens' constitutional rights, Edward R. Murrow, Director of the U.S. Information Agency, described oversea press reaction to the events, as follows:

> Strong and predominantly negative coverage ran the scale from immediate horror and disgust to longer range concern that American world policy was being seriously compromised.

The Murrow report dated June 21, 1961, had this to say about Far East press reaction to racial discrimination in this country:

> Despite generally restrained comment in the Far East press, the recent racial incidents have damaged America's detractors with the obvious usable material. * * * Public opinion surveys and informal conversations in Indonesia, Burma, and Thailand have revealed that racial discrimination is one of the least admired aspects of American political and social life.

Responses of this nature were reported in the Near East, Asia, and Latin America. Of course, we literally write the script for Radio Moscow every time racial incidents occur in our country.

I point out the international implications of discrimination to indicate that this problem concerns all of us as a nation. I would emphasize again and again, however, that the correction of these situations must stem first and foremost from our own belief and dedication as Americans to the concepts of individual dignity, the worth of every man, and equal justice under law as embodied in our national documents which set forth the tenets of this Nation.

Finally, it is a national problem because discrimination in housing, public facilities, employment, and other areas of our social and economic life occurs in varying degrees in all of our States—subtly or openly. The problem exists to some extent everywhere.

Because this is a national problem, it is a national responsibility—a responsibility of both the Congress and the Executive. And because this issue involves the basic rights of our citizens to vote, learn, earn a living, live in decent housing, use public facilities and live equally with their fellow citizens, the Congress must face this issue without further delay.

At the executive level this administration has been more active in the field of civil rights than any other. We all know that the President has been vigorous in the field of Federal employment and has demanded that firms with Government contracts do not discriminate. I hope that the President will soon sign an Executive order prohibiting discrimination in federally assisted housing. I have urged him to do so.

The Attorney General has intervened in school desegregation suits and is active in the area of voting rights. He also asked the Interstate Commerce Commission to issue regulations prohibiting racial discrimination in interstate bus travel. I was fortunate in being able to appear and testify before the ICC in support of such proposals. The ICC has approved the proposed regulations, a positive step forward.

The administration has also appointed Negro citizens to high positions. Recently, one of the leading constitutional lawyers in the United States, Thurgood Marshall, was designated as a judge on the Federal Court of Appeals for the Second Circuit.

A recent report of the Leadership Conference stated:

> Indeed, we believe that it would be fair to say that the Kennedy administration has been more active in the defense of civil rights than any previous administration in a comparable period.

Although civil rights battles are being won, the war must continue. Congress must play its role in this fight for democracy. The need for legislation in this field is recognized by both the Democratic and Republican national platforms. During the 1960 presidential campaign the then Senator Kennedy stated:

> Much legislation is needed. We must grant the Attorney General power to enforce all constitutional rights—not just the right to vote. We must wipe out discriminatory poll taxes and literacy tests, and pass effective antibombing and antilynching legislation. And we must continually strengthen the legal framework which will allow us to move toward economic, educational and political equality (Sept. 9, 1960, Los Angeles).

The necessity of civil rights legislation is known to all of us. It is distressing that, as we approach the 100th anniversary of the Emancipation Proclamation, young Americans who participate with dignity, decency and determination in freedom rides and sit-ins dramatically prove that equal rights for all our citizens have not been achieved.

School desegregation is proceeding with all deliberate obstruction. Eight years after the historic Supreme Court decision the Civil Rights Commission reports that at the close of the 1960–61 school year only 775 out of 2,827 biracial southern school districts were desegregated—1961 Civil Rights Commission Report No. 2. In many of these there is only token integration.

The 1961 Commission on Civil Rights Report on Education concluded:

> The Nation's progress in removing the stultifying effects of segregation in the public elementary and secondary schools—north, south, east, and west—is slow indeed.

The Commission recommended legislation requiring every local school board which excludes pupils on the basis of race to file a plan for desegregation within 6 months after its adoption. This plan would call for at least first step compliance with the Supreme Court's decision at the beginning of the following year. Congress would direct the Attorney General to take appropriate action to enforce this law.

The Commission also recommended that the Congress enact legislation authorizing a Federal Agency, upon request, to provide technical or financial assistance at any time within 5 years after the initiation of a desegregation program to local school systems or to local citizens' groups attempting to help solve problems arising from desegregation in any of the following ways: First, financial aid to school districts for the employment of social workers or specialists in desegregation problems, or of in-service training programs for teachers or guidance counselors; second, technical assistance to school districts or citizens' groups to train school personnel or community leaders in techniques useful in solving desegregation problems.

The Commission proposed that the President or Congress direct the Attorney General to take such action as may be appropriate, in any case where a school system is operating under a plan to bring it into conformance with the requirements of the 14th amendment, to protect the school board members carrying out the plan, supervisory officials and teachers in school systems executing the orders of the school boards, school children of both races attempting to attend schools affected by the plan and their parents, and citizens helping the children or their parents.

The firm base of democracy is education. Equal opportunity is meaningless without equal education. We cannot claim to be the greatest democracy in the world when a substantial number of our citizens are denied on the basis of race the right to attend the same school as their fellow citizens. For too long we have waited patiently for decency and reason to prevail upon those who refuse to comply with the basic law of our land. Congress must insure that schools are desegregated. In the last session I introduced a bill, H.R. 9012, which would accomplish this. Congress has the responsibility to act. Now it must show the will.

In other fields of our social and economic life discriminatory practices prevail. In the field of employment legislation is badly needed. There are some employers who will hire no Negro for any position. There are other employers who will hire Negroes only for the most menial jobs no matter how qualified the applicants are. When Negroes are hired, their chances for promotion are either nonexistent or much

more limited than they would be were it not for their race. In some areas of the country discriminatory practices in employment are used not only against Negroes but against other minority groups—Puerto Ricans, other Latin Americans, Chinese or Japanese or Indians. They are practiced against Catholics or Jews. The effect on our economy of job discrimination is obvious. It is no secret that minorities comprise a disproportionate percentage of the lowest income group. Because of discrimination we are not fully utilizing the talents and energies of many of our citizens.

In addition, the affront to human dignity in being denied a job because of color or origin or religion is incalculable.

The employer is not the only factor in employment discrimination. The 1961 Civil Rights Commission Report on Employment states:

> As the craft unions generally control admissions to apprenticeship training programs, racial discrimination policies also operate to exclude Negroes from these programs. Existing civil rights machinery within the AFL–CIO has not eliminated discriminatory practices and policies of some local unions.

Discrimination pervades other areas as well.

The 1961 Civil Rights Commission Report on Housing states:

> A considerable number of Americans, by reason of their color or race are being denied equal opportunity in housing.

Discrimination in housing results not only from the prejudice of landlords and owners but from the discriminatory practices of real estate brokers and lending institutions. The Civil Rights Commission Housing Report not only recommended that action be taken against discrimination in publicly assisted housing but also in regard to discriminatory practices of financial institutions engaged in the mortgage loan business.

Discrimination is not confined to social and economic matters. The long arm of prejudice extends to the ballot box. The 1961 Civil Rights Commission Report on Voting states:

> The right to vote without distinctions of race or color—the promise of the 15th amendment—continues to suffer abridgement.

The Commission found:

> Some denials of the right to vote occur by reason of discriminatory application of laws setting qualifications for voters. Other denials result from arbitrary and discriminatory procedures for the registration of voters; still others occur by reason of threats and intimidation, or the fear of retaliation.

In evaluating present voting laws the Commission said:

> Although the provisions of the 1957 and 1960 Civil Rights Acts are useful, however, they are necessarily limited means for removing racial discrimination from the franchise. Suits must proceed a single county at a time, and they are time consuming, expensive and difficult. Broader measures are required if denials of constitutional rights in this area are to be quickly eliminated.

I have attempted to show that the civil rights issue is our responsibility as National Representatives and that discrimination affects the social, political, and economic affairs of our Nation. Now we come to the question of whether we have the power to act commensurate with the obligation to act. I believe we do.

The due process clause and the equal protection clause of the Constitution provide that no State may deprive any person of life, liberty, or property without due process of law nor deny to any person equal protection of the laws. When State officers arrest customers who are peacefully waiting to be served, regardless of their race, in a public establishment, I believe the Constitution is violated.

The 15th amendment provides:

> The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of race, color, or previous servitude.

The commerce clause of the Constitution confers upon Congress the power to regulate commerce among the States. Today that clause is broadly interpreted. I believe that it is crystal clear that Congress has the full power to regulate in the area of discrimination and segregation practiced in any business dealing with the general public which is either interstate in nature or has any impact upon interstate commerce.

Armed with the Constitution, Congress must declare war on discrimination.

The Civil Rights Commission should be a permanent institution empowered not only to investigate deprivations of basic rights but also to protect these rights. Wherever a person is denied the right to work, the right to live in a place of his own choosing, the right to vote, the Commission should have the power to issue a cease and desist order which, if not complied with, can be enforced by the Federal courts.

I have introduced H.R. 7143 which describes unfair discriminatory practices—discrimination against persons because of race, creed, color or national origin in the fields of employment, insurance, labor relations, housing, and public accommodations. Under H.R. 7143 when the Civil Rights Commission finds that a person or organization is guilty of an unfair discriminatory practice, the Commission would have the power to issue a court enforceable cease and desist order. Violations of a Federal court order for compliance would constitute criminal contempt punishable by fine or imprisonment or both.

In addition, the Commission under H.R. 7143 would also have the power to investigate deprivations of voting rights. When a deprivation occurs, Federal enrollment officers would be appointed to register those whose constitutional rights have been denied. The Federal enrollment officers would be able to supervise the election to make sure, by Federal court order if necessary, the votes are cast and counted.

Under this proposal the Civil Rights Commission would not have to wait until some brave citizen filed a complaint but would be given the power to investigate on its own initiative.

Congress has vast unfilled responsibilities in the field of civil rights. These responsibilities must be met immediately, so that all of our citizens can enjoy the benefits of our land and partake fully in our national life. Until equality of all our people is assured in every area—economic, education, housing, voting and social—we must press onward to secure civil rights for all. I call upon Congress this session to pass meaningful civil rights legislation and send forth a message of hope for the vital cause of freedom in its titanic struggle throughout the world.

ARCHIVIST OF THE UNITED STATES

Mr. BARRY. Mr. Speaker, I ask unanimous consent that the gentleman from Iowa [Mr. SCHWENGEL] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SCHWENGEL. Mr. Speaker, I have introduced a bill to put the Archivist of the United States on the Civil War Centennial Commission. The number of the bill is H.R. 9746. It seems to me that this measure needs no justification because it meets an obvious need.

The measure would simply make the Archivist of the United States or his representative a member of the Civil War Centennial Commission. Like all other members of that body, he would serve without compensation.

The Archivist or his representative should be a member of the Commission for reasons that are not only obvious, but compelling. For one thing, the National Archives has custody of the most important single collection of official records of the Civil War to be found anywhere. These are original records, the ones that came into being during the war and that reflect official decisions and action. They include Confederate as well as Union records.

Moreover, these records are in constant use. They are not dead papers in dead storage. On the contrary, students from all parts of the Nation use them in preparation of useful and scholarly research. State governmental units, including many of the State Civil War centennial commissions, also depend heavily on these records.

This is good. And a good consequence of the increasingly heavy use of these original records is the fact that those members of the Archivist's staff who service the records are of necessity experts in the history of the Civil War and its documentation. These splendid staff skills and talents could become even more useful if the Archivist were a member of the Civil War Centennial Commission, for he could then coordinate the work of his staff more closely with that of the Commission.

He could also contribute immeasurably to the Commission's work of stimulating and sponsoring the preparation of much-needed guides to source materials about the Civil War.

These are concrete reasons for adding the Archivist of the United States to the roster of the Civil War Centennial Commission.

There is also another reason, somewhat less specific but no less persuasive. I refer to the fact that of all Federal agencies, the National Archives is perhaps the one most closely associated with the Nation's historians. This is especially germane because the Commission itself will henceforth be linked closely with historians for its new program will emphasize Civil War scholarship of a high order.

Under these circumstances, what could be more appropriate than placing the Archivist of the United States on the Civil War Centennial Commission?

It is my hope that the Judiciary Committee will give immediate consideration to this legislation and bring it to the floor for our consideration.

A NATIONAL SECURITY AND PEACE COUNCIL

Mr. BARRY. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. OSTERTAG] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. OSTERTAG. Mr. Speaker, during the 1st session of the 87th Congress, we took an unprecedented and giant step toward strengthening our efforts for world peace by enacting legislation to create the U.S. Arms Control and Disarmament Agency. I was pleased and proud to cast my vote for this new Agency, and have watched hopefully, as I know our Nation has, the initial efforts of this Agency.

However, Mr. Speaker, I felt at the time we considered the Disarmament Agency bill, and I have continued to feel, that we must do something more—something beyond disarmament—to respond to the longing of a troubled world for a true peace and freedom from destruction. To be sure, progress has been made, but, with all due respect to steps already taken, I believe we must recognize that the waging of total peace is necessary—not merely as the answer to a regime that wages total cold war—but as the answer to the needs and aspirations and prayers of all mankind—and indeed, as the imperative for mankind's survival.

To most of us, Mr. Speaker, the two words "security" and "peace" go together—they are meaningful words—and go hand in hand.

At this time in world history, we face the reality of a great struggle between freedom and totalitarianism. In this struggle, the United States of America is the recognized leader of the free world. Although the Communists have developed and maintain terrific destructive power, which presents a real threat and grave danger to our national and free world security, we possess superior military might and strength.

Our scientific development of powerful weapons systems, coupled with our balanced forces, have continued to provide us with a relatiatory capability of such magnitude as to deter aggression and to make it unprofitable for any enemy to attack.

Under existing circumstances, I am convinced that we must continue to possess this superior military capability in the interest of our security; and I believe that our strength has been primarily responsible for maintaining the peace of today, uneasy as it appears to be.

I am confident that the possession and continued development of our great strength and military power will prove to be of immeasurable value in achieving acceptance of a realistic and workable international agreement for arms control and ultimate disarmament.

Nevertheless, Mr. Speaker, it is my firm conviction that we must also place increased stress on the other word in this pair; namely, peace.

And so, I have introduced a bill, H.R. 9742, to bring together at the very top level of our Government these two words—security and peace. My bill would enlarge the function of the National Security Council to include policy guidance and coordination of the peace-oriented programs of our several Federal Government agencies. Our National Security Council is already charged with responsibility for advising the President with respect to our national security. My proposal would charge the Council with the additional responsibility of advising and recommending policies associated with our efforts toward achieving a just and lasting peace.

To carry out this objective, this measure would amend the National Security Act to change the name of the National Security Council to that of National Security and Peace Council. In addition to the current membership of the Security Council—the President, the Vice President, the Secretaries of State and Defense, and the Director of the Office of Emergency Planning—I propose that we include as members of the new National Security and Peace Council, the Director of the Arms Control and Disarmament Agency, the Director of the U.S. Information Agency, and the Administrator of the Agency for International Development. These officials carry responsibilities so closely allied with our efforts toward the achievement and maintenance of peace that I believe their policy guidance and coordinated efforts to be invaluable to the aims and purposes of the National Security and Peace Council.

Also, Mr. Speaker, under the National Security and Peace Council, my bill would establish a National Peace College. The stated objectives of the college include, but are not limited to, the "study and examination of the conditions which lead to and sustain amity between and among people and nations, and conversely, of the causes and means of prevention of international tensions and conflicts." The college shall report the results and findings from its research to the National Security and Peace Council to assist it in the formulation of policies and programs.

The National Peace College would also train personnel of appropriate Federal agencies and persons under the international educational exchange program, both U.S. citizens and those from abroad, in the scientific, economic, political, legal, social, psychological, military, and technological factors essential to the achievement of a just and lasting peace.

The college would be administered by a National Peace Board of seven members appointed by the President. Included in the responsibilities and duties of the Board are the establishment of rules and regulations for the conduct of the college, the formulation of curriculum, and securing facilities and personnel. The Board will also work closely with the many dedicated private organizations in this field.

In the past, I sponsored legislation to establish a Department of Peace, as well as a National Peace College. However, Mr. Speaker, I have departed from this concept in my new bill because I am convinced that the establishment of a totally new and separate department, however large its authority, is not enough. We must recognize that comprehensive, top level guidance and coordination is essential. Many agencies of our Government have for years carried on functions and programs which are peace oriented—intended to promote peaceful purposes in our relations with other countries, and designed to project to peoples throughout the world our dedication to the achievement and maintenance of world peace. But, despite the existence of these programs, and the fact that each one, by itself, may have been vigorously administered and pursued, we have failed to achieve our goal of a peaceful world.

It is my earnest hope, Mr. Speaker, that this bill will receive serious and prayerful consideration by the Congress during this session. Through passage of this measure, I believe we will be taking another "giant" step forward in making possible the widest use of reason and human intelligence in seeking international accord.

CERTAIN PROVISIONS OF THE CONSTITUTION AND LAWS OF THE UNITED STATES

Mr. BARRY. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. JOHANSEN] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JOHANSEN. Mr. Speaker, I respectfully direct attention of the House to several provisions of the Constitution and laws of the United States:

Item No. 1:

> The Senators and Representatives before mentioned * * * and all executive and judicial Officers, both of the United States and of the several States, shall be bound by Oath or Affirmation, to support this Constitution.

Item No. 2: The statutes describe the form of oath as follows:

> I, , do solemnly swear that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and

allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion, and that I will well and faithfully discharge the duties of the office on which I am about to enter. So help me God.

Item No. 3:

All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives.

Item No. 4:

All bills for raising Revenue shall originate in the House of Representatives.

Item No. 5:

The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises.

Item No. 6:

Every bill which shall have passed the House of Representatives and the Senate, shall, before it becomes a Law, be presented to the President of the United States; if he approve he shall sign it, but if not he shall return it, with his Objections to that House in which it shall have originated, who shall enter the Objections at large on their Journal, and proceed to reconsider it. If after such Reconsideration two thirds of that House shall agree to pass the Bill, it shall be sent, together with the Objections, to the other House, by which it shall likewise be reconsidered, and if approved by two thirds of that House, it shall become Law.

Except for the second item mentioned above, all of the foregoing quotations are from the Constitution of the United States. The second item quotes the statutory oath which all officers of the United States are required to take. As a Member of Congress I have taken this oath of office. The President takes a special oath, prescribed by the Constitution, to "preserve, protect and defend the Constitution of the United States."

The following is an excerpt from President Kennedy's state of the Union message of January 11, 1962:

We need Presidential standby authority, subject to Congressional veto, to adjust personal income tax rates downward within a specified range and time, to slow down an economic decline before it has dragged us all down.

This is a proposal to grant the President legislative authority—whereas the Constitution vests all legislative powers in the Congress.

This is a proposal to grant the Congress veto power—whereas the Constitution vests the veto power in the President, subject to congressional authority to override the veto.

This is a proposal to grant the President authority to adjust tax rates downward—whereas the Constitution vests in the House of Representatives sole authority to initiate legislation "for raising revenue."

This is a totally unconstitutional proposal.

A corollary of Presidential authority to reduce taxes—a dangerous power at any time and doubly dangerous in an election year—is Presidential authority to raise taxes. And this power has already been suggested by some advocates of the first proposal. I warned of both such proposals in weekly letters to my constituents on January 20 and June 23, 1961.

There is only one method by which these recommendations may be properly considered, namely, by a proposed constitutional amendment. Such an amendment would become effective only if proposed by a two-thirds vote of both Houses of Congress or on an application of the legislatures of two-thirds of the States—plus subsequent ratification by the legislatures of three-fourths of the States.

I would oppose such an amendment. But I would, at least, respect a proposal which recognized and honored this constitutional procedure, rather than advocating Executive usurpation.

SENSIBLE MEDICAL CARE PLAN

Mr. BARRY. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. DERWINSKI] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DERWINSKI. Mr. Speaker, one of the major items in the President's state of the Union message was his open advocacy of the inconsistent administration medical care proposal.

Quite in contrast to that approach is the recent proposal through which the utmost effectiveness of our free enterprise system could be used to meet this important social problem. The Chicago Sun-Times editorial, appearing today, January 22, points out the practical aspects of the free enterprise type proposal.

SENSIBLE MEDICAL CARE PLAN

As long ago as last February, we advised opponents of the Kennedy administration's medical care for the aged program to have a program of their own to advance during congressional debate. "We are confident," we said, "that such a program can be drafted that meets both the humanitarian need and the basic American principles that are deeply involved here. Opposition for the sake of opposition is not enough."

Now with Congress again facing the issue, it is encouraging to note that the foes of the administration plan have produced an alternative proposal which is well worth examining. It may not be the final answer. It is a step in the right direction.

The new proposal was formulated by the medical profession, the Nation's hospitals and the two most widely used private insurance health plans. It would offer voluntary, low-cost hospital and doctor care for the aged through Blue Cross and Blue Shield. The principle of ability to pay with the most assistance being provided for the needy is the foundation of the overall program.

This is a sound concept, clearly distinguishable from the administration's proposal for a compulsory program putting the social security system into the business of providing medical care for the aged where the system does not belong.

For one thing, the administration program would discriminate against 3 million Americans over 65 who are not covered by social security. And it would force millions of others, already covered by private insurance, into a Government plan whether they like it or not. Finally, it would force on younger people the immediate double burden of financing through their social security taxes the care of everyone, rich and poor, now over 65 while paying their own expenses as well.

The latter is a basic flaw in the administrations' program, representing a radical departure from the principles of a free society as they have been known in this country.

Two separate means have now been proposed by hospitals, doctors, and private insurance plans to provide complete sickness care for the aged.

On hospitalization, the American Hospital Association and Blue Cross have agreed on a plan for private hospital insurance for retired persons over 65 to cost $10 to $12 per month. The Federal Government would pay the premiums only for all those unable to do so.

On doctor care, the American Medical Association and the Blue Shield have agreed on an insurance plan covering medical and surgical treatment for persons over 65 which would cost $3 per month for individuals with an annual income of $2,500 or less and $6 per month for a married couple with a combined income of $4,000 or less.

The doctor care insurance does not call for a Federal subsidy. The premiums would be paid by the individuals. However, the agreement on this portion of the program is a plus for the elderly because the administration's medicare program would not pay doctors' or surgeons' fees.

Proposals similar to these for solving the medicare problem have also been made by Senator JACOB JAVITS, Republican, of New York. There have been other suggestions that Government financing of benefits might come from tax credits, a special payroll tax, or an excise tax. The wisdom of administering a program through Blue Cross and Blue Shield is plain. Both are highly qualified through experience and close connection with the Nation's hospitals and medical profession.

There is no question but that Americans can and should provide assurance against disastrous medical costs for their elder fellow-citizens who need and want such assurance. The ideas and possible alternatives now coming forward offer fresh avenues of approach to the problem.

It is hoped that they will also have the effect of lifting the debate on this subject above the vote-buying level at which the Democratic leaders are operating. Whether a bill passes or not, they have said bluntly they regard the question as the foremost issue of the fall election campaign with the votes of 17 million citizens over 65 at stake.

As we have said before, this is a cold-blooded viewpoint. The question is one of need and human sympathy for the less fortunate. It is not a vehicle on which greedy politicians can ride into office. The obligation of both parties is to devise a workable, sensible plan under the American system. The proposals of the medical and hospital worlds are a good start toward that objective.

CARL ALBERT

Mr. LIBONATI. Mr. Speaker, I ask unanimous consent that the gentleman from Oklahoma [Mr. STEED] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. STEED. Mr. Speaker, among the many editorial tributes on the occasion of the election of Congressman CARL ALBERT as majority leader was an article by Samuel G. Whitaker, editor and publisher of the Marlow, Okla., Review.

Mr. Whitaker was a classmate of Congressman ALBERT at the University of

Oklahoma, and his article is therefore of particular interest:

CARL ALBERT

(By Samuel G. Whitaker)

The 2d session of the 87th Congress convened Wednesday.

An Oklahoman was chosen majority leader of the House, the highest legislative honor ever paid to a citizen of the Sooner State.

CARL ALBERT, Congressman from Oklahoma's Third Congressional District, thus was elevated to a position which, in the thinking of many people, is the fourth most powerful in the United States.

Carl was born some 53 years ago in the hills of Pittsburg County in southeastern Oklahoma.

He lost his mother at an early age. His father was a day labor coal miner for the Samples coal mine near McAlester for many years, trying as best he could to provide a living for himself and five minor children.

In 1927 CARL represented McAlester High School in the national oratorical contest on the subject of "The United States Constitution."

CARL won the State championship, and also the regional championship in Kansas City. In the finals at Washington, D.C., he placed fourth in the Nation.

Going on to college CARL won many oratorical and forensic honors at the University of Oklahoma, where he was ultimately selected as a Rhodes scholar.

Returning home after World War II, CARL was elected to Congress from Oklahoma's Third District, a position in which he has continued to serve with honor and distinction to this day.

It is with the greatest joy and admiration that those who have known CARL since his boyhood days now witness such great honor and recognition bestowed upon that little freckled face barefoot boy from the coal mines of eastern Oklahoma.

It is a great day for CARL. Fortunate indeed are those of us who have lived to see it.

CARL's father, who died a number of years ago, and his mother, whom he lost in early childhood, were not present to witness the signal honors bestowed upon their boy.

But somehow we feel that even they can look down and feel rewarded on this day because their son has gone on, in a manner so nobly set by their precept and example, to so richly represent the land of Sequoyah and the Red man, those Oklahoma hills where he was born.

Past and present, on this day Oklahoma salutes CARL ALBERT.

SEVER DIPLOMATIC RELATIONS WITH THE CASTRO GOVERNMENT

Mr. LIBONATI. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. ROGERS] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ROGERS of Florida. Mr. Speaker, much time has passed since the United States severed diplomatic relations with the Castro government. That date was January 3, 1961, over a year ago. Shortly before that action was taken, this Nation withdrew the Cuban sugar quota, which for many years had amounted to a generous subsidy of the Cuban economy, and imposed a partial economic embargo, allowing only the export of foodstuffs and medicines for humanitarian reasons and placed sugar as the only restriction on imports.

And since that year which has just passed we have witnessed the Castro government follow a course which takes it farther and farther away from the freedoms and liberties which characterize this Nation and this hemisphere. In fact, the doctrines common to the Western World have little parallel in the Castro regime.

We have seen the ties of Communist Cuba become stronger with the Soviet bloc. Castro now maintains diplomatic relations with every Communist nation except East Germany, with whom he has established close economic and cultural ties. Communist Chinese and Soviet advisers are at this moment hard at work in Cuba, hastening the transformation which has turned Cuba into another Communist satellite.

Cultural and economic exchange programs are now in full swing between Castro and his new comrades, and more than 2,400 Cubans are studying Communist methods firsthand in the Soviet bloc. Communist youth farms have been established to teach collective farming methods similar to those used in the Ukraine and Red China to Cuban children, who are taken from their parents before they are 8 years old. In the period between January and June, 1961, more than 2,000 Cuban children were sent to Russia for this training.

Castro has many weapons to control his people, and he uses the methods which have been tried over the years since the Bolshevik revolution. The police state is evident in Cuba, an efficient, tightly controlled spy organization has been set up to report any anti-Castro, anti-Communist movement. Recent drives for recruits to spy on neighbors and friends may well amount to over 500,000 persons, and they will be trained, then eventually stationed in offices, factories, schools, residential areas, and churches.

Castro's armed forces have grown from a small band of guerillas marching into Havana that July in 1959 to an army with an estimated strength of between 250,000 and 400,000 soldiers. In addition, he is equipped with some of the latest Soviet, Czech, and Red Chinese weapons. Certain of these weapons were displayed in January 1961 in a parade through the streets of Havana which lasted for more than 8 hours. This display included 14 Soviet 51-ton tanks, 19 Soviet SU-100 assault guns, 15 Soviet T-34 35-ton tanks, 78 Soviet made 76 millimeter field guns, and 108 Soviet heavy machineguns. This is only a partial list, and each of the estimated 50,000 soldiers who marched in review did so with a Czech-made submachine gun across his back. The estimated value of Soviet-made arms now in Castro's possession is nearly $100 million. Cuba has become the arsenal of the Antilles, rather than the Pearl.

The Castro regime knows well its purpose—that of fostering discontent and eventual overthrow of law, order, and decency in the Western Hemisphere. In a speech made May 8, 1961, Che Guevara explained "how the process of overthrowing established governments in this hemisphere would be carried out." He said that the Cuban revolution has given the Latin American people an example. He said that Latin Americans now know of a form of revolution which has demonstrated its effectiveness. He said that form of revolution is guerrilla warfare.

All signs point to the fact that Cuba is engaged in a wholesale program to export its revolution and disrupt this hemisphere. Each month Cuba plays host to hundreds of Latin American intellectuals, labor leaders, students, and dissident political figures. It pursues its aim by offering indoctrination courses to malcontents ripe for radical, impassioned fodder. In addition to a widespread Communist educational campaign, Castro distributes tons of Communist political propaganda throughout the Western Hemisphere, and included in this propaganda is Che Guevara's guerrilla warfare training manual.

Fidel Castro has betrayed the ideals which he inspired in his fellow campesinos during the early days of his revolution. When fighting first began in the mountains of Oriente Province in 1958, the Communist Party was outlawed, and operated only in underground meetings. Now, prominent members of this once illegal party have taken full advantage of Castro's Red alliance, and have moved into official government positions. Castro has not only betrayed the revolution he once headed, he has wrecked the entire economy of Cuba, once one of Latin America's most prosperous nations. He has spread discontent throughout the hemisphere, and has been formally branded by the U.S. State Department as a "clear and present danger" to the security of this hemisphere. He has sent thousands of his fellow countrymen to the wall, and ordered their murders in cold blood.

Finally, Fidel Castro has openly proclaimed himself to be a Communist—a dedicated follower of Marx, Lenin, and Khrushchev. Yet the United States continues to trade with this self-professed Communist. We have cut all exports to Cuba save food and medicine. We have halted imports of Cuban sugar. Yet, there is no restriction placed on other goods imported from Cuba, and they have been flowing into the United States at the rate of over $2 million per month. Tobacco remains the chief import, and the United States pays more than the world market price for Cuban tobacco.

I introduced legislation to halt this trade, and it was cosponsored by Members of Congress from States all over America. That legislation was reported unanimously from the House Interstate and Foreign Commerce Committee and was referred to the House of Representatives shortly thereafter. It passed the House without a single dissenting vote, giving proof that the American people no longer want to do business with this self-professed Communist.

This bill, H.R. 8465, is now before the Senate Committee on Commerce. Trade with Cuba must be halted, and by doing so the United States can cut the flow of American dollars Castro uses to further the cause of international communism.

We as a nation must exercise our position as leader of the free world. I have

been reassured by the Secretary of State and our Ambassador to the OAS that the U.S. support is growing in Latin America. Latest reports indicate that many of Latin America's more influential newspapers, labor leaders, and university students now favor a hard line in dealing with Cuba.

Certainly the American people favor a hard line in dealing with Cuba. They are tired of the policy of "wait and see." Their patience is exhausted, what little patience they had left after indications of Castro's true color were shown. The passage of legislation banning trade with Cuba by the House of Representatives gave clear expression to the will of the American people because the House reacts quickly to the will of the American people.

When the question of censuring Fidel Castro was first posed before the OAS late in 1960, the United States did not have the support of a majority of member nations. Now, nearly a year and a half later, we are in a stronger position. Thirteen of the twenty-one OAS nations have broken diplomatic relations with Cuba, and latest reports say that of the remaining seven, only three nations maintain full diplomatic facilities in Havana. Furthermore, this Nation's drive to gain stronger measures against Castro received encouraging support last December when the Council of the Organization of American States met here in Washington. The Council, an official and appropriate body of the OAS, met to vote on the proposal to call a meeting of the foreign ministers from each OAS member nation. The purpose of this meeting has been clearly understood—to consider the question of outside intervention by an extracontinental power, and to determine what to do about it. Mr. Speaker, it is the vote on this question which has resulted in the conference this week at Punta del Este, Uruguay.

The hopes of the American people ride with our delegation at Punta del Este. If I am informed correctly, similar hopes are to be found and expressed through the delegations representing most of Latin America.

Mr. Speaker, the nations of this hemisphere should apply strong sanctions against the Communist government of Fidel Castro as soon as possible. The case against him has long been drawn and documented. For over 2 years now I have called for a ban on U.S. trade with Cuba, and a complete embargo on hemispheric trading with Cuba. With strong leadership on the part of Secretary Rusk, Ambassador Morrison, and the rest of the U.S. delegation to the conference of foreign ministers at Punta del Este, Uruguay, strong sanctions could become a reality. If we continue to be weak and coddle the fears of those who reject responsibility, then we shall cease to become leaders.

This Nation was built with courage and fortitude, and I know it is still capable of exercising its convictions. If the United States is unable to obtain measures toward Castro which meet the satisfaction of the American people, then it is clear that action must originate from the U.S. Congress.

We have stood idle too long. In order to retain our position as the directive force in the destiny of freemen, the United States must do all in its power to see that the will of freemen is carried out. It is our responsibility to carry out that will with decisive action and clarity of purpose.

Fidel Castro once remarked that his acts were fully justified when he remarked "history will absolve me." This man has the murder of countless thousands to atone for. He stands as an advocate of international communism. He is admittedly its agent, and has pledged to subvert and destroy the very foundations of decency and order. Each day he is allowed to continue becomes a further implication that what he does has the approval of this hemisphere. To stand still—to do nothing—is nothing more than absolving him. The time has come to move.

THE PRESIDENT'S REQUEST FOR STANDBY TAX CUTTING AUTHORITY: SOME ALTERNATE SUGGESTIONS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Arizona [Mr. MORRIS K. UDALL] is recognized for 5 minutes.

Mr. MORRIS K. UDALL. Mr. Speaker, in his state of the Union message, the President has requested standby authority, subject to congressional veto, to reduce income tax rates in order to shorten or forestall a threatened business recession.

While this proposal deserves the study of Congress, I think such a measure might well aggravate our long-range fiscal and budgetary problems. We should not create the machinery for instant deficit without some accompanying program which will insure a compensating surplus in later fiscal years.

In the hope of stimulating discussion and consideration of the broad field of revenue and appropriation procedures, I have introduced today four alternatives to the President's proposal. These are H.R. 9813, H.R. 9814, H.R. 9815, and H.R. 9816.

In the last 31 years the U.S. Government has raised the taxes to pay for its expenditures only five times. This is a sorry record which weakens our country in many important ways.

Worse, the existence of this huge and growing public debt, and burdensome interest payment, poses a threat to the social and economic measures we have passed during the last 30 years. These measures have been generally good. They have been designed to help the individual overcome catastrophic misfortunes, to help provide a minimum of comfort and security to those who are not blessed with wealth or skills in demand. These measures have strengthened the free enterprise system by ironing out the violent swings of the business cycle.

While discussing the extent of present public spending, Walter Lippmann recently said:

> It is evidenced that creeping socialism has not crept very far. The so-called socialism which is supposed to be creeping upon us is in fact nothing more than the work of making life safe and decent for a mass society collected in great cities.

None of the programs directed at better health, housing, education, highways, and so forth, were repudiated or repealed by the Eisenhower Republicans even when they controlled the executive branch and the Congress.

We will probably continue to have this general level of civilian expenditure and in all likelihood we will continue to have a national security burden of more than $50 billion each year. I believe President Kennedy's administration is making strides toward giving taxpayers the best return for their dollar and is showing vigor in attempts to find more equitable ways to distribute the tax burden. But I also believe that the American people can be told the truth, and that they are willing and ready to ante up the price of national defense and essential nondefense programs on a pay-as-you-go basis.

In the entire history of the world there has never been a nation with our wealth and resources. There is no logical reason why we cannot establish a regular and permanent machinery to guarantee that the Federal budget is always in balance. We can and we should gradually reduce the national debt. Unless we devise an orderly means to these ends the American people may vote for a return to Calvin Coolidge.

Since 1954 we have had budgets varying from $64 billion to $90 billion. We have had years of prosperity and years of recession. We have had years of international crisis and military buildup and years of the "spirit of Geneva." Yet the tax rate for every one of these years has been the same. There has been no essential change since 1954. No self-respecting school district would think of having an identical tax rate for years of radically differing needs and costs.

The American people are almost unanimous in wanting a regularly balanced budget. This desire is not affected by the fact that many economists assure us that today's national debt, because of our climbing gross national product, has become less important. Even if we accept the thesis of these economists—which I do not—that this debt is more of a menace psychologically than financially, we ought to find ways to eliminate it on psychological grounds alone.

Under our present budget machinery we can be almost certain that the national debt will never be reduced and that budget surpluses will only rarely and accidentally occur. My proposals would correct this situation without crippling any proper function of Government. I believe they are simple, workable, and necessary.

No single issue contributes more to public distrust of our Government and the Congress than its failure to adopt new fiscal machinery for the complicated affairs of a $90 billion Federal Government. Continued deficits will further lessen confidence of our people in our Government, decrease the purchasing

power of the dollar, aggravate our balance-of-payments problems, and force us to raise some $9 billion each year merely to pay interest on the debt.

Why is it that our Federal machinery only works 1 time in 5? Let us contrast State procedures, for I think there is a lesson to learn. Few of our States ever have budget deficits. My State of Arizona, for example, has almost never had a deficit and in each of those rare instances it was repaid the following year. Why? The answer is simple. In Arizona the legislature meets and appropriates funds for all State purposes and then goes home. Then, and only then, the tax officials meet and fix a specific rate for that year which will produce the amount of revenue necessary to pay for the appropriations. State and local taxpayers expect their tax rates to vary with expenditures. My school property tax rate may be $8 this year and $9.25 or $7.50 the next.

In theory the Federal system is supposed to work the same way. But in practice it does not. The Appropriations Committees of the House and Senate throughout each session of Congress consider and approve expenditures for defense, veterans, national resources, and all the other items making up our budget. The House Ways and Means Committee, an entirely separate group, is in theory required to recommend tax rates sufficient to produce a balanced budget every year. There is no statutory or congressional authority for a deficit. But tax rates rarely change. They are inflexible and rigid. The slightest change involves tremendous effort and debate.

Each of my proposals is bottomed on the theory that there should be either (a) for each year a tax rate adjusted to the expenditures and demands of that year; or (b) if, we are to accept the cyclical budget theory, a series of varying tax rates over the course of each 4 years to produce a balanced cyclical budget. Our present rigid tax rates will guarantee continued deficits; flexible rates will not.

Each of the four proposals would provide permanent administrative-congressional machinery to adjust Federal tax rates to Federal spending. All four bills limit the adjustment of rates to 10 percent up or down. All four provide for congressional veto of any rate adjustment. All four would achieve a regular reduction of the national debt. This machinery would be mandatory except for war or other serious national emergency.

Here is a brief outline of the proposals:

H.R. 9813. This measure would direct the President to proclaim between September 30 and December 1 of each year the increase or decrease from present basic rates necessary to insure that receipts exceed expenditures by at least $1 billion. New rates would apply in the calendar year following proclamation. This proposal would balance the budget every year. We can anticipate that this kind of machinery would meet serious objections from those who believe that economic growth and prosperity are hampered by insisting on a balanced budget in years of recession. While the validity of this economic theory is not subject to precise proof, it is widely held. But those who favor deficits as an anti-recession tool ought to be willing to provide for a compensating surplus in years of prosperity. The fiscal 1962 deficit will approach $7 billion, yet many of my fellow Democrats seem satisfied with proposing only a $500 million surplus for fiscal 1963, and a similar token surplus for fiscal 1964—both of which may well be years of economic boom. If we are to accept the cyclical theory let us be honest about it and provide for boom-time surpluses as large as the recession deficits. Thus I offer a sound cyclical approach in my next proposal.

H.R. 9814. Under this proposal Congress declares its policy to balance the budget and reduce the national debt by at least $4 billion over the 4 years of each Presidential term. The authority and the responsibility for this achievement would be placed squarely on the President. He would be given the authority and the duty to take economic conditions into account and to proclaim rates for each year of the 4-year period so as to achieve an overall balance during his 4-year administration. Thus he could adjust the Federal budget, within these modest limits—and subject to congressional veto—so as to end his administration with an overall balance. No President could blame the Congress for a deficit administration, as has frequently occurred in the past. He alone would have the burden.

Many persons will object to giving the President the right to set rates—even subject to veto—claiming that, no matter how well intentioned, he would be unable to withstand political and election year pressures. If this contention is sound we need not abandon the search for permanent, effective machinery. My remaining two proposals offer a similar but nonpolitical approach.

H.R. 9815. This would achieve a balanced budget—and a $1 billion surplus—every year, through adjustment of rates 10 percent up or down and subject to congressional veto. The adjustment, however, would be proclaimed not by the President but by a new U.S. Tax Commission. The Commission would have five members. Four would be appointed by the President—two from each major political faith—and confirmed by the Senate. The commissioners would have 8-year staggered terms and would be experts in economic and fiscal matters. The fifth member would either be the Secretary of the Treasury or the Budget Director, thus giving the administration an important voice in these vital matters.

H.R. 9816, the final proposal, would provide for the same U.S. Tax Commission, but would require the Commission to take the state of the economy and the business cycle into account, adjusting rates to balance the budget, not annually, but over the 4 years of each Presidential term.

CONCLUSION

Many respected economists and statesmen believe our national debt is neither unwieldy nor a dangerous burden on the country. The trouble is that a vast majority of the American people think otherwise. I strongly doubt that many Americans will ever be convinced that a $300 billion plus debt—with an annual interest charge of more than $9 billion—is a good or necessary thing. It violates basic American ideas of thrift and money management. These strong public feelings cannot be ignored forever.

A built-in budget balancing program would have many beneficial long-range benefits. Since tax rates would fluctuate with Federal spending, Congress and the Executive would be more responsible on money matters. As things now stand a Senator or Representative can vote against tax measures and for vast expenditures. His constituents never feel in their tax rates the direct effect of this irresponsible approach.

If those of us in the Congress were required at each election to justify the then current rate we would be more careful with public funds. Likewise, we would have a powerful incentive for the necessary and difficult job of tax reform. The unjustified postal deficit is unlikely to continue if the alternative is additional general taxes reflected in increased rates.

I have offered these four varying approaches in a constructive spirit and as a basis for discussion. I make no claim that any one is perfect; I concede that better alternatives may exist. The present system, however, is disastrously wrong. I hope that we can have a great debate on this whole problem; that out of our discussions will come a new, sound program of fiscal responsibility.

THE HONORABLE HENRY B. GONZALEZ

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, a few days ago, as dean of the Texas delegation, it was my honor to present to the House the new member of the Texas delegation, the Honorable HENRY B. GONZALEZ, Representative from the 20th Congressional District of Texas.

Mr. GONZALEZ is a man of real ability, a Representative who will do an outstanding job for the people of his district. The members of the Texas delegation are pleased to have him as one of our number, and we look forward to working with him.

Mr. GONZALEZ has served long and well in the Texas State Senate, and his former colleagues of that body share our opinion of Mr. GONZALEZ. I today have received a copy of Senate Resolution 22, which sets forth the high esteem in which Mr. GONZALEZ is held by that body:

Whereas our former colleague from Bexar County, the Honorable HENRY B. GONZALEZ, has been elected to the Congress of the United States from the 20th Congressional District; and

Whereas he served in the Texas Senate during the 55th, 56th, and 57th sessions of

the Legislature until his election to the U.S. House of Representatives in November 1961; and

Whereas he is a man of outstanding ability who distinguished himself as a member of this Senate; and

Whereas he possesses the true qualities of a statesman—integrity, tenacity of purpose, and a strict adherence to the principles of democracy, and has demonstrated at all times his devotion to his office and his responsibility to the people he represents; and

Whereas it is our desire to congratulate the Honorable HENRY B. GONZALEZ: Now, therefore, be it

Resolved, That the Senate of the 57th legislature, 3d called session, congratulate our former colleague on his elevation in office and extend to him our best wishes for his success in the Congress of the United States, and convey to his fine family our affection and hope for their happiness; and, be it further

Resolved, That copies of this resolution be forwarded under the seal of the Senate to the Honorable HENRY B. GONZALEZ and to the members of the Texas delegation in the Congress of the United States.

CHARLES F. HERRING,
President Pro Tempore of the Senate.
CHARLES SCHNABEL,
Secretary of the Senate.

This resolution was introduced by Senators Spears, Rogers, Kazen, Willis, Dies, Moore, Schwartz, Owen, Baker, Krueger, Reagan, Fuller, Martin, Smith, Secrest, and Patman.

I am naturally pleased that my son, Senator William Neff Patman, is one of the sponsors, and to note that he shares my own very high regard for Representative GONZALEZ.

REMARKS OF W. B. MURPHY, PRESIDENT, CAMPBELL SOUP CO., AT TEXAS A. & M., COLLEGE STATION, TEX., JANUARY 18, 1962

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, the Campbell Soup Co. has long been noted for its outstanding program of agricultural research. For this reason the people of the First Congressional District were particularly pleased when, after an extensive field investigation, this forward-looking company decided to construct its new plant at Paris, Tex. This plant will be a valuable addition to our area, it will bring new markets, new growth to our part of Texas. We are most pleased to have the Campbell people with us. All of us in the First Congressional District wish them every success and look forward to working with them. I, personally, have enjoyed working with them during the decisionmaking process on the Paris plant.

Recently, W. B. Murphy, president of the Campbell Soup Co., spoke at Texas A. & M. upon the importance to all of us of a continuing program of agricultural research. Mr. Murphy, by citing actual examples, showed the necessity of cooperation between grower and processor in research and other fields if future progress is to equal the great strides taken during the last decade.

Mr. Murphy illustrated the importance of research in plant location, using the new Paris plant as an example.

It has been my privilege to visit Texas many times, but I must say that I feel more at home here now since we are underway in our program to construct a processing plant near Paris, Tex. This is to be a plant of something over 900,000 square feet—a major one for us—so our presence in Texas becomes an important factor for our future.

In the food business, when considering a plant location, one does not just look at the map, make a routine study of employee availability, utilities, taxes, land cost, freight schedules, and the like. A business such as ours requires a long period of agricultural experimentation to be certain that a substantial portion of the food ingredients needed for our products can be grown successfully in the nearby areas.

It is particularly appropriate that this talk be given in Texas because agricultural research has played such a important part in our decision to build a plant in Texas and agricultural research is an important part of my subject tonight.

I would like to tell you (1) what agricultural research has meant to us in the past and how we look on it for the future, (2) the vital importance to the grower, the processor and the consumer of contract growing of many crops, and then (3) discuss with you something about the threat to this magnificent, constructive grower-processor relationship and to agricultural research that is rising on the horizon in the form of Government-sponsored marketing orders.

In Texas, an extended series of experiments has been conducted, beginning in 1954, on two key vegetable crops—tomatoes and carrots. We have had a great deal of help from members of the staff of Texas A. & M., and, in connection with some of the necessary genetic research work, we have had the help of the Earhart Laboratories at Caltech.

While our agricultural research work for the new Paris, Tex., plant has been going on for years, the commercial crop development work, which is necessary to establish indexes of productivity for various crops, has been underway for the past 3 years and has covered a number of different ingredients.

The point now has been reached where we believe that it will be practical to contract with Texas farmers, most of them near to the plant, for the growing of a considerable number of the high quality ingredients we shall require when this new plant is in operation—including carrots, celery, white potatoes, sweetpotatoes, cabbage, lima beans, okra, peppers, onions, asparagus, red beets, and parsley. The growing of tomatoes and of other crops will probably be added to that list. Beef, poultry, rice, eggs, milk, butter, and several other major ingredients have always been readily available in the Southwest.

The Campbell Co. president described the "agricultural revolution" taking place and showed its basic cause to be research.

It is no secret to you that we are in the midst of an agricultural revolution of dramatic proportions. Since 1937, farm productivity has increased about 180 percent as compared to about 100 percent for industrial productivity. Much of this phenomenal progress can be traced to agricultural research.

It is estimated that the combined Federal and State agricultural research expenditures last year were about $250 million. Industrial expenditures were somewhat higher, perhaps $280 million. This $530 million agricultural research total is less than 5 percent of the Nation's aggregate research and development expenditure whereas food represents 20 percent of our gross national product. Obviously, agriculture must use its research expenditures wisely.

Considering this fact, it is certainly an anomaly that the climate for agricultural research is not particularly favorable at this time. There is the general feeling in some circles that agriculture is overly efficient because there are so many crop surpluses which are costing the taxpayers billions of dollars. It does not take a mental giant to note that those surpluses should not be charged to research, but rather to the many attempts that have been made to sidestep the inexorable laws of economics. In view of the crucial necessity of keeping our economy competitive with those of other countries, it is indeed strange that there should be doubt thrown on the desirability of aggressive furthering of agricultural science.

President Murphy predicted a continuing need for more research.

There is also some belief, and this has been expressed recently on a number of occasions, that the research job in agriculture is largely done. I would like to take this opportunity to emphatically deny that this job is done and in this talk tell you why we feel there is a long way to go and to relate the specific benefits that accrue to the grower, the processor, and the consumer through research in food crops. I also shall want to point out why agricultural research and the grower-processor relation must be closely coordinated.

Despite current surpluses in some crops, we know that the population of this country and of the world is growing and that we shall be faced in the future with food-supply problems. So, things cannot stand as they are when so much remains to be done, not only for reasons of food supply but just as important, because the food industry of North America must keep itself competitive in the world markets.

I have pointed out that industry is investing rather more heavily in agricultural research than are public agencies. The nature of some of this research can be indicated by telling you about the agricultural research activities of the food-processing industry in terms of some contributions that have been made by Campbell Soup Co.

Our agricultural research department consists of six laboratories in the United States, two in Canada, and five laboratories overseas. Our research activities are partly fundamental in character and partly related to practical growing problems and developmental work. Developmental work is particularly important in new areas incident to the starting of new processing plants where we usually find it necessary to introduce agricultural practices and quality standards essential for the ingredients we use.

In addition to a research group, we have an agricultural service department staffed with men who have both scientific and practical knowledge of farming. This department has the assignment of working with growers with whom we have or hope to have crop contracts.

He described his company's program of research and gave specific examples of work done concerning certain crops.

Our research activities involve (1) the development of new varieties, (2) new disease and insect control procedures, and (3) new cultural practices leading to higher crop quality and greater farm productivity.

Several of the studies we have made of different crops might be of interest to you since they indicate the way our research activities are carried on.

Tomatoes: the quantity and quality of tomatoes needed by our plants require that the crop be grown on a contract basis with individual growers. By developing better production practices and better varieties, it has been possible to increase yields, improve quality and to continue marketing Campbell's tomato soup, for instance, at a price

that has increased only a cent or two per can in over 50 years.

During the 10-year period from 1937 to 1946, yields of tomatoes obtained by our contract growers in the New Jersey-Pennsylvania area averaged 5.8 tons per acre. Following the introduction of an insect and disease control program which we developed, the average yield of tomatoes was increased to 8.6 tons per acre, or 65 percent.

After the development of the fungicide and insecticide program, it became apparent that there were substantial reductions in tomato yields because of the fusarium wilt disease and because of fruit cracking. Fusarium wilt is caused by a fungus which lives in soil. It invades the roots of tomato plants where it produces a toxic substance which kills plants. Over half of the tomato producing soils in the area serving our Camden, N.J., plant are infested with this fungus. The disease cannot be economically controlled by the use of fungicides. Another source of loss was the widespread cracking of tomato fruit when rains fell during the harvest season. Losses are sustained by the growers because cracked fruit spoils quickly. The processor also sustains losses because cracked fruit must be trimmed by hand, or discarded entirely. The cost of the tomato loss can be very high.

Several years ago it was decided that we would need a processing plant in the Southwest. Preliminary studies with vine-ripened tomatoes in Texas showed yields rarely averaged over 4 to 5 tons per acre—too low for economical growing of tomatoes for processing. We found that these low yields were the result of high night temperatures. Most varieties of tomatoes will not set fruit unless night temperatures are between 55 and 68 degrees. Night temperatures in Texas in the summer commonly exceed 70 degrees during a large part of the fruit setting period.

In order to try to solve this problem, a series of studies was started in the phytotron facilities of Caltech. In this laboratory we could control all growing conditions including any kind of night temperatures desired. Tomatoes were collected from foreign countries that were known to have high-temperature nights. Among the strains tested, one variety from the Philippine Islands was found to set fruit freely at night temperatures well in excess of 70°. Breeding work with this heat-tolerant material has been in progress for 5 years and already strains have been developed that produce yields in the order of 15 to 18 tons per acre in Texas. While several years of additional work will be required before varieties will be developed which meet our quality standards, the back has been broken on what is probably the most difficult problem.

Mr. Murphy set forth the principal areas his company considers as most needing additional research at this time.

There are four principal areas where we think there is a tremendous need for more research work. Naturally I have consulted with our agricultural research staff in the preparation of these points. These are not listed in order of importance and, of course, they are to some extent interdependent.

1. Research into the physiology of plant life at the molecular level as related to photosynthesis, growth, and inheritance. This is exemplified by recent investigations on the role of plant proteins and hormones. It is apparent that here is the well-spring for some of the things we need to know about how plants develop as a prelude to knowing how to create crops of superior form, health, flavor, color, nutritive value, and growing ability.

2. The control of plant diseases, insects and weeds by genetic techniques or by chemical and biological methods. A great deal of research has been devoted to pest control by chemicals with some spectacular results, although in some cases effects have been transitory. Pest control by heritable resistance and through biological means has been relatively less exploited. These are promising fields for future development and of course there is still much more to be achieved using chemical methods.

3. The adaptation of plants to unfavorable environments. One could rhapsodize over this prospect were it not so apparent that a prodigious amount of painstaking, time-consuming, frustrating, hard work is required. This is a necessary field of research for the future if for no other reason than that population growth will require that the climate and geographical range of crop production be extended.

4. The determination of the cultural techniques, nutrients, and water requirements necessary to obtain maximum agricultural yields. Much has been done here—in fact, most of the past agricultural research on plants has been in the field of cultural techniques and nutrition plus, of course, genetics. Just when we think we know our stuff, we find new ways of growing things and new ways of supplying nutrients to plants. It is our belief also that there is a great deal to learn about the function of water on plant development and nutrient utilization.

To keep his business moving ahead, the enlightened processor finds it necessary to take every practical step to maintain and improve the values he offers the consumers. And being burdened with an economy that tends constantly to be inflationary with all that that means in increased costs, the processor must concentrate all practical means to limit the unit costs of his ingredients and of his processing.

He knows that with inflation, the grower's income must go up and, of course, that the grower must make a fair profit. It is our judgment that this can be accomplished while still holding or even lowering unit growing costs and at the same time doing a better job of growing quality products, providing results of an aggressive agricultural research program are followed.

It is apparent that in this fight to make headway in an inflationary economy, the grower-processor relationship is a matter of vital importance. This is the reason our company has been expending rapidly in the matter of contracting with farmers for the growing of many of the ingredients we need.

The company I serve utilizes over 150 different agricultural products including vegetable, fruits, cereals, meats, poultry, dairy products, nuts, and seasonings—possibly as wide a list of agricultural ingredients as any one company.

We have purchased these products by contracting and on the open market. We have purchased products that were under marketing orders or handled under cooperative marketing arrangements, so our experience has been fairly wide. It is our conclusion that for many crops, direct contracting with selected growers, supported by skillful crop service and aggressive research work is by far the most satisfactory method over the long term for the grower, the processor and the consuming public. When there is a sound contract between the grower and processor, the grower has a guaranteed price, a guaranteed market, a great incentive to do a good job and the help of an alert research team and up-to-date crop service. Of course, he is free to contract or not as he chooses. The grower still must contend with the weather, but even here, for some crops, there is a measure of assistance through the development of weather-resistant varieties. And, of course, the grower must do his job well.

Our experience is such that we can say without hesitation that the new Paris, Tex., plant would not be a practical thing without direct contracts with farmers unhampered by artificial barriers.

This system of crop contracting—and the market it provides the grower—is truly a unique segment of our agriculture. The vegetables that are grown under contract have provided the farmer with relatively high returns in comparison with other crops. Without any subsidies, support prices, marketing orders or other artificial government controls, these crops have averaged a higher percentage of parity than have the prices for other major farm commodities.

THE ROLE OF THE PRIVATE LITIGANT IN ANTITRUST ENFORCEMENT

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, it is always a pleasure to be able to present the remarks of Mr. Everette MacIntyre, Commissioner of the Federal Trade Commission. He combines knowledge of antitrust and trade regulations with a power of analysis and ability of lucid expression, which is all too rare.

In his address to the antitrust sections of the Illinois and Chicago Bar Association, Mr. MacIntyre with his usual insight, has given a probing analysis of the rationale for, and proper role of, private litigation in antitrust enforcement.

THE ROLE OF THE PRIVATE LITIGANT IN ANTITRUST ENFORCEMENT

(Address by Hon. Everette MacIntyre, Commissioner, Federal Trade Commission, before the Joint Meeting of the Antitrust Sections of the Chicago Bar Association and Illinois State Bar Association on January 18, 1962)

Congress, when it enacted section 7 of the Sherman Act [1] and subsequently sections 4 [2] and 16 [3] of the Clayton Act, had a broader object in view than merely making provision for the alleviation of individual grievances resulting from violation of the antitrust laws. In fact it was the legislative intent that the individual, by securing redress for himself would thereby supplement governmental enforcement in the antitrust field.

The courts have taken judicial notice of the Congress' intent to provide "in the most comprehensive way * * * against combinations or conspiracies in restraint of trade or commerce," [4] and have recognized the legislative intent to give the private treble damage litigant an important role in the enforcement scheme of the antitrust laws, holding that:

"The treble damage action was intended not merely to redress injury to an individual through the prohibited practices, but to aid in achieving the broad social object of the statute." [5]

The seventh circuit has succinctly summarized the private litigant's role in the following terms:

"This grant to persons damaged—a cause of action for treble damages—was for the

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[1] 26 Stat. 210 (1890), repealed 69 Stat. 283 (1955), effective Jan. 7, 1956.

[2] 15 U.S.C. 15; 38 Stat. 731 (1914) providing for treble damages.

[3] 15 U.S.C. 26; 38 Stat. 737 (1914) providing for injunctive relief.

[4] *Karseal Corporation* v. *Richfield Oil Corporation*, 221 F. 2d 358, 365 (9th Cir., 1955).

[5] Ibid.

purpose of multiplying the agencies which would help enforce the act and therefore make it more effective." [6]

The Supreme Court has recognized "* * * the public interest in vigilant enforcement of the antitrust laws through the instrumentality of private treble-damage action * * *," [7] and has also stated:

"Congress has, by legislative fiat, determined that such prohibited activities are injurious to the public and has provided sanctions allowing private enforcement of the antitrust laws by an aggrieved party." [8]

This view of the quasi-public role of the treble damage litigant has been accepted by both the incumbent Assistant Attorney General in charge of the Antitrust Division, Lee Loevinger,[9] and his predecessor, Robert A. Bicks,[10] the incumbent Mr. Loevinger going so far as to state that there is foundation for the belief that as between governmental enforcement and that of private parties, that private relief is both more desirable and more effective.[11] In this connection he advised a congressional committee that "Congress should enact a straightforward and unequivocal declaration of policy stating that primary reliance for antitrust enforcement is upon private action." [12]

The Federal Trade Commission recognizes that private antitrust actions supplement its own activities in the antitrust sphere, making it unnecessary for the Commission to take action in many instances. As a result, considerable savings are realized by the Government and the Commission is enabled to concentrate on hard core cases thus maximizing the effectiveness of its proceedings.[13]

Congressional sentiment, as well, runs strongly in favor of the supplemental enforcement of the antitrust laws afforded by the private litigant. Representative WRIGHT PATMAN, chairman of the House Small Business Committee, in his statement supporting H.R. 10243 gave expression to this view in the following terms:

"You and I have recognized that we need a strong and effective antitrust policy to preserve competition. We have recognized that a necessary and integral part of any such policy is full and effective enforcement of our antimonopoly laws. For many years it has been recognized that the Government alone is not able to provide all of the necessary enforcement. The help of all citizens is needed. We know that private parties will help in this endeavor if we afford them rightful opportunities. In other words, we can expect this help if we give them the right to proceed, and see to it that they are treated reasonably respecting recoveries of damages and costs of litigation." [14]

The legislative intent to enlist the private individual in enforcement of the antitrust laws was largely unrealized until after World War II. As of 1940 in a half century of private litigation, only 175 cases of this nature had been filed and of these only 13 resulted in judgment.[15] The number of private suits in the period, according to one comment, assumed a comparatively futile insignificance taking into consideration the large number of businessmen and the extent of corporate consolidation by certain of their number.[16]

The private antitrust litigant, however, assumed importance after World War II; reported recoveries from 1945 to 1951 amounted to one and a half the number in the entire previous period.[17]

The statistics of the Administrative Office of the U.S. Courts for antitrust cases filed since 1941 [18] graphically document this point. The first significant increase in the number of private actions filed took place in 1949 when the 162 suits filed registered an increase of 131.4 percent over the 70 private suits filed in 1942. Thereafter, in the period 1950 through 1961, there is a steady upward trend in private antitrust litigation, disregarding fluctuations in certain years. For example, the 378 private suits filed in 1961 showed an increase of 133.3 percent over treble-damage litigation filed in 1949 and an increase of 440 percent over corresponding litigation in 1942. (See app. A.)

The growing importance of private litigation is made even more obvious by comparing the number of private suits filed for various periods in the 20-year interval between 1942 and 1961. The years 1942 through 1948 involving a period of 7 years saw 397 private actions filed; in the next 7-year period, 1949–55, 1,373 such actions were filed, while in the last 6 years, 1956–61, private litigants initiated 1,541 antitrust suits.

Another comparison further drives home the indispensable role that the private suit has played in the antitrust field in recent years. In the 20-year period 1942–61, the U.S. Department of Justice filed 986 criminal and civil suits; in the last 5 years of the period, private parties initiated 1,314 actions. Private actions in the 5-year period exceeded by 328, therefore, the total number of Government suits filed for the entire 20-year interval. (See app. A.)

In 1958, the increasing significance of the private litigant's role in suppressing unfair methods of competition received a setback when the Supreme Court in *Nashville Milk Co.* v. *Carnation Company*,[19] and in *Safeway Stores, Inc.* v. *Vance*,[20] by 5-to-4 decisions, held that section 3 of the Robinson-Patman Act was not one of the antitrust laws coming within the scope of sections 4 and 16 of the Clayton Act. As a result, private parties may not sue for redress for injuries stemming from violation of section 3 of the Robinson-Patman Act, prohibiting sales at prices for the purpose of destroying competition or eliminating a competitor. Consequently, enforcement of section 3 is presently limited to Government criminal action.

Justice Douglas, speaking for the dissenting minority of four, argued that the majority has "[resolved] all ambiguities against the grant of vitality to section 3" and forgotten that the treble damage technique has been designed as an effective method of deterring violation of the Clayton Act,[21] and concluded that the opponents of the Robinson-Patman Act had achieved in the court what they could not do in the Congress.[22]

Representative PATMAN, the author of the Robinson-Patman Act, immediately introduced H.R. 10243 designed to expressly redefine the antitrust laws so as to include section 3 of the Robinson-Patman Act within their scope by an amendment to section 1 of the Clayton Act.

In his argument in support of the bill, Mr. PATMAN stressed the fact that governmental action to enforce section 3 had not been effective, the Department of Justice having little sympathy for this act as a criminal law against predatory pricing practices.[23]

Evidently, Mr. PATMAN felt that the decisions in the Nashville and Safeway cases, supra, had deranged the statutory scheme for the enforcement of the antitrust laws, for he summed up his statement in favor of H.R. 10243 with the argument that—

"We have strengthened the antitrust laws to prevent undue concentration in American industry resulting from mergers and consolidations. The results of concentration are equally bad whether obtained by the way of mergers or by the way of monopolistic practices. * * * Some small businessmen are saying today that we are preventing them from selling out to large concerns, but on the other hand, are permitting large concerns to discriminate in prices and run small business concerns out of business." [24]

Obviously, Mr. PATMAN introduced H.R. 10243 because he felt that the small businessman as a private litigant has a vital role to play in assuring the unfettered competition which is the object of the antitrust laws.

On this point, it may be noted that Lee Loevinger, then a prominent member of the private antitrust bar, endorsed S. 3079, 85th Congress, 2d session, which paralleled the provisios of H.R. 10243, noting in this connection the dissent's argument that the majority decision in the Nashville and Safeway cases, supra, had in effect repealed section 3.[25]

The surge of private antitrust enforcement beginning in the post-World War II period and continuing to the present, however, resulted primarily from prior governmental action,[26] and it is clear from the statutory scheme as a whole that it was the legislative intent that this should be the case for by section 5 of the Clayton Act [27] Congress provided that a judgment or decree in behalf of the United States entered after the taking of testimony would be prima facie evidence of the issues decided in the Government action.

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[6] *Maltz* v. *Sax, et al.*, 134 F. 2d 2, 4 (7th Cir., 1943), *cert. denied* 319 U.S. 772 (1943); see also *Weinberg, et al.* v. *Sinclair Refining Co.*, 48 F. Supp. 203, 205 (E. D. N.Y., 1942), and *Quemos Theatre Co., Inc.* v. *Warner Bros., Inc., et al.*, 35 F. Supp. 949, 950 (D. N.J. 1940).

[7] *Lawlor, et al., Trading As Independent Poster Exchange* v. *National Screen Service Corp., et al.*, 349 U.S. 322, 329 (1955).

[8] *Radovich* v. *National Football League, et al.*, 352 U.S. 445, 453 (1957).

[9] Loevinger, Private Action—The Strongest Pillar of Antitrust, III Antitrust Bulletin 167, 168 (1958).

[10] Robert A. Bicks, the Department of Justice and Private Treble Damage Actions, IV Antitrust Bulletin 5 (1959).

[11] Statement of Lee Loevinger, Hearings Before a Subcommittee of the Select Committee on Small Business, U.S. Senate, on the Role of Private Antitrust Enforcement in Protecting Small Business. 85th Cong., 2d sess. (1958), p. 7.

[12] Id. at 16.

[13] Statement of Hon. John Gwynne, Hearings Before a Subcommittee on Small Business, U.S. Senate, on the Role of Private Antitrust Enforcement in Protecting Small Business. 85th Cong., 2d sess. (1958), p. 175.

[14] Statement of Representative WRIGHT PATMAN before the Antitrust Subcommittee of the Committee on the Judiciary, House of Representatives, on H.R. 10243, Aug. 6, 1958.

[15] Statement of Victor R. Hansen, Hearings Before a Subcommittee of the Select Committee on Small Business, U.S. Senate, on the Role of Private Antitrust Enforcement in Protecting Small Business. 85th Cong., 2d sess. (1958), p. 122.

[16] "Fifty Years of Sherman Act Enforcement." 49 Yale L.J. 284, 296 (1939).

[17] Statement of Hansen, supra, p. 122.

[18] These statistics are the basis of a fiscal year ending in June.

[19] 355 U.S. 373 (1958).

[20] 355 U.S. 389 (1958).

[21] *Nashville Milk Co.* v. *Carnation, supra*, at 387.

[22] Id. at 388.

[23] Statement of Representative PATMAN before Antitrust Subcommittee of the House Committee on the Judiciary, op. cit. supra, note 14.

[24] Ibid.

[25] Statement Lee Loevinger, op. cit. supra, note 11, pp. 22, 30.

[26] Statement Victor R. Hansen, op. cit. supra, note 15, pp. 122, 141.

[27] 38 Stat. 731; 15 U.S.C. 16.

Clearly, prior to the enactment of this section, President Wilson urged the Congress to facilitate the partnership of governmental and private enforcement of the antitrust laws when he advocated:

"Giving private individuals who claim to have been injured by these processes the right to found their suits for redress upon the facts and judgments proved and entered in suits by the Government where the Government has upon its own initiative sued the combinations complained of and won its suit. * * * It is not fair that the private litigant should be obliged to set up and establish again the facts which the Government has proved. He cannot afford, he has not the power, to make use of such processes of inquiry as the Government has command of. Thus shall individual justice be done while the processes of business are rectified and squared with the general conscience." [28]

As of 1952 approximately 90 percent of private suits filed followed Government action and although the percentage had declined somewhat by 1958, 76 to 78 percent of private antitrust action could still be traced to successful Government suits.[29]

The Federal Trade Commission is desirous of supporting this additional form of antitrust enforcement whenever possible, and has expressly recognized its obligation to facilitate private enforcement by Commission proceedings. In this connection, the Commission ruled recently in H. P. Hood & Sons, Inc.,[30] that evidence should not be put in camera merely because treble damage actions might arise therefrom, stating in pertinent part:

"Certainly the exposure of the respondent to possible treble damage actions is not the type of injury which would constitute 'good cause' for secreting this evidence. Placing documents 'in camera' for this reason would constitute a direct attempt to frustrate and defeat the will and intent of Congress. In enacting section 4 of the Clayton Act (15 U.S.C. 15), * * * Congress intended that such private suits would supplement and bolster the antitrust enforcement efforts of Government prosecution. * * *"

"Thus, in our view the secretion of evidence for the purpose of frustrating possible treble damage plaintiffs would be opposed to the public interest and the clearly expressed will of Congress. Our efforts should be directed to aiding, not hindering, private enforcement of the antitrust laws."

The two single areas of the economy which most dramatically exemplify the interaction of private and governmental enforcement in the antitrust field are possibly the movie industry and the manufacture of heavy electrical equipment.

In the case of the movie industry, the decree secured by the Government in *United States* v. *Paramount Pictures* [31] generated a great deal of private enforcement activity and, in fact, the assertion has been made that all of the private movie litigation followed successful Government antitrust proceedings.[32] The fact that plaintiffs were able to use the Paramount decrees as prima facie evidence in their own suits resulted in the filing of hundreds of treble damage actions against the Paramount defendants.[33]

The following figures for a 7-year period best document the extent to which private enforcement has supplemented governmental action to correct restrictive practices in the movie industry.

Treble damage actions in the motion-picture industry [1]

Year	Suits filed	Suits with damage claims	Amount of claims
1951	55	51	$94,829,101
1952	86	76	116,505,366
1953	67	59	248,074,460
1954	38	38	55,349,000
1955	42	31	61,329,750
1956	30	22	50,929,000
1957	33	25	21,838,707

[1] Id., p. 179.

Private suits have been successful in securing alteration of practices in the movie industry and in adjudicating exhibitors' rights.[35] Further, private suits have been influential in inducing the movie industry to comply with Government decrees.[36]

The recent Government victory in the so-called Philadelphia or electrical equipment price-fixing cases, which consisted of 20 related proceedings involving as defendants 29 separate companies, as well as certain of their employees and officers,[37] completed February 1961,[38] has already given rise to a very large number of private damage actions, and the end is by no means in sight.

To date, possibly the most significant of these actions were the 12 suits on purchases totaling more than $750 million, filed in the district court for southern New York by 44 plaintiffs on December 4, 1961, against 21 makers of heavy electrical equipment involved as defendants in the preceding Government criminal suits in Philadelphia.[39]

The importance of this suit in enforcing adherence to the antitrust laws and advancing the public interest is readily apparent from the identity of the plaintiffs who are 44 investor-owned electrical utilities, serving 14 eastern States and such metropolitan areas as Boston, Baltimore, Hartford, Providence, Cleveland, Toledo, Cincinnati, Indianapolis, and Richmond, Va.[40] Obviously these suits, if successful, could have the effect of both raising the dividends on plaintiffs' stock and lowering prices to consumers in these areas.

The plaintiff utilities, alleging they had been overcharged because of conspiracies dating from 1948 relating to prices of electrical equipment, did not specify the amount of damages in the complaint pending additional information to be secured in the course of pretrial.[41] It has, however, been estimated the damages involved in these suits could run into 10 figures.[42]

A striking feature of the treble damage actions filed on December 4, 1961, is the fact that all plaintiffs in that case are members of an antitrust investigation group organized by more than 150 investor-owned utilities to combine their investigative efforts.[43] The legislative intent to supply an ancillary force of private investigators to supplement the Department of Justice in law enforcement has been obviously realized in this instance.

The treble damage actions filed December 4, 1961, were the largest in the series of more than 160 damage actions growing out of the Federal suits,[44] but the preceding actions against the Philadelphia defendants are of considerable importance. For example, a public utility district in the State of Washington sued three of the major defendants, Westinghouse, General Electric, and Allis Chalmers, for $25 million. Other treble damage actions have been filed from coast to coast by municipalities and utilities, including the cities of Philadelphia, Pa., and Fort Pierce, Fla., the State of New Jersey, 11 rural Ohio cooperatives, the Northwest Electric Power Cooperative of Kansas City, the Los Angeles Department of Water & Power; and in Illinois, by the Commonwealth Edison Co. of Chicago.[45] In many of the suits, the damages for which recovery was sought were unspecified, but the potential drain on defendants is obviously grievous.

In the period 1952 to the latter part of 1958, plaintiffs in private actions won 8 out of 17 cases for injunctive relief; in the same interval, plaintiffs in private treble damage actions gained decisions in 20 cases as compared to a loss of 124; the ratio of victories for the period was, therefore, approximately 6 to 1 in favor of defendants. The Government, on the other hand, from 1953 to the end of 1958, had a record of 31 victories to 39 defeats, resulting in a 60–40 ratio in favor of defendants.[46] Nevertheless, the private suit may have greater deterrent effect on prospective antitrust violators because the potential recoveries from treble damage litigation is more nearly related to the harm done, if not to the profits derived by the antitrust violator, than are the fines levied as a result of Government action. The real sanctions of Government action, it has been noted, are the stigma of criminal prosecution and the inconvenience of operating under injunctive order.[47]

In this connection, the district court for the southern district of New York, in an opinion denying defendant's motion to enter a nolo contendere plea, expressly held that the purpose of permitting treble damage actions was punitive, stating:

"Another purpose in permitting an injured party to recover threefold his actual damage was that substantial verdicts against the wrongdoer would constitute punitive sanctions—to act as a deterrent against a repetition of the offense and to serve as a warning to potential violators." [48]

Judge Hansen stated in an appearance before Congress on the same point that private

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[28] Woodrow Wilson, Special Address Delivered at a Joint Session of Congress, January 20, 1914, Messages and Papers of the Presidents, vol. XVI, Bureau of National Literature, Inc., p. 7918.

[29] Robert A. Bicks, The Department of Justice and Private Treble Damage Action. IV Antitrust Bulletins, 7 (1959).

[30] Docket 7709.

[31] 66 F. supp. 323 (S.D. N.Y. 1946), 70 F. Supp. 53 (S.D. N.Y. 1947), modified and remanded 334 U.S. 131 (1948), 85 F. Supp. 881 (S.D. N.Y. 1949).

[32] Comment, Antitrust Enforcement by Private Parties: Analysis of Developments in the Treble Damage Suit. 61 Yale L.J. 1010, 1060 (1952).

[33] Conant, Antitrust in the Motion Picture Industry, University of California Press, p. 199 (1960).

[35] Comment, 61 Yale L.J. op. cit. supra, note 32, at 1045, 1046.

[36] Id. at 1046, quoting testimony of H. Graham Morrison, Assistant Attorney General in charge of the Antitrust Division, hearings on H.R. 3408, Subcommittee on Study of Monopoly Power of the House Judiciary Committee, at p. 12.

[37] CCH Trade Reg. Rep. par. 8801 (1961).

[38] Wall Street Journal, Dec. 5, p. 3.

[39] Ibid. and BNA ATRR, No. 21, p. A7, Dec. 5, 1961.

[40] Wall Street Journal, Dec. 5, p. 3.

[41] Ibid.

[42] BNA, ATRR No. 21, A–7, Dec. 5, 1961.

[43] Id., at A–8.

[44] Wall Street Journal, Dec. 5, 1961, p. 3.

[45] BNA, ATRR, No. 1, A–6, 7, July 18, 1961. BNA, ATRR, No. 2, B–2, 3, A–16, July 25, 1961. BNA, ATRR, No. 3, A–14, Aug. 1, 1961. BNA, ATRR, No. 11, A–6, Sept. 26, 1961. BNA, ATRR, No. 21, A–7, Dec. 5, 1961.

[46] Bicks "The Department of Justice and Private Treble Damage Actions," op. cit. supra, note 10, at 11–12.

[47] Loevinger "Private Action—The Strongest Pillar of Antitrust," op. cit. supra, note 9, at 168–169.

[48] *United States* v. *Standard Ultramarine and Color Co.*, 137 F. supp. 167, 171 (S.D.N.Y. 1955).

recoveries by heightening the financial penalty increased the deterrent value of both civil and criminal Government actions.[49]

The amount of treble damages assessed in certain of the movie cases highlights the punitive and deterrent aspect of private litigation as a method antitrust enforcement; plaintiffs, who as of 1952 had been successful in securing damages in over 50 percent of the reported cases in which there had been final disposition, amassed damages in amounts from $60,000 to $1,125,000;[50] e.g., *Milwaukee Towne Corp.* v. *Loew's, Inc., et al.* ($941,000 damages);[51] *Twentieth Century Fox Film Corp., et al.* v. *Brookside Theatre Corp.* ($1,125,000 damages);[52] *Theatre Investment Co.* v. *RKO Radio Pictures, Inc., et al.* ($60,000 damages).[53]

High damage assessments, near the million mark, in private damage suits, of course, are not confined to litigation concerning the movie industry; for example, in *Kiefer-Stewart Co.* v. *Seagram & Sons*,[54] a suit involving the liquor industry, plaintiff recovered damages of $975,000; in *The Sager Glove Corporation* v. *Bausch & Lomb Optical Co., et al.*[55] a suit in the optical industry, plaintiff secured a like amount.

Private suits in the heavy electrical equipment field, of course, bid fair to surpass the amount of damages previously recovered in all other segments of the economy.

The punitive aspect of treble damage litigation is not limited to the mere recovery of damages by plaintiffs. The amount of attorneys' fees recovered by plaintiffs in certain actions suggests that this item too is of sufficient weight to have cautionary effect.[56] For example, the Ninth Circuit, while remanding a case for further consideration of damages, ruled as follows on the item of attorney's fees:

"While it is the duty of this court 'to protect against vicarious generosity in the matter of attorneys' fees' * * * we cannot say as a matter of law that in a case like this, tried at great length below; argued twice on this appeal; and now to be reversed partially so that a new trial must be had below on the issue of damages, that before counsel for appellees obtain satisfaction of judgment for their client that $195,000 is too large a sum, or a figure that would shock the conscience. * * * When [the amount recovered by plaintiffs] * * * is determined, finally, the sum heretofore awarded as attorneys' fees may be too large, or conceivably too small."[57]

The costs involved in defending treble damage actions is another form of financial punishment to which defendants are subjected in private actions. A 1952 survey of defense counsel indicated that in cases where the damages claimed exceeded $150,000, this being the case in over one-half the cases filed, defense costs ranged from $17,000 to $250,000 and even where settlements were effected, defendant's expenses could run into five figures.[58]

The impact of private enforcement is, therefore, much wider than would be indicated merely by the statistics relating to cases in which plaintiffs have recovered subsequent to litigation,[59] for the threat of high damages, attorneys' fees, and the expenses of defending a suit are undoubtedly of critical importance in providing incentive for a large number of settlements.

"The inescapable investment of time, effort, and money in any antitrust case is so great that * * * it is not only improper but economically suicidal for any lawyer to get either himself or his client committed to litigation unless he is reasonably convinced in his own mind on an objective appraisal of the evidence and the law that there is a better than even chance of prevailing."[60]

The foregoing considerations, although originally directed to the filing of private suits are, of course, equally pertinent to the defense's determination of the advisability of settling private litigation.

The private antitrust suits, however, do more than merely duplicate Government work.[61] For private litigation frequently adjudicates practices not covered by Government decrees[62] and in some instances help close the breach left by necessarily incomplete Government policing of decrees.[63]

Possibly, the unique contribution of the private suit to antitrust enforcement is its preventive function in gray areas which are neither clearly unlawful nor lawful. Indictment under criminal action in such cases is unlikely and in these areas the threat of treble damage suits more than the possibility of Government action, deters business from carrying out the proposed acts. A leading member of the private antitrust bar has estimated that for every act or practice actually resulting in actual private litigation hundreds of others had been considered and rejected because of the fear of treble damage claims.[64]

Many of the benefits flowing from private enforcement of the antitrust laws as opposed to government enforcement are therefore intangible. For example:

"The method of freedom is the method of private action, as opposed to the tendency of government enforcement to become authoritarian. It seems indisputable that law enforcement through private action is both more flexible and less authoritarian than enforcement by a central government agency."[65]

There can obviously be no entirely objective estimate of the degree to which the public interest has benefited from private litigation. That benefit, however, has been substantial, even though the extent to which private proceedings have furthered the objectives of the antitrust laws may never be fully known.

[49] Hansen statement, op. cit., supra, note 15, at 141.

[50] Comment, 61 Yale L. J. 1010, op. cit., supra, note 32, at 1044.

[51] 190 F. 2d 561 (7th Cir. 1951), cert. denied 342 U.S. 909 (1952).

[52] 194 F. 2nd 846 (8th Cir. 1952), cert. denied, 343 U.S. 942 (1952).

[53] 72 F. supp. 650 (Wash. N.D. 1947).

[54] 340 U.S. 211 (1951), reversing 182 F. 2d 228 (7th Cir. (1950)).

[55] 1950–51 Trade cases, par. 62, 956 (N.D. Ill. 1951).

[56] *Twentieth Century Fox Films Corp, et al.* v. *Brookside Theatre Corp., supra* ($100,000 *Loew's Inc., et al., supra* ($75,000 attorney fees); *Kiefer Stewart Co.* v. *Seagram & Sons, supra* ($50,000 attorney fees); *The Sager Glove Corporation* v. *Bausch & Lomb Optical Co., et al., supra* ($132,000 attorney's fee).

[57] *Sunkist Growers, Inc.* v. *Winckler & Smith Citrus Products Co.*, 284 F. 2d 1, 34 (9th Cir. 1960), cert. granted, 7 L. Ed. 2d 22 (1961).

[58] Comment, 61 Yale L. J., op. cit., supra, note 32, at 1060.

[59] Ibid. at 1059.

[60] Loevinger, "Handling a Plaintiff's Antitrust Damage Suit," IV Antitrust Bulletin 29, 37 (1959).

[61] Hansen statement, op. cit., supra, note 15, at 141.

[62] Comment, 61 Yale L. J., op. cit., supra, note 32, at 1061.

[63] Hansen statement, supra, at 141.

[64] Communications to Yale Law Journal from Jerrold S. Van Cise, Jan. 2, 1952, cited by Comment, 61 Yale, L. J., supra, at 1061.

[65] Loevinger, Private Action—The Strongest Pillar of Antitrust, op cit. supra, note 9, at 168.

APPENDIX A[1]

Antitrust cases commenced

Fiscal year, June—	Total	U.S. Department of Justice		Private
		Civil	Criminal	
1942	105	35		70
1943	104	24	40	40
1944	75	12	13	50
1945	56	20	9	27
1946	101	18	15	68
1947	108	33	11	64
1948	115	19	18	78
1949	228	39	27	162
1950	233	42	34	157
1951	262	37	16	209
1952	293	20	12	261
1953	244	16	16	212
1954	194	21	10	163
1955	258	33	16	209
1956	281	30	24	227
1957	244	38	18	188
1958	325	33	22	270
1959	315	23	42	250
1960	315	60	27	228
1961	441	42	21	378

[1] Sources: Annual Reports of the Director of the Administrative Office of the U.S. Courts, 1960 and 1961; H. Doc. 240, 85th Cong.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. NORRELL (at the request of Mr. ALBERT), for today through Wednesday, January 24, 1962, on account of official business.

Mr. SELDEN (at the request of Mr. MAGNUSON), for 7 days on account of official business.

Mr. MERROW (at the request of Mr. WHARTON), for 7 days on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. PATMAN, for 45 minutes today, on two subjects, and to revise and extend his remarks.

Mr. HEMPHILL, for 1 hour, on Wednesday next, to revise and extend his remarks, and to include extraneous matter.

Mr. RYAN, for 40 minutes, today.

Mr. COAD (at the request of Mr. ALBERT), for 30 minutes, today.

Mr. PUCINSKI, for 30 minutes on Thursday, January 25, 1962.

Mr. O'HARA of Illinois, for 1 hour on February 14 and 1 hour on February 15, 1962.

Mr. UDALL (at the request of Mr. LIBONATI), for 5 minutes today.

Mr. HEMPHILL (at the request of Mr. LIBONATI), for 1 hour on January 24.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. LANE and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the RECORD and is

estimated by the Public Printer to cost $182.25.

Mr. LANE.

Mr. TOLL.

Mr. BAILEY and to include extraneous matter.

Mrs. GREEN of Oregon (at the request of Mr. WALTER).

Mr. ALGER.

Mr. FRIEDEL.

(The following Members (at the request of Mr. BARRY) and to include extraneous matter:)

Mr. HALPERN.

Mr. MACGREGOR.

Mr. CUNNINGHAM.

Mr. WILSON of Indiana.

Mr. NYGAARD.

Mrs. WEIS.

(The following Members (at the request of Mr. LIBONATI) and to include extraneous matter:)

Mr. MULTER.

Mr. BARING.

Mr. BOLAND.

Mr. DINGELL.

Mr. MOORHEAD of Pennsylvania.

THE LATE SENATOR ANDREW F. SCHOEPPEL

The SPEAKER. The Chair recognizes the gentleman from Kansas [Mr. AVERY].

Mr. AVERY. Mr. Speaker, on 51 separate occasions since I was first elected to the House in 1955, the flag over the Capitol Building has flown at half-mast, signifying the death of a sitting Member of the House or of the other body. In walking over to the Capitol Building today I felt a special pang of sorrow and regret at observing the flag at half-mast, because it was signifying the death of the senior Senator from Kansas, the Honorable ANDREW F. SCHOEPPEL, on yesterday.

Mr. Speaker, Senator SCHOEPPEL was what might be described as a Senator's Senator. He was tall; he was handsome; he was rugged; he reflected vigor and integrity and dedication to duty. And he was all of those things. He was further a Senator's Senator because he was the kind of a man you would like to have represent you in the Senate of the United States.

In 1922 he received first national recognition as an outstanding football player on the team of the University of Nebraska, mentioned for All American, and was responsible for the defeat that year by Nebraska of the famous Four Horsemen of Notre Dame, one of the first defeats in their experience. He has been in the public spotlight more or less from that time on.

I think it is interesting to observe, Mr. Speaker, that in 1922, when ANDY SCHOEPPEL, as a football player at the University of Nebraska was receiving special recognition, that in that same year a young man whom he did not know but later came to be a very dear friend of his, a former Member of the House, the late Richard Simpson, from Pennsylvania, was also receiving national recognition as a football player. And, by a strange coincidence—and I think this is interesting to observe here today—in the same year that Dick Simpson, from Pennsylvania, was charman of the House congressional campaign committee, Senator SCHOEPPEL was chairman of the senatorial campaign committee for their party. And, I think what a coincidence it was that their lives were channeled in the same direction and they found themselves playing not exactly on the same team but playing to win the same as they had over 30 years before.

Mr. Speaker, I think it probably is generally known by most Members that Senator SCHOEPPEL has been in public service most of his life, mostly in response to a draft, shall we say, from the citizens of Kansas. He served at the county level as county attorney and then went to the State capitol as chairman of our State corporation commission. Then in 1942 he was elected to the highest office in the State of Kansas. He was elected Governor. He served in that capacity for two terms or 4 years.

Mr. Speaker, I think it is appropriate to observe also that in his reelection for his second term in 1944 he carried 103 out of the 105 counties in Kansas, a record that has never been equaled by any other candidate. Again, I point this out to illustrate what a fine public servant he had been, and how much recognition he had received, both at the State capital in Topeka, Kans., and also in Washington, D.C., and in many other States to which he had traveled many, many times in behalf of the cause of his country, of his committee, and, yes, of his political party.

Mr. Speaker, you may not have agreed with Senator SCHOEPPEL on all the positions he took. There are probably Members present on the floor today on both sides of the aisle who may not have been in agreement, Mr. Speaker, with the final position taken by the senior Senator from Kansas, but let me tell you this: There was never any doubt in anybody's mind in the Senate Chamber or in the State of Kansas on the position that the Senator was standing on, and after he took that position he was willing and always eager to defend that position against anybody who might contend it was not right and not in the public interest.

Mr. Speaker, I think that is another symbol of a great public servant, and it is perfectly in harmony with that same spirit that he had when he played football back in 1922—that whatever team he was on he was going to play for the good of that team, and he was going to play it hard right down to the last whistle.

I think his public service was performed in that same spirit and conviction. He passed away at Bethesda Naval Hospital, still a Member of the U.S. Senate, ranking member of the Senate Commerce Committee, a member of considerable rank on the Appropriations Committee, a former member of the Senate Committee on Agriculture, and still serving as ranking member of the Small Business Committee of the Senate.

Mr. Speaker, Senator SCHOEPPEL's record of public service may have been equaled by other servants of Kansas, and perhaps by other servants of the United States of America, but certainly I think upon reflecting on the record my colleagues could only agree that he has never been surpassed.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. AVERY. I yield to the distinguished minority leader, the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, nearly 20 years have gone by since I first met Senator ANDREW SCHOEPPEL. At that time I was a relatively young Member of the Congress and Senator SCHOEPPEL was a newly elected Governor of Kansas.

Well do I recall the friendly, cordial greeting he gave me on my arrival in Topeka to speak at a Kansas Day celebration.

During the intervening years we became good personal friends, working together in many ways, and particularly in the cause of Republican Party affairs.

His untimely death is for me a real personal loss.

As a matter of coincidence, my last speaking engagement of the past year was in Senator SCHOEPPEL's hometown of Wichita, and it was typical of his thoughtfulness that he wanted to do everything he could, although even then hospitalized, to make my visit to Kansas a pleasant one.

Like so many big, tough-minded men, ANDY SCHOEPPEL was inherently a kindly, gentle person, quiet and even somewhat reserved in his manner.

His long and consistent loyalty to sound principles, and his unimpeachable record of integrity brought to him many honors and many opportunities to serve his fellow men in positions of public trust from local to national levels of government.

He was a great son of Kansas and every bit an All-American in his dedication to our country.

ANDY SCHOEPPEL will be sorely missed by all who knew him.

Mr. AVERY. I thank the gentleman from Indiana. Mr. Speaker, at this time I yield to the gentleman from Kansas [Mr. SHRIVER] representing the Fourth District of Kansas which contains the Senator's hometown of Wichita.

Mr. SHRIVER. Mr. Speaker, it is with a deep sense of personal loss that I join with my colleagues in the House of Representatives in paying tribute to a great Kansan and a great American—Senator ANDREW F. SCHOEPPEL—who departed this life suddenly on Sunday.

I have lost a personal friend. The people of Kansas have lost a dedicated public servant. The Nation has lost a great patriot.

ANDY, as he was known to all of his friends and close associates, was a man who was always willing to take a firm stand. It has been said that he was a man who believed in standing up and being counted whether it was being loyal to a cause or to an individual. ANDY SCHOEPPEL retained that Midwest characteristic of saying what he meant and meaning what he said.

I had observed Senator SCHOEPPEL from the days of his service as Governor of our great State until he left us yesterday. I found him to be a man of

tremendous energy whether working for a cause in behalf of Kansas, or for our Nation.

He was a successful attorney who could have practiced law and earned considerable financial rewards. However, he chose to dedicate himself to public service. He found happiness and satisfaction in serving the people first in his native Ness County, later as Governor and for 13 years as our State's senior Senator.

The confidence which the people of Kansas had for ANDY SCHOEPPEL is best illustrated by their decisions at the polls which were overwhelmingly in his behalf in six statewide elections at which his name appeared on the ballot either for Governor or U.S. Senator.

Senator SCHOEPPEL and his wife, Marie, were residents of my hometown at Wichita. In recent years he had devoted a great deal of his unlimited energies to the industrial development, particularly the great aviation industry, of our community. He also had worked tirelessly for the development of essential water resources.

Earlier, I stated that I had lost a personal friend. I shall always be grateful for the assistance and counsel which Senator SCHOEPPEL rendered to me last year when I first arrived to assume my new responsibilities as a Member of this House. He always had the time to discuss the problems facing a freshman legislator; and he always had a friendly suggestion to offer.

We should not fail in this tribute to pay special praise to ANDREW SCHOEPPEL's great and dear wife, Marie. Through the years she was always a tower of help, strength, and purpose on whom he relied.

We think of her as we honor him, and we shall always cherish both.

Mr. DOLE. Mr. Speaker, will the gentleman yield?

Mr. AVERY. Mr. Speaker, I yield to the gentleman from Kansas [Mr. DOLE] who represents the Sixth Congressional District of Kansas.

Mr. DOLE. Mr. Speaker, I join my Kansas colleagues in paying tribute to the memory of Senator ANDREW F. SCHOEPPEL.

His death is a tragic loss to his wife, his family, his party, a multitude of friends in and out of Government, and hundreds of thousands of ANDY's fellow Kansans who loved and respected him because he was a public servant with the courage and conviction to do what was right and best for his State and country, not what may have been politically desirable or expedient.

It is not difficult to measure the mark of a man who has been honest, sincere, forthright, and, above all, consistent in his views. Our Senator was a firm believer in, and a practitioner of, conservative principles, always alert to Federal encroachment, and in all ways a champion of individual rights and freedom. This record of public service is legend in Kansas and symbolic of the quality of his characteristics in rising from relative political obscurity in 1939 to become Governor of Kansas in 1943 and win reelection by a record vote and with an unprecedented majority in nearly all of the 105 Kansas counties. Election to the U.S. Senate in 1948 and reelection in 1954 and 1960 conclusively indicated the admiration and wide respect people of Kansas had for our beloved Senator.

In one of the Senator's first speeches as a Member of the Senate on May 4, 1949, he said:

> We have seen the innocuous beginnings of Federal control and authority within the States.

On September 16, 1961, in perhaps Senator SCHOEPPEL's last speech on the Senate floor he again reminded colleagues:

> As this session draws to a close and we total the costs of legislation enacted, it once again becomes obvious that there must be more effective control of Government spending if we are to avoid financial bankruptcy.

This, then, is a record clearly reflecting constant and consistent concern for the rights of the people.

Much more could be and will be said. We have all lost a true friend; our country a patriot and great statesman; Mrs. Schoeppel a devoted husband, but I shall always retain, as a result of his friendship and counsel, a simple philosophy which in his own words is, "call them as you see them."

May he be blessed to enter the portals of immortality in the life beyond.

Mr. AVERY. I thank the gentleman.

Mr. Speaker, I now yield to the Member from Kansas, representing the Third Congressional District [Mr. MCVEY].

Mr. MCVEY. Mr. Speaker, I want to pay tribute to Senator SCHOEPPEL.

We Kansans are deeply grieved by the death of our great senior Senator ANDREW F. SCHOEPPEL, a man who in early life dedicated himself to serving mankind. Known to most as ANDY, the measure of our devotion to him is best demonstrated by the fact that he was the only candidate to win every single precinct in our entire State when running for Governor. More recently, our high regard for him was reflected by a majority of over 100,000 votes cast for him in his senatorial race.

Our entire Nation is affected by the loss of this great American patriot and statesman, whose courage of convictions and strength of character were typified by his own words, "I'll call them as I see them."

Both tall in stature and proud in spirit, his appearance was majestic. So shall his memory be recorded in history.

ANDY was my personal friend and wise counselor. His death saddens me deeply.

Mr. AVERY. Mr. Speaker, I ask unanimous consent that the gentlemen from Kansas [Mr. ELLSWORTH and Mr. BREEDING] may have permission to revise and extend their remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ELLSWORTH. Mr. Speaker, it was with a profound sense of shock that my family and I heard over the radio yesterday afternoon of the death of our friend, Senator ANDY SCHOEPPEL. We have been next door neighbors of the Schoeppels during our time here in Washington, and had been following ANDY's struggle over the past several months with deep and friendly concern. We had been hoping and praying that he was on the road to a measure of recovery; now our grief and disappointment, at losing a friend, are heavy indeed.

Senator SCHOEPPEL has of course been a mighty leader in the public affairs of the State of Kansas, and of the United States of America, for a long time. His leadership in our State and Nation has been acclaimed and cataloged by many who have known him better and longer than I. He was a fearless fighter for what he felt was right. In his own words, "I call the shots as I see 'em." You could always count on ANDY SCHOEPPEL.

The State of Kansas and the people of America have suffered a tremendous loss; my family and I have suffered a deep personal loss. Our hearts go out to the gracious and lovely lady he leaves behind.

Mr. BREEDING. Mr. Speaker, I wish to join with my colleagues from Kansas in expressing deep regret at the death of the senior Senator from Kansas, ANDREW F. SCHOEPPEL. His untimely death will be mourned by friends from all sections of our State.

Although Senator SCHOEPPEL and I represented different political parties, this in no way affected the personal friendship which I am happy to say existed between us. I admired him for the deep and sincere convictions he held on governmental matters and the fact that he fought for these matters with all the vigor at his command. He was a forceful champion for the causes in which he believed and the philosophy of government he espoused.

Senator SCHOEPPEL served his State and its people well. He was Governor for two terms and then he was elected to the Senate in 1948.

I wish to extend to his family my deepest sympathy. Further, I wish to say to them that all Kansans, Republicans and Democrats alike, mourn his loss.

Mr. BEERMANN. Mr. Speaker, I have listened with a great deal of pride to the remarks of my colleagues here today in memory of an old friend, Senator ANDREW "ANDY" F. SCHOEPPEL, of Kansas.

Nebraska, I believe, can claim some reflected honor from Senator SCHOEPPEL's presence here in Washington. Senator SCHOEPPEL received his law degree from the University of Nebraska in 1922. Consequently, I am sure that he is listed on that university's scrolls as one of its graduates to achieve distinction and greatness in the service of his country.

Aside from academic proficiency, Senator SCHOEPPEL also endeared himself to thousands of Nebraskans by his prowess on the football field. He played the game so excellently, that he was selected for honorable mention on one of Walter Camp's early All-American football teams while a student at the university.

Here, I might point out that in addition to his liking for Nebraska education and football, the Senator also found our State's fresh and wholesome womanhood to his style. A year after graduation, he married a Nebraska girl, Miss

Marie Thomsen, of Tilden, Nebr., who returned to Kansas with him. Needless to say, she was his cherished companion the rest of his life.

Apparently, the Nebraska friendships that Senator SCHOEPPEL formed in his university years were lasting ones, since in his work as a Senator, he often felt a kinship with Nebraska representatives and materially assisted them in many ways.

His greatest help to our great State came in his assistance to the passage of Public Law 480 during the 83d Congress. I am sure that if the Senator's assistance had not been extended then, the legislation would have foundered. I need not point out that since that time this law has been the salvation of some of our Nation's farms in that it works directly to reduce the problems of farm surplus.

So I want to join the host of my colleagues here today to note with great sadness the passing of Senator SCHOEPPEL. I make this statement in full realization that Nebraska never had a better friend, a friend whose help she will often miss in countless sessions to come.

Mr. CHENOWETH. Mr. Speaker, I was greatly shocked and saddened when I learned of the passing of Senator SCHOEPPEL. I wish to join my colleagues in paying tribute to his memory. I extend sincere sympathy to our colleagues from the State of Kansas in this irreparable loss, which not only the State of Kansas, but the entire Nation, has sustained.

It was a privilege to know Senator SCHOEPPEL, and I greatly valued his friendship. I first became acquainted with him when he was Governor of Kansas. I have always had great respect for his ability and integrity. He had an outstanding record of public service, as evidenced by the splendid vote of confidence the voters of Kansas gave him in 1960.

Senator SCHOEPPEL was not only an able Senator, but was also a great American. We need more men like him in public life today. He will be mourned by all who believe in constitutional government and in preserving our American heritage.

Mrs. Chenoweth joins me in extending our sincere sympathy to Mrs. Schoeppel.

Mr. BYRNES of Wisconsin. Mr. Speaker, I join in paying tribute to the memory of ANDREW SCHOEPPEL, the distinguished Senator from Kansas, whose death yesterday saddened all of us who were privileged to know this generous, warmhearted American.

Kansas has lost one of its most devoted public servants and the Nation has lost one of its most conscientious and able legislators. His long service to the people of his State, in local and State government, cluminating in his election as Governor of Kansas, and his dedication to the public interest as a U.S. Senator, constitute a remarkable record of devotion to the welfare of the land he loved.

It was my privilege to come to know ANDY SCHOEPPEL well over the years of our service together in the Congress and I feel a deep sense of personal loss at the news of his passing. Mrs. Byrnes joins me in expressing our deepest sympathy to Mrs. Schoeppel in her hour of sorrow.

Mr. AVERY. Mr. Speaker, I would like to announce to the House that arrangements have now been pretty well finalized for the last services for the late Senator.

There will be services here in Washington on tomorrow at 10 o'clock at the Joseph Gawler's Sons Funeral Home at 1756 Pennsylvania Avenue NW.

The family, together with the body of the late Senator, will depart from Washington on Tuesday afternoon for Topeka, Kans.

The Senator's body will lie in state in the rotunda of the State capitol from 9 a.m. Wednesday until 4 p.m. on that afternoon, January 24, 1962.

The National Guard of Kansas will serve as an honor guard at that time. The last services will be in Wichita on the following day which is Thursday, the 25th of January, at 2 o'clock p.m., at the First Methodist Church at 330 North Broadway, Wichita, Kans.

Interment will be in Old Mission Cemetery, North Millside Street, Wichita.

Mr. Speaker, I further would like to ask unanimous consent that all Members have 5 legislative days in which to insert their remarks in the RECORD concerning the late Senator SCHOEPPEL.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. AVERY. Mr. Speaker, I offer a resolution.

The Clerk read as follows:

H. RES. 518

Resolved, That the House has heard with profound sorrow of the death of the Honorable ANDREW F. SCHOEPPEL, a Senator of the United States from the State of Kansas.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased Senator.

Resolved, That a committee of six Members be appointed on the part of the House to join the committee appointed on the part of the Senate to attend the funeral.

The resolution was agreed to.

The SPEAKER. The Chair appoints as members of the funeral committee the following Members on the part of the House: Mr. AVERY, Mr. BREEDING, Mr. DOLE, Mr. ELLSWORTH, Mr. MCVEY, and Mr. SHRIVER.

The Clerk will report the remainder of the resolution.

The Clerk read as follows:

Resolved, That as a further mark of respect to the memory of the deceased the House do now adjourn.

The resolution was agreed to.

ADJOURNMENT

Accordingly (at 2 o'clock and 47 minutes p.m.) the House adjourned until tomorrow, Tuesday, January 23, 1962, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1565. A letter from the Secretary of Agriculture, transmitting a report on the rural electric and rural telephone programs of the Rural Electrification Administration for the fiscal year 1961; to the Committee on Agriculture.

1566. A letter from the Secretary of the Interior, transmitting a report relative to stating that an adequate soil survey and land classification of the lands in the Dalles project, western division, Oregon, has been completed, pursuant to Public Law 172, 83d Congress; to the Committee on Appropriations.

1567. A letter from the Chairman, Federal Communications Commission, transmitting the 27th Annual Report of the Federal Communications Commission for the fiscal year ending June 30, 1961; to the Committee on Interstate and Foreign Commerce.

1568. A letter from the Chairman, Federal Power Commission, transmitting a copy of each of the following: "Statistics of Natural Gas Companies, 1960"; "Steam-Electric Plant Construction Cost and Annual Production Expenses, 1960"; "Hydroelectric Plant Construction Cost and Annual Production Expenses, 1960"; "Statistics of Electric Utilities, 1960, Privately Owned"; and "Principal Electric Facilities, 1961"; to the Committee on Interstate and Foreign Commerce.

1569. A letter from the Assistant Secretary of the Interior, transmitting a draft of a proposed bill entitled "A bill to authorize the exchange of certain lands at Antietam National Battlefield Site"; to the Committee on Interior and Insular Affairs.

1570. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of a proposed bill entitled "A bill to validate payments of certain special station per diem allowances and certain basic allowances for quarters made in good faith to commissioned officers of the Public Health Service"; to the Committee on the Judiciary.

1571. A letter from the Director, Administrative Office, U.S. Courts, transmitting certain information in connection with the annual report relating to four GS-17 positions, pursuant to section 1105a of title 5 of the United States Code; to the Committee on Post Office and Civil Service.

1572. A letter from the Chairman, U.S. Tariff Commission, transmitting the 45th Annual Report of the U.S. Tariff Commission, pursuant to section 332 of the Tariff Act of 1930; to the Committee on Ways and Means.

1573. A communication from the President of the United States, transmitting a proposed supplemental appropriation for the fiscal year 1962 in the amount of $151,200,000 and proposed provision for the Veterans' Administration (H. Doc. No. 306); to the Committee on Appropriations and ordered to be printed.

1574. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Farm Credit Administration for the fiscal year ended June 30, 1961 (H. Doc. No. 307); to the Committee on Government Operations and ordered to be printed.

1575. A letter from the Assistant Secretary of the Interior, transmitting a report relative to stating that an adequate soil survey and land classification of the lands in the Emery County project, Utah, has been completed, pursuant to Public Law 172, 83d Congress; to the Committee on Appropriations.

1576. A letter from the Secretary of the Air Force, relative to the number of officers assigned or detailed to permanent duty in the executive element of the Air Force at the seat of government as of December 31, 1961, pursuant to section 2031(c), title 10, United States Code; to the Committee on Armed Services.

1577. A letter from the Attorney General, transmitting a report which contains the results of our continuing review of the outstanding voluntary agreements and programs established under section 708(e), pursuant to the Defense Production Act of 1950, as amended; to the Committee on Banking and Currency.

1578. A letter from the Assistant Secretary of the Interior, transmitting a draft of a proposed bill entitled "A bill to remove the ceiling on the authorization for appropriations for the government of the Trust Territory of the Pacific Islands; to the Committee on Interior and Insular Affairs.

1579. A letter from the administrative assistant Secretary of the Interior, transmitting a report relating to the progress that has been made in carrying out the helium program, pursuant to Public Law 86-777; to the Committee on the Interior and Insular Affairs.

1580. A letter from the Chairman, Atomic Energy Commission, transmitting a draft of a proposed bill entitled "A bill to authorize appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes"; to the Joint Committee on Atomic Energy.

1581. A letter from the Chairman, Atomic Energy Commission, transmitting a draft of a proposed bill entitled "A bill to authorize appropriation for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes; to the Joint Committee on Atomic Energy.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROYHILL:

H.R. 9800. A bill to provide for the issuance of a special postage stamp to commemorate the Disabled American Veterans; to the Committee on Post Office and Civil Service.

By Mr. BUCKLEY:

H.R. 9801. A bill to amend the law relating to pay for postal employees; to the Committee on Post Office and Civil Service.

By Mr. CLARK:

H.R. 9802. A bill to amend the Internal Revenue Code of 1954 so as to provide accounting procedures whereby dealers in personal property may exclude from gross income amounts withheld by banks and finance companies on notes purchased from such dealers employing the accrual method of accounting; to the Committee on Ways and Means.

By Mr. DELANEY:

H.R. 9803. A bill to authorize a 2-year program of Federal financial assistance for all elementary and secondary school children in all of the States; to the Committee on Education and Labor.

By Mr. FEIGHAN:

H.R. 9804. A bill for the relief of Cuyahoga County, Ohio; to the Committee on the Judiciary.

By Mrs. MAY:

H.R. 9805. A bill to change the name of Whitman National Monument to Whitman Mission National Historic Site; to the Committee on Interior and Insular Affairs.

By Mr. CLEM MILLER:

H.R. 9806. A bill to provide assistance to business enterprises and individuals to facilitate adjustments made necessary by the trade policy of the United States; to the Committee on Ways and Means.

By Mr. MULTER:

H.R. 9807. A bill to provide free postage for first-class letter mail matter sent by members of the Armed Forces of the United States; to the Committee on Post Office and Civil Service.

H.R. 9808. A bill to revise the District of Columbia Alcoholic Beverage Control Act; to the Committee on the District of Columbia.

By Mr. NORBLAD:

H.R. 9809. A bill to amend section 27 of the Merchant Marine Act, 1920, to permit the waiver of such section under certain circumstances; to the Committee on Merchant Marine and Fisheries.

By Mr. OLSEN:

H.R. 9810. A bill to amend section 521 of title 38, United States Code, to provide an exclusion from annual income in determining eligibility for pension; to the Committee on Veterans' Affairs.

By Mr. RHODES of Pennsylvania:

H.R. 9811. A bill to amend the law relating to pay for postal employees; to the Committee on Post Office and Civil Service.

By Mr. SMITH of Iowa:

H.R. 9812. A bill to prohibit nepotism in Government employment, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MORRIS K. UDALL:

H.R. 9813. A bill to provide that the President shall adjust the rates for the Federal income taxes so that each year the budget will be balanced and the national debt reduced; to the Committee on Ways and Means.

H.R. 9814. A bill to provide that the President shall adjust the rates of the Federal income taxes so that for each 4-year period Federal receipts will exceed Federal expenditures by at least $4 billion; to the Committee on Ways and Means.

H.R. 9815. A bill to establish a U.S. Tax Commission which shall adjust the rates for the Federal income taxes so that each year the budget will be balanced and the national debt reduced; to the Committee on Ways and Means.

H.R. 9816. A bill to establish a U.S. Tax Commission which shall adjust the rates of the Federal income taxes so that for each 4-year period Federal receipts will exceed Federal expenditures by at least $4 billion; to the Committee on Ways and Means.

By Mr. WEAVER:

H.R. 9817. A bill to amend section 23 of the United States Code to provide an additional 400 miles of highway in the National System of Interstate and Defense Highways; to the Committee on Public Works.

By Mr. FLYNT:

H.R. 9818. A bill to provide that the lake formed and to be formed by the Walter F. George lock and dam on the Chattahoochee River, Ala. and Ga., shall be known and designated as Lake Roanoke; to the Committee on Public Works.

By Mr. FULTON:

H.R. 9819. A bill to amend the Civil Service Retirement Act to provide for the adjustment of inequities and for other purposes; to the Committee on Post Office and Civil Service.

By Mrs. HANSEN:

H.R. 9820. A bill to encourage domestic industries injured by the requirement to ship on American-flag vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. MAGNUSON:

H.R. 9821. A bill to encourage domestic industries injured by the requirement to ship on American-flag vessels; to the Committee on Merchant Marine and Fisheries.

By Mrs. PFOST:

H.R. 9822. A bill to provide that lands within the exterior boundaries of a national forest acquired under section 8 of the act of June 28, 1934, as amended (43 U.S.C. 315g), may be added to the national forest; to the Committee on Interior and Insular Affairs.

By Mr. RANDALL:

H.R. 9823. A bill to amend the General Bridge Act of 1946 with respect to the vertical clearance of bridges to be constructed across the Missouri River; to the Committee on Public Works.

By Mrs. GREEN of Oregon:

H.R. 9824. A bill to amend the act of August 30, 1890, to eliminate the provisions thereof authorizing Federal contributions for the maintenance of schools of higher education in which racial segregation is practiced; to the Committee on Education and Labor.

By Mr. MONTOYA:

H.J. Res. 603. Joint resolution designating May 15 of each year as National Teachers' Day; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H.J. Res. 604. Joint resolution to authorize the President to proclaim a week in March of each year as Community Health Week in the United States of America; to the Committee on the Judiciary.

By Mr. BARING:

H. Res. 514. Resolution creating a select committee to conduct an investigation and study of the problems involved in the fluoridation of potable water; to the Committee on Rules.

H. Res. 515. Resolution to provide funds for the expenses of the investigation and study authorized by House Resolution 514; to the Committee on House Administration.

H. Res. 516. Resolution expressing the sense of the House of Representatives with respect to the administration of certain laws of the United States under the jurisdiction of the Secretary of Health, Education, and Welfare; to the Committee on Interstate and Foreign Commerce.

By Mr. FRIEDEL:

H. Res. 517. Resolution providing for the payment from the contingent fund of the House of Representatives certain expenses of the U.S. Constitution 175th Anniversary Commission; to the Committee on House Administration.

By Mr. KOWALSKI:

H. Res. 519. Resolution creating a nonlegislative select committee to conduct an investigation and study of the aged and aging; to the Committee on Rules.

By Mr. MICHEL:

H. Res. 520. Resolution providing for an International Castings Week; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. BARING:

H.R. 9825. A bill for the relief of Christos John Smyrniotis; to the Committee on the Judiciary.

By Mr. COLLIER:

H.R. 9826. A bill for the relief of Nicolas Martinez-Garcia; to the Committee on the Judiciary.

H.R. 9827. A bill for the relief of Barbara Bukowska; to the Committee on the Judiciary.

By Mr. DOLE:

H.R. 9828. A bill for the relief of Patti Jean Fulton; to the Committee on the Judiciary.

By Mr. HARRISON of Wyoming:

H.R. 9829. A bill for the relief of Antonio de Almeida Santos, also known as Antonio

de Almeida; to the Committee on the Judiciary.

By Mr. LANE:

H.R. 9830. A bill for the relief of John B. Hogan; to the Committee on the Judiciary.

H.R. 9831. A bill to provide relief for the heirs and devisees of Fly and Her Growth, deceased Lower Brule Indian allottees; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H.R. 9832. A bill for the relief of Jack Shandler; to the Committee on the Judiciary.

By Mr. TEAGUE of California:

H.R. 9833. A bill for the relief of Wo Jin Gin; to the Committee on the Judiciary.

By Mr. TUCK:

H.R. 9834. A bill for the relief of Estelle L. Heard; to the Committee on the Judiciary.

By Mr. MORRIS K. UDALL:

H.R. 9835. A bill for the relief of Charles E. Gardiner and others; to the Committee on the Judiciary.

By Mr. ANDERSON of Illinois:

H.R. 9836. A bill for the relief of Jan (Krysztopa) Michniewicz; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 or rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

226. By Mr. BARING: Resolution of the Sun Women's Forum on Preparedness, Las Vegas, Nev., that the Federal Government immediately undertake the construction or acquisition of storage facilities in each inhabited local area for publicly owned agricultural surplus so that these foodstuffs can be readily available when needed in spite of massive transportation destruction or other havoc resulting from thermonuclear detonations; to the Committee on Agriculture.

227. Also, resolution of the Sun Women's Forum on Preparedness, Las Vegas, Nev., that the Federal Government take the leadership in establishing an urgent program of neighborhood fallout-shelter construction, that these facilities be available to all citizens regardless of economic status, race, creed, or national origin, and that governmental tax and fiscal policies be adjusted to permit this construction with the least strain upon the Nation's economy and its military preparedness; to the Committee on Armed Services.

228. Also, resolution of the Sun Women's Forum on Preparedness, Las Vegas, Nev., that the President be petitioned to direct the Department of Defense to proceed with the full integration of civil defense at the national level into the Armed Forces of the United States; to the Committee on Armed Services.

229. Also, resolution of the Sun Women's Forum on Preparedness, Las Vegas, Nev., that the Department of Health, Education, and Welfare of the United States be urged to assign, as a minimum, three additional civil defense emergency hospitals to Clark County and that these be distributed to the Goodsprings or Blue Diamond sector, North Las Vegas, and Moapa Valley; to the Committee on Interstate and Foreign Commerce.

230. By Mr. CUNNINGHAM: Petition of persons from 33 States, Washington, D.C., and Puerto Rico, a total of 176 petitions calling for an end to the Red mail subsidy; to the Committee on Post Office and Civil Service.

231. By Mr. DOOLEY: Resolution of the Westchester County, N.Y., AFL-CIO Central Labor Body, urging the selection and issuance in 1962 of a postage stamp commemorating the 25th anniversary of the National Apprenticeship Act; to the Committee on Post Office and Civil Service.

SENATE

MONDAY, JANUARY 22, 1962

The Senate met at 12 o'clock meridian, and was called to order by the President pro tempore.

Father Bohdan S. Zelechiwsky, Ukrainian Orthodox Church of the U.S.A., South Bound Brook, N.J., offered the following prayer:

Almighty God, our Father, as we bow with reverence within the walls of this historic Chamber, as we stand before Thee in this temple of freedom, in peace and quietness, let us lift our hearts in prayer for the brethren of ours who are denied freedom, peace, quietness, and the right to praise Thee, our Lord.

On this day of anniversary of the declaration of independence of the Ukrainian people 44 years ago, let us fill our hearts with deep concern for this unfortunate nation and many other nations whose short-lived liberty was destroyed and drowned in blood by the powerful and most ruthless enemy history has known.

Let us, Almighty God, come to the high altar of Thy everlasting mercy with our deepest gratitude for the countless blessings which Thou hast bestowed upon our American Nation, for the glorious destiny of freedom, prosperity, and leadership unto which Thou hast called us as a nation.

But let us never be content with passive gratitude, nor forget our founding principles through self-content or pride; let us never disgrace Thy great gift of liberty by misusing it for our own selfish purposes. Make us, O Lord, more worthy of Thy grace by opening our hearts and minds to the immensurable sufferings of our Ukrainian brethren and all other captive nations, by holding high the flaming torch of freedom handed to us by our gallant ancestors, so that its fire may light the darkness of the world which endures in the night of captivity, despair, injustice, and denial of Thee, our Lord.

Let this torch of freedom be the symbol of our Nation's leadership, under which, with Thy blessing, may we win this crucial struggle for the future of the world and of mankind.

As we bow here in this shrine of our patriots, let us pay tribute to the millions of patriots of the Ukraine and of all other nations in captivity, who readily gave their lives for liberty, the right of self-determination, for freedom from oppression and fear, for freedom of thought and conscience and of worshiping Thee, our Lord.

Father of all nations, we pray to Thee that the Ukrainian Nation and all other nations in captivity may soon have a new birth of freedom, that they may take their rightful place among the free nations of the world, under the spreading canopy of Thy universal love and care. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, January 18, 1962, was dispensed with.

ECONOMIC REPORT OF THE PRESIDENT—MESSAGE FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT (H. DOC. NO. 278)

The PRESIDENT pro tempore. The Chair lays before the Senate the following message from the President of the United States, transmitting, pursuant to law, his Economic Report, together with the annual report of the Council of Economic Advisers, received by the Secretary, under an order of the Senate, on the 20th instant; which, with the accompanying document, will be referred to the Joint Economic Committee:

THE WHITE HOUSE,
Washington, D.C., January 20, 1962.

The Honorable the PRESIDENT OF THE SENATE.

The Honorable the SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIRS: I am presenting herewith my Economic Report to the Congress, as required under the Employment Act of 1946.

In preparing this report, I have had the advice and assistance of the Council of Economic Advisers, who, in turn, have had the assistance of members of the Cabinet and heads of independent agencies.

Together with this report, I am transmitting the annual report of the Council of Economic Advisers, which was prepared in accordance with section 4(c)(2) of the Employment Act of 1946.

Respectfully,

JOHN F. KENNEDY.

MESSAGES FROM THE PRESIDENT

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

EXECUTIVE MESSAGES REFERRED

As in executive session,

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

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

CALL OF THE CALENDAR DISPENSED WITH

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the calendar, under the rule, be dispensed with.

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

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, for the information of the Senate, there will be no morning hour today.