official business of the House Science and Astronautics Committee. This was in connection with the Mariner I Venus launch, and a meeting with Pratt & Whitney executive and research organization in regard to the difficulties encountered on the Centaur hydrogen engine program.

Had I been able to be present, I would have voted "aye" on rollcall No. 169 on the passage of H.R. 12580, the State, Justice, Commerce appropriations bill.

HOUSE OF REPRESENTATIVES

THURSDAY, AUGUST 9, 1962

The House met at 12 o'clock noon.

The Reverend William D. Slates, Fort Ashby, W. Va., offered the following prayer:

Almighty, all wise, all loving God, whom to know is life eternal, unto Thee we turn this day in grateful praise for Thy loving kindness. Open our minds to greater knowledge of Thee; then shall we render unto Thee a deeper love and fuller commitment of our lives.

Forgive us our national and personal sins. Grant us great sympathy with all the peoples of the earth in their quest for life and liberty. Help us share our blessings with others. Enable us to stand for righteousness and truth against their enemies. Lead us in paths of peace.

Bless, we pray, all those in seats of government. May they be guided and sustained by Thy Holy Spirit. In Jesus' name. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 23. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Arbuckle reclamation project, Oklahoma, and for other purposes;

H.R. 3372. An act for the relief of Barbara W. Trousil, Edward G. Trousil, and Robert E. Trousil;

H.R. 5139. An act for the relief of Helena M. Grover;

H.R. 10276. An act to change the name of the Petersburg National Military Park, to provide for acquisition of a portion of the Five Forks Battlefield, and for other purposes;

H.R. 11400. An act to continue for 2 years the existing suspension of duties on certain lathes used for shoe last roughing or for shoe last finishing;

H.R. 11405. An act to provide for the maintenance and repair of Government improvements under concession contracts entered into pursuant to the act of August 25, 1916 (39 Stat. 535), as amended, and for other purposes; and

H.R. 12547. An act to amend the act of August 7, 1946, relating to the District of Columbia hospital center, to extend the time during which appropriations may be made for the purposes of that act.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 8134. An act to authorize the sale of the mineral estate in certain lands;

H.R. 10566. An act to provide for the withdrawal and orderly disposition of mineral interests in certain public lands in Pima County, Ariz.;

H.R. 10651. An act to amend title 28, United States Code, with respect to fees of U.S. marshals, and for other purposes;

H.R. 10852. An act to continue for a temporary period the existing suspension of duties on certain classifications of spun silk yarn; and

H.R. 10928. An act to transfer casein or lactarene to the free list of the Tariff Act of 1930.

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

S. 55. An act to authorize the establishment of the Fort Bowie National Historic Site, in the State of Arizona, and for other purposes;

S. 1878. An act to add certain lands to the Wasatch National Forest, Utah, and for other purposes;

S. 2771. An act for the establishment of a Commission on Science and Technology;

S. 3013. An act to amend the act of July 2, 1940, as amended, relating to the recording of liens on motor vehicles and trailers registered in the District of Columbia, so as to eliminate the requirement that an alphabetical file on such liens be maintained;

S. 3153. An act to guarantee electric consumers in the Pacific Northwest first call on electrical energy generated in Federal plants in that region and to guarantee electric consumers in other regions reciprocal priority, and for other purposes;

S. 3314. An act to amend the District of Columbia Public School Food Services Act;

S. 3317. An act to amend provisions of law relating to personal property coming into the custody of the property clerk, Metropolitan Police Department, and for other purposes;

S. 3574. An act to extend the International Wheat Agreement Act of 1949; and

S. 3580. An act to amend the Atomic Energy Community Act of 1955, as amended, to provide for the disposal of federally owned properties at Los Alamos, N. Mex., and for other purposes.

COMMITTEE ON APPROPRIATIONS

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tomorrow night to file a report on the bill making appropriations for military construction for the Department of Defense, and for other purposes.

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

There was no objection.

Mr. HORAN. Mr. Speaker, I reserve all points of order on the bill.

COMMITTEE ON FOREIGN AFFAIRS

Mr. MORGAN. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may have until midnight Friday next to file a report on the bill S. 2768.

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

There was no objection.

CRIME IN THE DISTRICT OF COLUMBIA

Mr. CHAMBERLAIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. CHAMBERLAIN. Mr. Speaker, I rise to voice, in the strongest terms, my shock and indigation at the recent robbery of Mrs. Isabell Hathaway, of Lansing, Mich., only a few blocks from this Chamber. Such incidents—and they are apparently on the increase—cannot be tolerated, especially in the Nation's Capital. If American citizens cannot visit their seat of government without fear of being attacked and robbed, how can we talk of freedom in this country? How can we point to our Capitol dome as the symbol of freedom for the rest of the world?

Frankly, I am not certain as to just what the situation here requires in order to get results and to make the District of Columbia safe, but I do know that effective action can and must be taken. If an expanded police force is needed, then let us have it. If stronger procedures for dealing with criminal suspects are required, then let us permit them. Whatever is demanded—and I intend to make inquiries to find out—we, as Members of the Congress of the United States and as inhabitants of the District of Columbia, cannot permit ourselves to be insensitive to the needs of the District government necessary to assure the safety of all residents and visitors in the Nation's Capital. If we do not provide what is necessary to protect this community against criminal activity, we have breached our responsibility to the American people.

JOE GLEN SMITH, OF SAN MATEO, CALIF.

Mr. YOUNGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. YOUNGER. Mr. Speaker, this is an important day for thousands of Joe Smiths in this country, for one of their number has been selected to visit the Capital to see the workings of the Government, but more especially to see how the accounts of all Joe Smiths are kept separately by the Social Security Administration.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

Our district was honored because one of our Joe Smiths was chosen for this experiment. He is Joe Glen Smith, of San Mateo, Calif., accompanied by his wife, Maxine, daughter Becky, 5, and son Hal, 3. Their tour will be recorded by news and television to the end that our citizens who are paying into social security will be better informed as to how their records are kept at the record-keeping center in Baltimore and how their Government operates here in Washington.

This Joe Smith is an airline employee who spends his spare time in herb gardening and has over 35 varieties of herbs growing in his backyard under that wonderful California climate which we enjoy in San Mateo.

To their credit, these Joe Smiths are making this trip at their expense.

HERBERT HOOVER

Mr. BROWN. 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 Ohio?

There was no objection.

Mr. BROWN. Mr. Speaker, tomorrow, August 10, is the 88th birthday of our beloved former President, Herbert Hoover, at which time, in the little community in which he was born, West Branch, Iowa, he will speak at the dedication of a Presidential library created by a recent act of Congress. It may be of interest to all of us to remember that the author of that particular act was the Speaker of the House of Representatives, the gentleman from Massachusetts [Mr. McCORMACK]. Former President Truman and other dignitaries will be present and will participate in the dedication of this tribute to a great American.

As Mr. Hoover's address cannot be used for a press release until noon Washington time on August 10, I shall request permission to insert a copy of his speech in the Appendix of the daily CONGRESSIONAL RECORD of August 10, which, of course, will not be printed and distributed to the public until after the dedicatory address has been delivered.

I am taking this action because I believe it most applicable that the CONGRESSIONAL RECORD carry the address of this great former President, Herbert Hoover, on the day he delivers it—his 88th birthday. I am sure that every Member of the Congress, regardless of political affiliation, joins me in expressing the hope that this great humanitarian and servant of the people, Herbert Hoover, may live to celebrate many more birthdays in good health.

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

Mr. BROWN. I yield to the gentleman from Louisiana.

Mr. BOGGS. I should like to associate myself with the most appropriate remarks the distinguished gentleman from Ohio has made in connection with the 88th birthday of former President Hoover. He has lived a long, productive, and useful life and has been a great credit to our country.

Mr. BROWN. I thank the gentleman.

CALL OF THE HOUSE

Mr. ASPINALL. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. BOGGS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 194]

Abernethy	Frazier	O'Konski
Albert	Gray	Osmers
Alexander	Halleck	Passman
Andersen, Minn.	Harrison, Va.	Powell
	Harsha	Purcell
Ashley	Hébert	Rains
Baring	Hoeven	Riley
Barrett	Hoffman, Mich.	Rogers, Tex.
Bass, N.H.	Ichord, Mo.	Santangelo
Blatnik	Johnson, Md.	Saund
Blitch	Jones, Mo.	Schwengel
Bromwell	Karsten	Scranton
Celler	Kilburn	Seely-Brown
Chiperfield	Kitchin	Shipley
Collier	Landrum	Smith, Miss.
Colmer	Lesinksi	Spence
Cramer	Loser	Stephens
Cunningham	McSween	Taber
Curtis, Mass.	McVey	Thompson, La.
Dawson	Madden	Van Pelt
Dent	Magnuson	Wilson, Ind.
Diggs	Martin, Mass.	Winstead
Dooley	Mason	Wright
Durno	Merrow	Yates
Flynt	Moulder	Zelenko

The SPEAKER. On this rollcall 361 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PERSONAL ANNOUNCEMENT

Mr. BAILEY. Mr. Speaker, on yesterday, on rollcall No. 193, I was absent due to an important conference with the new Secretary of Health, Education, and Welfare. Had I been present, I would have voted "yea."

OFFICE OF PUBLIC WORKS COORDINATION AND ACCELERATION

Mr. SISK, from the Committee on Rules, reported the following privileged resolution (H. Res. 755, Rept. No. 2159) which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10113) to establish an Office of Public Works Coordination and Acceleration; to authorize the preparation of a plan for acceleration of public works when necessary to avoid serious nationwide unemployment levels; and for other purposes, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill, and shall continue not to exceed four hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider without the intervention of any point of order the substitute amendment recommended by the Committee on Public Works now in the bill and such substitute for the purpose of amendment shall be considered under the five-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions. After the passage of the bill H.R. 10113, it shall be in order in the House to take from the Speaker's table the bill S. 2965 and to move to strike out all after the enacting clause of said Senate bill and to insert in lieu thereof the provisions contained in H.R. 10113 as passed by the House.

COMMITTEE TO INVESTIGATE AND REPORT ON CAMPAIGN EXPENDITURES

Mr. SISK, from the Committee on Rules, reported the following privileged resolution (H. Res. 753, Rept. No. 2160), which was referred to the House Calendar and ordered to be printed:

Resolved, That a special committee of five Members be appointed by the Speaker of the House of Representatives to investigate and report to the House not later than January 3 1963, with respect to the following matters:

(1) The extent and nature of expenditures made by all candidates for the House of Representatives in connection with their campaign for nomination and election to such office.

(2) The amount subscribed, contributed, or expended, and the value of services rendered, and facilities made available (including personal services, use of advertising space, radio and television time, office space, moving-picture films, and automobile and any other transportation facilities) by any individual, individuals, or group of individuals, committee, partnership, corporation, or labor union, to or on behalf of each such candidate in connection with any such campaign or for the purpose of influencing the votes cast or to be cast at any convention or election held in 1962 to which a candidate for the House of Representatives is to be nominated or elected.

(3) The use of any other means or influence (including the promise or use of patronage) for the purpose of aiding or influencing the nomination or election of any such candidates.

(4) The amounts, if any, raised, contributed, and expended by any individual, individuals, or group of individuals, committee, partnership, corporation, or labor union, including any political committee thereof, in connection with any such election, and the amounts received by any political committee from any corporation, labor union, individual, individuals, or group of individuals, committee, or partnership.

(5) The violations, if any, of the following statutes of the United States:

(a) The Federal Corrupt Practices Act.

(b) The Act of August 2, 1939, as amended, relating to pernicious political activities, commonly referred to as the Hatch Act.

(c) The provisions of section 304, Public Law 101, Eightieth Congress, chapter 120, first session, referred to as the Labor Management Relations Act, 1947.

(d) Any statute or legislative Act of the United States or of the State within which a candidate is seeking nomination or reelection to the House of Representatives, the violation of which Federal or State statute, or statutes, would affect the qualification of a Member of the House of Representatives within the meaning of article I, section 5, of the Constitution of the United States.

(6) Such other matters relating to the election of Members of the House of Representatives in 1962, and the campaigns of candidates in connection therewith, as the committee deems to be of public interest, and which in its opinion will aid the House of Representatives in enacting remedial legislation, or in deciding contests that may be instituted involving the right to a seat in the House of Representatives.

(7) The committee is authorized to act upon its own motion and upon such information as in its judgment may be reasonable or reliable. Upon complaint being made to the committee under oath, by any person, candidate, or political committee, setting forth allegations as to facts which, under this resolution, it would be the duty of said committee to investigate, the committee shall investigate such charges as fully as though it were acting upon its own motion, unless after a hearing upon such complaint, the committee shall find that the allegations in such complaint are immaterial or untrue. All hearings before the committee, and before any duly authorized subcommittee thereof, shall be public, and all orders and decisions of the committee, and of any such subcommittee, shall be public.

For the purpose of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such public hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Eighty-seventh Congress, to employ such attorneys, experts, clerical, and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, and to take such testimony as it deems advisable. Subpenas may be issued under the signature of the chairman of the committee or any subcommittee, or by any member designated by such chairman and may be served by any person designated by any such chairman or member.

(8) The committee is authorized and directed to report promptly any and all violations of any Federal or State statutes in connection with the matters and things mentioned herein to the Attorney General of the United States in order that he may take such official action as may be proper.

(9) Every person who, having been summoned as a witness by authority of said committee or any subcommittee thereof, willfully makes default, or who having appeared, refuses to answer any question pertinent to the investigation heretofore authorized, shall be held to the penalties prescribed by law.

That said committee is authorized and directed to file interim reports whenever in the judgment of the majority of the committee, or of a subcommittee conducting portions of said investigation, the public interest will be best served by the filing of said interim reports, and in no event shall the final report of said committee be filed later than January 3, 1963, as hereinabove provided.

LEGISLATIVE PROGRAM FOR WEEK OF AUGUST 13

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. ARENDS. Mr. Speaker, I take this time in order to ask the acting majority leader if he can tell us the program for next week.

Mr. BOGGS. Mr. Speaker, at the conclusion of the legislative program for today it is my intention to ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The program for next week is as follows:

Monday is District Day, and we have scheduled eight bills from the Committee on the District of Columbia, as follows:

S. 1918: Retirement benefits, Park Police, firemen, Secret Service.

H.R. 12727: Medical care, police and fire departments.

S. 2357: Regulation, life and accident insurance.

S. 3315: Assessments of property.

H.R. 12689: Amend, an act to establish a code of law.

H.R. 8563: Amend, Life Insurance Act, veterans' organizations.

H.R. 11698: Appointment of new trustees in deeds of trust.

H.R. 10188: Regulation of buildings, Georgetown area.

These bills may not necessarily be called in the order to which I have just read them.

In addition, we have scheduled H.R. 1341, motor vehicles, safety standards, and H.R. 9045, Government interests in copyrights and trademarks.

For Tuesday and the balance of the week:

The military construction appropriation bill, 1963.

S. 1005: Federal Reserve branch banks, building construction.

H.R. 8874: Authorization, Bank Service Corporation Act.

H.R. 12336: Amend, Atomic Energy Act.

For Thursday we have scheduled the public works appropriation bill for 1963.

Conference reports may be brought up at any time, and any further program will be announced at a later date.

Mr. ARENDS. May I ask the acting majority leader if there will be rollcall votes on Monday or Tuesday of next week?

Mr. BOGGS. Yes. There are no contested primaries scheduled.

Mr. ARENDS. I thank the gentleman.

TRADING WITH THE ENEMY ACT

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution, House Resolution 745, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3460) to amend section 9(a) of the Trading With the Enemy Act, as amended. After general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SISK. Mr. Speaker, I yield 30 minutes to the gentleman from California [Mr. SMITH], and pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 745 provides for the consideration of H.R. 3460, a bill to amend section 9(a) of the Trading With the Enemy Act, as amended. The resolution provides for an open rule with 1 hour of general debate.

H.R. 3460 would amend section 9(a) of the Trading With the Enemy Act to provide that upon a determination by the President, in time of war or national emergency, that the interest and welfare of the United States require the sale of any property or interest claimed in any suit filed under this subsection and pending on or after the date of enactment of this legislation, the Alien Property Custodian or any successor officer or agency may sell the same, with the net proceeds of such sale being deposited in a special Treasury account pending the entry of final judgment in the suit. Claimants would have the right to elect whether to accept the net proceeds of such sale or to waive their claim to such proceeds and seek just compensation instead. If just compensation is sought, the court hearing the pending suit would determine the amount which constitutes just compensation, and enter an order therefor, which would be a judgment against the United States, to be satisfied first out of the net proceeds of the sale, with any balance being paid in the same manner as are other judgments in cases arising under section 1346 of title 28, United States Code.

Insofar as the legislation will affect property vested during World War II, its principal purpose is to authorize the Attorney General to effect the sale of approximately 93 percent of the outstanding shares of stock of General Aniline & Film Corp., which is the sole remaining company in active operation under the supervision of the Office of Alien Property. These shares, which were vested in the Alien Property Custodian in 1942 under the provisions of the Trading With the Enemy Act, are presently the subject of a suit for their return under section 9(a) and cannot be disposed of pending the termination of the suit unless this bill is enacted.

General Aniline & Film is engaged in the manufacture and distribution of a variety of products in the photographic, dyestuff, and chemical industries. It is the second largest producer of photographic materials in the United States, one of the largest dyestuff producers and

a leader in the manufacture of copying machines and allied products. The corporation has total assets of approximately $170 million, and employs over 8,000 people, being extremely important to the welfare of the areas in which its facilities are located, principally in New York, New Jersey, Kentucky, Alabama, Michigan, California, Illinois, and Colorado. A significant portion of its output goes to the defense agencies of the Government.

Mr. Speaker, I urge the adoption of House Resolution 745.

Mr. SMITH of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as stated by the gentleman from California [Mr. SISK], House Resolution 745 is an open rule providing 1 hour of debate for the consideration of H.R. 3460. My understanding of this measure is precisely the same as that of the gentleman from California, so I will not repeat his statement but simply ask to be associated with his remarks.

May I simply say in addition to his remarks that the maintenance of General Aniline & Film Corp. as a strong, productive, and competitive organization under the control of nonalien interests is important to the public interest and welfare and would promote the national interest. The proposed legislation would accomplish this, while at the same time safeguarding private interests through its provision for substituting the proceeds of sale or just compensation for the property itself. Also important is the factor that this legislation would make it possible for the Government to rid itself of its unnatural role as owner of a private competitive business.

The property will be sold to the highest bidder. The money will go into the U.S. Treasury. In my opinion this legislation is long overdue. We ought to get rid of the ownership of this last piece of property which we are operating as a going concern and dispose of it in this particular way.

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

Mr. SMITH of California. I yield.

Mr. GROSS. Will the proceeds of this sale be earmarked for the payment of war claims, or blanketed into the general funds of the Federal Treasury?

Mr. SMITH of California. At the hearing before the Rules Committee inquiry was made as to that. Our understanding is that it will be sold under the provisions of section 12 of the Trading With the Enemy Act which says it has to be an advertised sale.

I imagine it would be effected by the act we passed yesterday dealing with the war claims, but after a certain length of time any balance of the proceeds would be covered into the Treasury.

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

Mr. SMITH of California. I yield.

Mr. MACK. The proceeds of the sale would be held in trust pending the outcome of suits now underway in the courts. The proceeds will be held in a special trust fund.

Mr. SMITH of California. When those suits are disposed of, any funds available would go into the Federal Treasury.

Mr. MACK. The gentleman is entirely correct. When the suit or suits are disposed of the funds will be available for the payment of war claims and would go into the war claims fund.

Mr. GROSS. Mr. Speaker, will the gentleman yield further?

Mr. SMITH of California. I yield to the gentleman.

Mr. GROSS. Is the pending legislation necessary in order for the Alien Property Custodian to sell this property? Or does it set up conditions which are not now available to the Alien Property Custodian?

Mr. SMITH of California. It is my understanding that this legislation is necessary because of this long, involved suit that is pending in the courts at the present time and that may go on for a great many years. We would like to get out of the operation of this General Aniline and Film Corp.

A great many properties have been sold under the Trading With the Enemy Act over the years. This is the last corporation we are operating. I understand it is now in the possession of the Attorney General who took over from the Alien Property Custodian.

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

Mr. SMITH of California. I yield.

Mr. ROBISON. I think an answer to the gentleman's inquiry is found in the statement included in a letter from the Department of the Treasury, by Mr. Robert H. Knight, its General Counsel, in which the following statement is made:

> Under the present provisions of law any claim for the return of vested property, no matter how ill founded, can at any time before sale bring to a standstill the orderly process of liquidating vested property. The enactment of the proposed legislation would avoid the delay and waste involved in the present procedures and would allow disposition of vested property within a reasonable period of time after vesting.

If the gentleman will yield further, the litigation in this instance has gone on for 14 years. Those of us who are interested in this great corporation think it is time to return it to the free enterprise system.

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

Mr. SMITH of California. I yield to the gentleman from Pennsylvania.

Mr. FULTON. I think we should be plain on the intent of Congress at this time because it is left up in the air by the remarks of the gentleman from Illinois. If this stock is turned into a fund, which is held in trust, and the fund is turned over to the Treasury to be paid into the war damage claims fund, it is taking away from these claimants the basis on which the suit is entered.

At this time we should make clear what the intention of the Congress is as to these funds. There has been an answer previously by the gentleman from Illinois. The gentleman from Arkansas was not present. The answer was, I believe, that the proceeds of these funds would first be put into a trust fund, then would go into a war claims fund. If that is the case, what is the intent of Congress? Are we depriving the claimants of the basis of their suit, first by authorizing the sale, then putting in the war damage fund the proceeds of the sale?

Mr. HARRIS. I was here a moment ago during the colloquy when the gentleman from Illinois very appropriately answered the question.

Let me say that we are not changing the policy on war claims legislation at all by this legislation. The intent of the Congress as to what will happen to the vested fund is not involved here at all. That was decided many years ago.

This legislation is for the purpose of selling a particular industry, the General Aniline & Film Corp.

Mr. FULTON. The intent of this act is not to change existing law in that respect?

Mr. HARRIS. Insofar as the claimants are concerned, they are not affected at all.

Mr. SMITH of California. Mr. Speaker, I have no further requests for time.

Mr. SISK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING SECURITIES AND EXCHANGE COMMISSION TO DELEGATE CERTAIN FUNCTIONS

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 747 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

> *Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 2135) to authorize the Securities and Exchange Commission to delegate certain functions. After general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SISK. Mr. Speaker, I yield 30 minutes to the gentleman from California [Mr. SMITH], and pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 747 provides for the consideration of S. 2135, a bill to authorize the Securities and Exchange Commission to delegate certain functions. The resolution provides for an open rule with 1 hour of general debate.

S. 2135 would authorize the Securities and Exchange Commission by published order or rule to delegate certain

of its functions to a division of the Commission, an individual Commissioner, a hearing examiner, or an employee or employee board, and provides for appeals of actions taken under certain of such delegations. The Commission would retain a discretionary right to review any action taken under delegated authority, and the vote of one member of the Commission would be sufficient to bring any such action before the Commission for review.

The enactment of this legislation would result in no additional cost to the Government.

Mr. Speaker, I urge the adoption of House Resolution 747.

Mr. SMITH of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as stated by the gentleman from California [Mr. SISK], House Resolution 747 does provide for 1 hour debate on an open rule for the consideration of S. 2135.

Mr. Speaker, my understanding of the purpose of this bill is precisely the same as that stated by the gentleman from California [Mr. SISK] and I associate myself with the gentleman's remarks. In addition to his statements may I call the attention of the Members of the House to the fact that last year we did pass Reorganization Plan No. 1 of 1961 which had for its purpose the same purpose as S. 2135. The other body thought that the reorganization plan went too far and it was not passed by that body. This bill, as passed by the other body, is designed to take care of its objection to Reorganization Plan No. 1 of 1961 which was passed last year by the House.

Mr. Speaker, I know of no objection to the bill and I know of no objection to the rule.

Mr. BROWN. Mr. Speaker, would the gentleman yield?

Mr. SMITH of California. I would be glad to yield to the gentleman from Ohio.

Mr. BROWN. In connection with the legislation which this rule will make in order to consider at this time, the legislation itself does provide for the establishment of new methods and new procedures in the Securities and Exchange Commission, somewhat in line with the provisions of Reorganization Plan No. 1 of 1961 which was submitted by the President, but after it eliminated some of the objectionable features of this reorganization plan which caused the Senate to reject it. Some of us who were on the Subcommittee on Government Organization at that time did oppose the reorganization plan then. I know of no objection to the legislation as it is now written and do not feel that it would be harmful in any way. I hope the bill will receive unanimous support.

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

Mr. SMITH of California. I yield to the gentleman from Iowa.

Mr. GROSS. I regret that I have not read all the report—is the majority minus one provision, as contained in the reorganization proposals of last year contained in this proposal before us?

Mr. BROWN. If the gentleman will yield——

Mr. SMITH of California. I yield to the gentleman from Ohio.

Mr. BROWN. No. Any one member of the Commission can bring the matter up before the full Commission whether he has been connected with the investigation or not, and any one member of the Commission——

Mr. GROSS. The gentleman will recall that in the reorganization plan last year, as with other reorganization plans, there was the provision that a majority of the Commission, minus one—which meant a minority of the Commission—could control the Commission and would be dominant? That feature, the gentleman says, is out of this bill; is that correct?

Mr. BROWN. That is my understanding.

Mr. GROSS. I am glad to hear that.

Mr. SMITH of California. Mr. Speaker, I note that the gentleman from Arkansas [Mr. HARRIS] is shaking his head in the affirmative and perhaps he would like to respond to that statement.

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

Mr. SMITH of California. I yield to the gentleman from Arkansas.

Mr. HARRIS. The gentleman is correct. As it was passed in the House last year, two members of the five-member Commission could bring a matter before the full Commission. Under the provisions of this bill any one member can bring it to the Commission for consideration.

Mr. SMITH of California. Mr. Speaker, I have no further requests for time.

Mr. SISK. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SALE OF VESTED ASSETS

Mr. MACK. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3460) to amend section 9(a) of the Trading With the Enemy Act, as amended.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 3460, with Mr. ROONEY in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. MACK. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, the purpose of this bill is to take the Government out of the business of managing a large industrial firm; namely, the General Aniline & Film Corp.

Operation of this huge concern has been under Government control since the majority shares were vested by the Justice Department as enemy property at the start of American participation in World War II.

It seems likely that litigation over ownership of these shares will be prolonged for many years. This means that Government operation of this industry will continue indefinitely unless the pending bill is enacted.

General Aniline is a major company in a growth industry but the legal consequences of Government control have retarded its normal development. Because of its present status the company cannot raise the equity capital needed to expand. It cannot offer adequate inducements to attract and keep young executives. This is bad for its employees, the minority American stockholders, and for the communities across the country where General Aniline plants are located.

The prescription needed to restore this company to economic health is a strong dose of free enterprise.

It is time for the Government to get out of General Aniline and let free enterprise take over.

This is the solution offered by the pending bill, H.R. 3460.

Section 9(a) of the Trading With the Enemy Act—40 Stat. 419; 50 U.S.C. App. 9(a)—as amended, permits any person, other than an enemy or ally of an enemy, claiming interest in any vested property, to institute a suit for the return of such property. It also expressly enjoins the Attorney General—successor to the Alien Property Custodian—from disposing of any such claimed property prior to the final judgment in any such suit.

The reported bill would amend section 9(a) to provide that upon a determination by the President, in time of war or national emergency, that the interest and welfare of the United States require the sale of any property or interest claimed in any suit filed under this subsection and pending on or after the date of enactment of this legislation, the Alien Property Custodian or any successor officer or agency may sell the same, with the net proceeds of such sale being deposited in a special Treasury account pending the entry of final judgment in the suit. Claimants would have the right to elect whether to accept the net proceeds of such sale or to waive their claim to such proceeds and seek just compensation instead. If just compensation is sought, the court hearing the pending suit would determine the amount which constitutes just compensation, and enter an order therefor, which would be a judgment against the United States, to be satisfied first out of the net proceeds of the sale, with any balance being paid in the same manner as are other judgments in cases arising under section 1346 of title 28, United States Code.

Insofar as the legislation will affect property vested during World War II, its principal purpose is to authorize the Attorney General to effect the sale of approximately 93 percent of the outstanding shares of stock of General Aniline & Film Corp., which is the sole remaining company in active operation under the supervision of the Office of Alien Property. These shares, which were vested in the Alien Property Custodian in 1942 under the provisions of the Trading With the Enemy Act, are presently the subject

of a suit for their return under section 9(a) and cannot be disposed of pending the termination of the suit unless this bill is enacted.

General Aniline & Film is engaged in the manufacture and distribution of a variety of products in the photographic, dyestuff, and chemical industries. It is the second largest producer of photographic materials in the United States, one of the largest dyestuff producers and a leader in the manufacture of copying machines and allied products. The corporation has total assets of approximately $170 million, and employs over 8,000 people, being extremely important to the welfare of the areas in which its facilities are located, principally in New York, New Jersey, Kentucky, Alabama, Michigan, California, Illinois, and Colorado. A significant portion of its output goes to the defense agencies of the Government.

Section 12 of the Trading With the Enemy Act provides the manner in which the property shall be sold. I should like to point to the significant portion of this section which says that any property sold under the Trading With the Enemy Act shall be sold only to American citizens, at a public sale to the highest bidder, after public advertisement of time and place of sale which shall be where the property or a major portion thereof is situated unless the President stating the reasons therefor, in the public interest, shall otherwise determine. In this connection, I would like to insert for the RECORD the history of previous sales of large companies which have been made by the Alien Property Custodian under the provisions of this law.

The first of the larger companies sold by the Alien Property Custodian was American Potash & Chemical Corp. The vested interest in this corporation, consisting of 90.8 percent of its outstanding capital stock, was sold as a result of a sealed bid public offering in March 1946 to a syndicate of Glore, Forgan & Co., Kuhn, Loeb & Co., and Lehman Bros. The sale price was approximately $15½ million.

The second company of substantial size sold by the Alien Property Custodian was the American Bosch Corp. The vested interest, consisting of 77.4 percent of its outstanding capital stock was sold in July 1948 as a result of a sealed bid public offering to Arma Corp. The sale price was approximately $6,100,000. The shares were registered with the Securities and Exchange Commission prior to the offering.

In December 1948 the Alien Property Custodian sold the American Bemberg Corp. and the North American Rayon Corp., for a combined price of $17,100,000. The sale was made as a result of a sealed bid public offering to Beaunit Mills, Inc. Prior to the offering the shares were registered with the Securities and Exchange Commission.

Maywood Chemical Works were sold as a result of public auction in January 1949 to the issuing corporation for $847,500.

In March 1952 the Schering Corp. was sold through the medium of a sealed bid public offering to the underwriting corporation headed by Merrill Lynch, Pierce, Fenner & Beane. The sale price was $29,132,000. These shares were registered with the Securities and Exchange Commission prior to the offering.

In 1953 the vested interest in the General Dyestuff Corp. consisting of 100 percent of its capital stock was sold to General Aniline & Film Corp. at a private sale for 65,000 shares of the class A stock of the purchasing corporation. The private sale was based on a finding that the interdependence and close business relationship of both corporations made such a sale desirable. General Dyestuff Corp. was subsequently merged into General Aniline & Film Corp.

NEED FOR LEGISLATION

Under existing law, the control of General Aniline & Film Corp. will remain in Government hands during the pendency of litigation. Under Government management, the company has been unable to raise new capital or pursue executive incentive plans in keeping with that of other large industrial corporations, and consequently it has been difficult for the company to maintain itself in a strong competitive position and to attract outstanding research and executive personnel. Indeed, the injunctive provision of section 9(a), which this bill seeks to amend, has itself been invoked to hamper the company in desirable expansion attempts. A recapitalization plan attempted in 1956 was enjoined at the behest of the plaintiff, and another attempt in 1960 to amend the charter was likewise enjoined on the plaintiff's motion. In each case the court ruled that the proposed company plans would alter the nature of the property which was the subject of the suit in violation of the retention provisions of section 9(a). Accordingly, the Attorney General was enjoined from voting his stock in favor of either of those plans.

The maintenance of General Aniline & Film Corp. as a strong, productive, and competitive organization under the control of nonalien interests is important to the public interest and welfare and would promote the national interest. The proposed legislation would accomplish this, while at the same time safeguarding private interests through its provision for substituting the proceeds of sale or just compensation for the property itself. Also important is the factor that this legislation would make it possible for the Government to rid itself of its unnatural role as owner of a private competitive business.

Unless this legislation is enacted, it is unlikely that at any time in the immediately foreseeable future it will be possible to return the operation of General Aniline & Film Corp. to private ownership and operation. Litigation concerning this vested asset first began in 1948, and has continued to the present time, with no end in sight at present. Over 250,000 documents need to be interpreted and analyzed, and somewhere in the neighborhood of 1,700 persons have intervened in the pending action. A summary of the complex litigation involving this company is set forth below.

SUMMARY OF LITIGATION

A summary of the litigation involving General Aniline & Film Corp. was set forth in the 1960 Annual Report of the Office of Alien Property, Department of Justice, as follows:

The most important litigation in the Office and perhaps the largest case involving the U.S. Government is *Societe Internationale, etc.* (*I. G. Chemie*) (also known as "Interhandel") v. *Kennedy, et al.* (U.S. District Court for the District of Columbia).

This is an action under section 9(a) of the Trading With the Enemy Act by a Swiss holding company to recover approximately 93 percent of the stock of General Aniline & Film Corp. valued at approximately $123 million. The district court dismissed the complaint in December 1953 because of the plaintiff's failure to produce papers and documents as ordered. The court of appeals affirmed the dismissal but granted a period of grace within which the plaintiff could comply. The Supreme Court denied a petition for certiorari. After the expiration of the period of grace the district court concluded that the production made by the plaintiff was not complete and that full disclosure could not be made under Swiss law and affirmed its earlier dismissal. The court of appeals affirmed, and the Supreme Court granted certiorari. On June 16, 1958, the Supreme Court reversed the order of dismissal and remanded the case to the district court for further proceedings.

After remand to the district court, proceedings were instituted to modify the order of reference to remove from the authority of the special master the trial of the issues of law and fact in this case and to leave within his functions only the supervision of discovery and other pretrial matters. This motion was denied and, upon appeal to the court of appeals under the Interlocutory Appeals Act, the court of appeals by a divided court affirmed the denial. The Supreme Court denied certiorari on November 14, 1960.

In the fall of 1958 I. G. Farbenindustrie in liquidation sought to intervene in the district court action to assert and have adjudicated its prevesting ownership interest in the vested shares of stock. This motion was denied on December 19, 1958, because Farben, as an admitted enemy, was barred from asserting any interests which it might have in vested property under the Trading With the Enemy Act. No appeal was taken.

Prior to the granting of certiorari by the Supreme Court, proceedings before the International Court of Justice were instituted against the United States by the Swiss Government to have that Court adjudge that the United States was under an obligation to restore to the plaintiff its assets in this country or, in the alternative, for an adjudication that the dispute should be submitted to judicial settlement, arbitration, or conciliation in accordance with outstanding treaties. The United States interposed preliminary objections to the petition of the Swiss Government challenging the jurisdiction of the International Court of Justice. These preliminary objections were heard at The Hague in November 1958. By its decision of March 21, 1959, the International Court upheld one of the five objections of the United States; namely, that the petition of the Swiss Government was not yet admissible before the Court because I. G. Chemie had not yet exhausted its judicial remedies in the courts of the United States. The Court did not reach the objection to its jurisdiction which had been based upon the Connally reservation.

In the latter part of 1959, General Aniline & Film Corp. proposed to its stockholders a resolution to amend its certificate of incor-

poration to remove the redemption features from the A shares. The purpose of such amendment was to permit the use of those shares in the acquisition of plants and other properties deemed necessary for the growth and continued competitive status of the company. This proposal failed because the Attorney General was enjoined by the district court on motion of the plaintiff from voting his stock in favor of that resolution. The district court ruled that the removal of the redemption features from the A stock would alter or change the character of the vested property in a manner prohibited by section 9(a) of the Trading With the Enemy Act.

Beginning in the summer of 1958, after the reversal of the order of dismissal and the remand of the case to the district court, the plaintiff produced for the inspection of the Attorney General some 246,000 papers and documents of the N. Sturzenegger & Cie. Bank. The inspection of these papers still continues. In May 1960, the Attorney General sought, through the State Department, authorization from the Swiss Government for his officials and employees to enter upon Swiss soil to perform official functions there in the form of examining and copying the books of N. Sturzenegger & Cie. to the limited extent that such books were being made available. This application is still pending.

FURTHER PROCEEDINGS

Further proceedings relating to this litigation were set forth in the 1961 Annual Report of the Office of Alien Property, Department of Justice, as follows:

The case of *Societe Internationale, etc.* (I. G. Chemie) (also known as Interhandel) v. *Kennedy, et. al.*, brought under section 9(a) of the Trading With the Enemy Act to recover approximately 93 percent of the stock of General Aniline & Film Corp., continues to be the most important litigation in the Office.

Since reversal of the dismissal of the case by the Supreme Court in 1958 and its remand to the U.S. district court for further proceedings, the major efforts of the Office have been toward obtaining the production of the records of the plaintiff's private Swiss banking affiliate, H. Sturzenegger & Cie., ordered by the district court in 1949. Nearly 250,000 Sturzenegger documents have been produced by the plaintiff, the inspection of which is currently being carried on, but the books of account of the Swiss bank, numbering over 100, must be inspected by the defendants in Switzerland and this requires the permission of the Swiss Government.

In May 1960 permission was sought through the Department of State for officials of this Office to enter Switzerland for the purpose of examining and copying the books of H. Sturzenegger & Cie., and on February 10, 1961, the Swiss Federal Council granted the application of the Attorney General but so qualified its authorization that in April 1961 the Department of State was requested to obtain clarification or modification of the conditions imposed by the Swiss. One of the conditions was that the books and records inspected, or copies thereof, or information contained therein, were not to be transmitted to any third persons not parties to the suit and, in particular, not to I. G. Farben in liquidation.

During the pendency of the application for permission to inspect the Sturzenegger books in Switzerland, plaintiff moved before the master for a protective order limiting the Attorney General in the use of all documents, books, and records produced and to be produced by the plaintiff by preventing the Government from showing or turning over such records or their contents to I. G. Farben or its representatives. This motion was granted on February 14, 1961, and an order was entered on March 21, 1961, which prohibits the defendants from exhibiting or delivering to Farben or its representatives any documents produced by the plaintiff under the order of discovery as a quid pro quo for the production of information by Farben, but it does not prevent the defendants from exhibiting or delivering copies of such papers to Farben in a bona fide effort to obtain discovery of relevant information. To the extent that this order permits the use of information obtained through discovery to obtain further discovery from third persons not parties to the suit, the authorization granted by the Swiss Federal Council is in conflict.

The latest proceeding in this litigation is a motion for a protective order filed by the Attorney General on June 9, 1961, to stay the deposition of the executive vice president of General Aniline & Film Corp., started by the plaintiff on May 3. The Government's motion is based on the general rule of priorities in discovery procedures and seeks an order deferring the deposition of the General Aniline & Film official with its concomitant production of documents until defendants have been afforded an opportunity to inspect and copy the Sturzenegger books of account.

The suits of some 1,700 stockholders in I. G. Chemie, who were permitted to intervene in the main action, are still in the pretrial discovery stage.

CONCLUSION

All agencies of the Government concerned with the disposal of alien property strongly favor this legislation, particularly the Department of Justice and the Treasury Department.

Mr. Chairman, I recognize that there is a constitutional question involved in the sale of this corporation. Some people will argue that we cannot sell this property until the litigation to which I have referred has been finally resolved. However, the present Attorney General of the United States and the Attorneys General in the previous administration, in recommending this legislation, are definitely of the opinion that the sale would be constitutional. I would accept the verdict of the Attorneys General in this respect.

I urge the House to pass this bill.

Mr. SPRINGER. Mr. Chairman, I believe the gentleman from Illinois [Mr. MACK] has explained the bill very well in detail. I would like to point out that the reports of the executive department and the agencies on the bill, H.R. 1078, a bill identical to H.R. 3460, are shown as an appendix to this report. The Departments of Justice and the Treasury favor the enactment of this legislation and the Department of State and the Bureau of the Budget have no objection. May I say so far as I know there were no objectors appearing to testify in opposition to the bill.

Mr. Chairman, I yield 5 minutes to the gentlewoman from New Jersey [Mrs. DWYER].

Mrs. DWYER. Mr. Chairman, the bill now pending before the House is an extremely important one, and I urge our colleagues to give it their serious and sympathetic consideration. The practical effect of H.R. 3460 would be to permit the Department of Justice to sell to private interests the approximately 93 percent of the outstanding shares of stock of the General Aniline & Film Corp. which the Department's Alien Property Custodian now holds under the authority of the Trading With the Enemy Act.

General Aniline & Film occupies an important place in the economy of Union County, N.J., and other areas in which its plants are located. As a leading producer of photographic, dyestuff, and chemical products, its position is particularly essential to the national security in times of war or national emergency. Today, in fact, a substantial portion of its production goes to Government agencies. There is every reason, therefore, for Congress to free this company from Government control, permit its stock to be purchased by private interests, and thereby encourage its healthy growth as a vital part of our economy.

It is significant, Mr. Chairman, that General Aniline & Film is the sole remaining company in active operation which is still controlled by the U.S. Government as a result of its seizure during World War II as enemy-controlled property. As the committee report explains, disposal of the company previously has been prevented under existing law by virtue of the long-pending suit against the Government brought by a large number of claimants to the company's assets. While the bill would amend the law in this respect, it would also protect the legitimate interests of the claimants, in the event the courts rule in their favor, by providing for just compensation to be paid from proceeds of the sale of company stock. Under the circumstances, I believe this is a completely fair solution for all concerned, especially since it is not in the best interests of the Government to allow this stalemated situation to continue.

Under Government management, it has been impossible for General Aniline & Film to raise new capital or to undertake an expansion of its operations. The company has been further handicapped in attracting and retaining executive and research personnel and a skilled labor force generally. Major company plans for reorganization and expansion have been blocked by appeals to the very provision of law which this bill seeks to amend. As a result, the company's competitive position has been greatly weakened.

One of the effects of this weakened position, Mr. Chairman, has been a disappointing employment situation at the company's various plants. Lagging employment at the General Aniline & Film plant in Linden, N.J., and elsewhere would be given much needed stimulus by passage of this legislation.

As the sponsor of a bill similar to the committee bill, I am pleased to note that the legislation has the wholehearted support of both labor and management. In addition, the Departments of Justice and the Treasury have reported that they favor enactment of the bill and the Department of State and the Bureau of the Budget have indicated they have no objections to its passage.

I believe the record shows, Mr. Chairman, that this is sound and constructive legislation. I hope the House will approve it without delay.

Mr. MACK. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. O'BRIEN].

Mr. O'BRIEN of New York. Mr. Chairman, I rise in support of H.R. 3460.

The district which I have had the honor to represent for the last 11 years is included in the territory, the home territory in a sense, of this corporation. I might say, Mr. Chairman, that if we had a bill here today proposing that the Government of the United States enter into a $200 million business engaged in the manufacture of dyestuffs, films, and so forth, there would not be a single affirmative vote for it. Conversely today we are asking you by passing this bill to help take the Government out of a large, in fact, enormous, private industry.

The company has been shackled for a number of years by legal maneuvers. The various cases have gone up and down to the Supreme Court like a legal yo-yo. Let me say I am not criticizing the activities of the Government in its management of this corporation, because the book value of General Aniline since the Government took it over has gone from approximately $37 million to $139 million, and it is estimated that a public sale might produce as much as $200 million.

The question might very well arise: Why, then, do we want to get the Government out of business?

In the first place, I do not think the Government should be in any more businesses than it has to be.

In the second place, this development, this growth, during these years, spectacular as it has been, is only, in my opinion, 50 percent of the growth which could have been accomplished if the company had been as free to operate as freely as other private industries.

We talk a great deal about the need in this country for business expansion. In my considered judgment, here is a business which is bursting to expand. This bill, in my opinion, is fair in its terms to those who have claims before the courts. Instead of the physical property, the stock, these people will be permitted under this legislation to continue their suit, but in this instance they will be fighting for a share of the money which goes into escrow, and that could be as much as $200 million. I would think that even the attorneys who have been very busy in this field during the last 14 years would consider $200 million a rather large pot of honey.

I might point out, too, that the bill was reported unanimously by the committee. As far as the employees in my particular area are concerned, their interest is mainly in job security. There is a feeling that while the possibility exists that this plant physically might be turned over to some alien government, that their jobs, their opportunities for advancement, are not secure. The passage of this bill would lift that cloud from their heads, as well as the heads of 7,000 other employees scattered around the country, employees of General Analine.

Mr. ROBISON. Mr. Chairman, will the gentleman yield?

Mr. O'BRIEN of New York. I yield to the gentleman from New York.

Mr. ROBISON. As one who has cosponsored this legislation with the gentleman from New York for the past 5 years, it is a real pleasure to rise in support thereof on behalf of the 3,600 General Analine employees who live and work in my district.

I want to associate myself with the remarks of the gentleman from New York, and pay special tribute to him because he has worked long and diligently on behalf of our common goal; that is, the return of this great corporation to the free enterprise system.

I would like also to express my appreciation to the chairman of the full committee, Mr. HARRIS; also the gentleman from Illinois, Mr. MACK, chairman of the subcommittee, for his careful and thorough consideration.

Mr. FARBSTEIN. Mr. Chairman, will the gentleman yield?

Mr. O'BRIEN of New York. I yield to the gentleman from New York.

Mr. FARBSTEIN. I would like to go to something more fundamental and irrespective of what the gentleman anticipates the future of the company may be.

I would like to know whether I understand correctly the situation as it will exist on the passage of this legislation. It is true that any claim anyone may have, irrespective of when it may have risen, those claims will be transferred from the property as it presently exists in physical assets to a fund that will be created as the result of the sale of the present property that is in the hands of the Alien Property Custodian? Is that a correct understanding of the situation?

Mr. O'BRIEN of New York. The gentleman is exactly correct. I might point out this fund, in my opinion, will be five times as great as the book value of the corporation when the U.S. Government took it over.

Mr. FARBSTEIN. I want to ask another question: I am singularly disturbed about the fact that this was enemy property at the time of the beginning of the Second World War. Now, is there any possibility that the I. G. Farben industries, or any of these German, these Nazi companies, will be permitted in any manner, shape, or form to come into possession of any of this property that you seek to dispose of by sale or otherwise?

Mr. O'BRIEN of New York. If this bill becomes law, they will be forever barred from taking over the physical properties involved.

Mr. FARBSTEIN. I thank the gentleman.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. O'BRIEN of New York. Yes, I yield to the gentleman from California.

Mr. HOLIFIELD. As I understand the first lines on page 2 of the report, they preclude any enemy or an ally of an enemy from participating in the distribution of these funds; is that correct?

Mr. O'BRIEN of New York. It bars any enemy or allied enemy.

Mr. HOLIFIELD. If the gentleman will yield further, it says from instituting suit. But I assume that that would be their method of obtaining it—the waiving of suit, and not putting in a claim would not be a subterfuge by which a former investor in the I. G. Farben industry could come in and substantiate himself as a legal entity in court?

Mr. O'BRIEN of New York. To the same extent that I. G. Farben is barred now, they will be barred from getting any part of that money which is held in escrow.

Mr. HOLIFIELD. If the gentleman will yield further, then aliens other than enemy aliens or allies of enemy aliens who have claims against the German company would be eligible to file a claim, or would this be confined to American citizens who have claims against the former German Government?

Mr. O'BRIEN of New York. No. The principal claimant is a Swiss concern. So the nonenemy aliens would be entitled to bring suit for any part of this money that was placed in trust.

Mr. HOLIFIELD. In your investigation have you gone behind the facade of the Swiss corporation? As we all well know, in Switzerland there are a great many holdings vested in the names of gangsters and other undesirable characters under numbered bank accounts which are confidential as far as the Swiss law is concerned. So you have not gone behind the Swiss facade of the Swiss claimants?

Mr. O'BRIEN of New York. No, we have not. I would hope if behind that facade there were any of the characters which the gentleman mentioned that they would not get a penny of this money.

Mr. HOLIFIELD. I share the gentleman's hope, but I wonder what position we would be in if a Swiss corporation which, in fact, was a corporation in which these Nazis have an interest at the present time, applied as a claimant—if this would not be a subterfuge by which the funds would be distributed to former Nazi claimants too?

Mr. O'BRIEN of New York. If that could be proved in court I assume that existing law would bar any payments to them.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. O'BRIEN of New York. I yield to the gentleman from Arkansas, the chairman of the full committee.

Mr. HARRIS. I have asked the gentleman to yield in order to try to help clear up the question which has been asked, because I think it should be made very clear for the RECORD.

In the first place, this bill has nothing to do with the claimants insofar as the claims against the Government are concerned. In the second place, the bill provides for the placing of the proceeds of the sale into a special trust fund. This is made necessary because of the litigation to determine whether or not the owners or any part of the owners were enemies of our Government during the war. The Attorney General takes the position—permit me to say to the gentleman from California [Mr. HOLIFIELD]—that the owners of this industry were enemies of the United States at the time the property was seized, and that is the issue in litigation, which the courts will determine.

Mr. HOLIFIELD. Mr. Chairman, if the gentleman will yield further——

Mr. O'BRIEN of New York. I yield to the gentleman from California.

Mr. HOLIFIELD. And if they were proved to be enemies of the Government then what is the situation?

Mr. HARRIS. If they were proved to be enemies of the Government then they will be denied any part of these funds.

Mr. ROGERS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. O'BRIEN of New York. I shall be glad to yield to the gentleman from Colorado.

Mr. ROGERS of Colorado. The able chairman of our committee has pointed out that this has nothing to do with the right of an individual enemy or otherwise in making his claim. This only goes to the right of the Attorney General of the Government of the United States to dispose of this property. That is the only issue as I understand it. This bill is not confined alone to the so-called film company, is it?

Mr. O'BRIEN of New York. No.

Mr. ROGERS of Colorado. My question then is: Suppose a man says he was not an enemy and therefore his property should not have been forfeited, that the Government has no right to take it under the Trading With the Enemy Act, but the Attorney General proceeds under this bill to sell the property and the court subsequently finds that the Attorney General was wrong; now, has that citizen of the United States who may have been deprived of his property any right to anything other than the proceeds of the sale?

Mr. O'BRIEN of New York. I would say his only right would lie against the proceeds of the sale.

Mr. ROGERS of Colorado. Does not the gentleman think it is going quite a way to enact a piece of legislation which would permit officials without proper hearing of the individuals in a court to deprive those persons of their property?

Mr. O'BRIEN of New York. I might say to the gentleman that it is my understanding from the testimony of the Attorney General and others, that virtually all of the property in the category the gentleman mentions is covered by General Aniline & Film.

Mr. ROGERS of Colorado. If it is limited to that, that is one problem.

The CHAIRMAN. The time of the gentleman from New York [Mr. O'BRIEN] has again expired.

Mr. SPRINGER. Mr. Chairman, I yield the gentleman 3 minutes.

Mr. ROGERS of Colorado. Mr. Chairman, pursuing the matter further, if the objective of this legislation is to get the U.S. Government out of this business, that is one thing. The other question is the right of the U.S. Government to seize property and then sell it, within the discretion of the Executive, and limit the rights of the individual who owned the property and who in the first instance should not have had the property taken away from him. Because then his only recourse will depend on what they get out of the proceeds of the sale. What I want to make clear, so that there will be no misunderstanding about it, is this: Can the U.S. Government under this bill, if in its opinion the property belongs to an alien whose property is subject to forfeiture, seize the property and sell it; and then if it turns out they are wrong, what chance has a man got to get his property back?

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. O'BRIEN of New York. I yield to the chairman of the committee.

Mr. HARRIS. Mr. Chairman, I would be glad to respond to the gentleman and will say to him that the individual who may find himself in the position the gentleman describes is protected, in my judgment. The bill itself provides on page 3:

> If the court finds that the claimant has established an interest, right, or title in any property in respect of which such an election has been served and filed, it shall proceed to determine the amount which will constitute just compensation for such interest, right, or title, and shall order payment to the claimant of the amount so determined.

And so forth. On page 2 of the report it is explained what the right of the claimant would be.

It states that the Alien Property Custodian may sell the property, with the net proceeds of such sale being deposited in a special Treasury account pending entry of final judgment in the suit. Further, claimants would have the right to elect whether to accept the net proceeds of such sale or to waive the claim to the proceeds and seek just compensation instead. So I think the answer to the gentleman's question is that the claimant is well protected.

Mr. O'BRIEN of New York. But he is not limited to the fund, and if the Chief Executive, or whoever proceeds to sell this property, makes a mistake and sells it too low, then the Treasurer of the United States would make it up.

Mr. HARRIS. That is true. He is protected by his own sale.

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

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

There was no objection.

Mr. ROBISON. Mr. Chairman, I rise in support of H.R. 3460, which is truly a bipartisan measure.

My distinguished friend and colleague, the gentleman from New York [Mr. O'BRIEN], and I, have introduced comparable bills in the 85th, the 86th, and in this, the 87th Congress. My bill in this Congress being known as H.R. 1078 which bill was the subject of the several departmental reports set forth in the committee report accompanying H.R. 3460.

However, the bipartisanship approach to this subject goes back further and extends beyond this. The gentleman from New York [Mr. O'BRIEN] and my congressional predecessor, the Honorable Sterling Cole, introduced comparable bills in both the 83d and the 84th Congresses, and, as the RECORD will also show, this type of legislation has been endorsed or requested by the last three administrations. The first such request was made in a letter, dated January 12, 1949, addressed to the Speaker of the House of Representatives of the 81st Congress and signed by the Assistant to the then-Attorney General of the Truman administration, a Mr. Peyton Ford.

Also, in 1952, the then-Attorney General, the Honorable Howard McGrath, appeared before the subcommittee of the Committee on Appropriations of the House of Representatives, and made a personal appeal in behalf of the Truman administration for the passage of such legislation. Later in the same year, his successor, Attorney General McGranery, likewise gave his endorsement to the proposal.

And so it has gone, with all Attorneys General from Mr. McGrath on down to the present Attorney General endorsing, in some fashion, the legislative proposal set forth in H.R. 3460.

What is that proposal, Mr. Chairman? Well, it is basically a very simple one, although that may seem a strange word to use considering the complexities surrounding the more general subject of vested enemy assets and of war claims, a portion of which were touched upon yesterday. However, this bill does not treat with the—for many of us—difficult philosophical questions involved in a consideration of the full or partial or the no return of such vested assets. It does not propose, indeed, to give anything to anyone, or to take away anything from anyone.

Instead, it has one simple purpose and one purpose alone. That is to permit the President—if he determines such action to be in the interest and welfare of the United States—to authorize the Alien Property Custodian, or his successor, to sell in accordance with applicable law any so-called vested asset which is in his custody pursuant to the workings of the Trading With the Enemy Act, notwithstanding the fact that litigation is pending for the return of such property.

Under the factual situation before us, this bill has an effect only on the majority interest which the Custodian presently holds in the General Aniline & Film Corp.—an interest which, as I understand it, amounts to some 93 percent of the Custodian's actual holding of some 97 percent of the outstanding shares of such company, which is the sole remaining company in active operation under the supervision of the Office of Alien Property. That stock cannot now, under existing law, be sold because of the existence of pending international litigation over the validity of the vesting thereof, which litigation began in 1948—some 14 years ago—and, like the fabled brook of Tennyson bids fair to go on forever. This is litigation which has been in and out of the International Court of Justice—the World Court—and has been before the Supreme Court of the United States on at least four different occasions. And, as Deputy Attorney General Byron R. White said in his letter of August 11, 1961, as set forth in the committee report:

> The termination of [such] litigation is not in sight.

The involved history of that litigation is set forth, rather briefly, in the committee report; there is no need for

me to go into it further here except to point out that for so long as that litigation continues—unles this bill is passed—the various components of General Aniline & Film Corp. here in the United States will have to continue under the handicap of governmental ownership and operation.

Although those components have operated in the black under the supervision of the Custodian—which fact is a very real tribute to the loyalty and energies of the nearly 8,000 American citizens who are employed therein—I do not think there can be any question but that governmental control, which has of necessity been of the trusteeship type, has considerably hampered the realization of the full growth potential thereof even in their highly competitive fields.

This is a competition which, in the nature of things, is certainly bound to become ever more keen in the next few years as a resurgent Western Europe and Japan move further into the chemical, camera, and film industries. In view of that, I venture to suggest that it might very well be in keeping with our Government's trustee-like duty, here, to dispose of the General Aniline stock at a favorable time for doing so, which would be an added reason—apart from our own national interest—for enactment of this bill.

Most of us, I assume—at least on this side of the aisle—are also all in favor of getting the Government out of business. Well, here is an opportunity to do so, in legislation which—as Mr. White also says—will make "it possible for the Government to rid itself of its unnatural role as owner of a private competitive business."

And this can be done, under H.R. 3460, without adversely affecting the interests of any party to that seemingly endless lawsuit because our bill provides that the net proceeds of the sale—a public sale, by the way, to the highest bidder who, under the law, must be an American citizen or a business enterprise controlled by American citizens—must be covered into the U.S. Treasury where they would be held as trust funds against the eventual settlement of such litigation either by way of judicial proceedings or by negotiation. In other words, the net cash proceeds of such sale would substitute for the shares of stock now held by the Custodian, and this important and vital industry would finally be returned to the free-enterprise system—something that is dictated not only by the national interest but by the interests of General Aniline's faithful employees, some 3,600 of whom I am privileged to represent.

As I said at the start, Mr. Chairman, this is not a partisan measure. Everyone interested in the future growth and prosperity of this corporation—its management, insofar as they are free to speak, its employees, the AFL-CIO in behalf of some 16 affiliated local unions representing over half of those employees, the minority stockholders, and many organizations including the U.S. Chamber of Commerce—has endorsed this legislation. It is time it was passed because—as the report says on page 4 thereof:

> Unless this legislation is enacted, it is unlikely that at any time in the immediate forseeable future will it be possible to return the operation of General Aniline & Film Corp. to private ownership and operation.

In behalf of General Aniline's 8,000 employees and the communities in which its plants are located, I urge your favorable consideration of H.R. 3460.

Mr. SPRINGER. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. YOUNGER].

Mr. YOUNGER. Mr. Chairman, to me the answer to the gentleman from Colorado is shown in lines 17 and 18 on page 3, which reads:

> If there is a balance in excess of what the property is sold for, then the balance, if any, shall be payable in the same manner as are judgments in cases arising under section 12346 of title 28, United States Code.

So that if the claimant got a judgment in excess of what the Alien Property Custodian sold the property for, he could get the additional claim out of the U.S. Government.

Mr. ROGERS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. YOUNGER. I yield.

Mr. ROGERS of Colorado. If the chief objective of this legislation is to get the Government out of the business of running the General Aniline & Film Corp., why not limit it to that purpose and not make it a general piece of legislation?

Mr. YOUNGER. That might be done, but they have other properties also. This bill would cure not only this particular property but properties in future wars if we ever get into them and have the same situation.

Mr. ROGERS of Colorado. That brings us to a question that came from the gentleman's State in World War II, right after Pearl Harbor. The gentleman recalls that Japanese citizens and descendents thereof were immediately moved, some to my State, and their property taken. Is it possible that if you pass this legislation the same situation might arise as in 1942, when they seized all those people and their property? Under this bill the Chief Executive would have the authority to sell the property and, it having been sold, they would then be limited to a suit in damages.

Mr. YOUNGER. They are not limited at all.

Mr. ROGERS of Colorado. They are limited first of all in making an election. What is wrong with the courts' making a determination in the usual manner? The gentleman says there may be others than this case.

Mr. YOUNGER. I do not know of any, but it would cover other cases, I think, without question.

Mr. ROGERS of Colorado. Does not the gentleman think that is a dangerous precedent?

Mr. YOUNGER. No, I do not.

Mr. ROGERS of Colorado. When the only objective in this proposal is to permit the sale of the General Aniline & Film Corp.

Mr. YOUNGER. No. I think we ought to pass general legislation at this time. We ought not to have to come here to pass legislation every time the Property Custodian wants to move.

Mr. ROGERS of Colorado. After all, it may be American citizens whose properties are forfeited and sold, sold to somebody else in accordance with the procedures in this case. I am sure there is going to be some question in view of the magnitude of this corporation. Are we going to be able to sell it and get a fair market price for it under this legislation? Is it then to be left to the executive branch to say when it is right? Is that not the intent of this legislation?

Mr. YOUNGER. That is my intent and that is why I support it. I want to see a law passed here that would give the Alien Property Custodian the right to dispose of this property rather than be forced to keep it on hand or hold it just because somebody has filed a suit, whether the suit can be sustained or not. All this does is to give him the right to sell and it prescribes a method by which the claimant has the right to go into court, and if the claim amounts to more than the amount which was received from the sale of the property, he can get judgment against the Government.

Mr. ROGERS of Colorado. Of course, we recognize the U.S. Government has the right to condemn property under the principle of eminent domain, for governmental purposes. That is one right the Government has. But this is another matter in which it becomes the property, maybe, of the U.S. Government under the Trading With the Enemy Act; and then again it may not. Then, if the courts are not to be permitted to determine who is the proper owner then you are changing our form of government.

Mr. SPRINGER. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. KING].

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. KING of New York. I yield to the gentleman.

Mr. HARRIS. I have asked the gentleman to yield to me at this point so that we can clear up this question. Let us make it very clear to the gentleman from Colorado that there is no device being used here to try to bring in something in this legislation which was not intended. In the first place, for all practical purposes, there is nothing else involved here except the General Aniline property. The report on this bill sets out on page 2 that the sole remaining company in active operation under the supervision of the Office of the Alien Property Custodian is the General Aniline property. That is all that is involved.

In answer to the other question the gentleman raised as to why this bill was in general terms, I would say that this same bill has been pending before the Congress for several years. And at the time it was first introduced other properties may have been involved in similar suits. So the legislation was couched in general terms to amend section 9(a) of the act.

This provision of law expressly enjoins the Attorney General, successor to the Alien Property Custodian, from disposing of any property prior to the final judgment in any suits which may be pending. We had to do something to overcome that provision of law and this was the way it was done. So I can as-

sure the gentleman, all rights are protected and there is no attempt to deprive anybody else of any of their rights regarding any property.

Mr. Chairman, I thank my colleague, the gentleman from New York, for yielding.

Mr. KING of New York. Mr. Chairman, I commend my colleague, the gentleman from New York [Mr. O'BRIEN], for bringing this important legislation before the House.

Several hundred residents of my district are employed at the Rensselaer plant of the General Aniline & Film Corp. Enactment of H.R. 3460 into law will give them job assurance—for others it will mean job opportunities.

There are two major arguments in support of this legislation. One has already been discussed by the distinguished gentleman who preceded me and that is the desirability of getting the Government out of a business it should not operate and does not desire to operate.

The second reason for approval of this bill lies in the fact that General Aniline & Film, freed of the shackles of Government control and operation and thus enabled to enter fully into the competitive market of private enterprise, surely will expand greatly.

This will provide more jobs and important business growth at a time when such growth is so essential to our economic well-being. I am happy to support the bill now before the Committee and urge its approval.

Mr. SPRINGER. Mr. Chairman, I have no further requests for time.

Mr. MACK. Mr. Chairman, I have no further requests for time. I suggest that the Clerk read the bill.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 9(a) of the Trading With the Enemy Act, as amended, is amended by striking out the period at the end thereof and inserting in lieu thereof a colon and the following: *"Provided further,* That upon a determination made by the President, in time of war or during any national emergency declared by the President, that the interest and welfare of the United States requires the sale of any property or interest or any part thereof claimed in any suit filed under this subsection and pending on or after the date of enactment of this proviso the Alien Property Custodian may sell such property or interest or part thereof, in conformity with law applicable to sales of property by him, at any time prior to the entry of final judgment in such suit. No such sale shall be made until thirty days have passed after the publication of notice in the Federal Register of the intention to sell. The proceeds of any such sale shall be deposited in a special account established in the Treasury, and shall be held in trust by the Secretary of the Treasury pending the entry of final judgment in such suit. Any recovery of any claimant in any such suit in respect of the property or interest or part thereof so sold shall be limited to the net proceeds of such sale, or, if more than one claimant, then to each claimant's proportionate share of the net proceeds of such sale, unless such claimant, within sixty days after receipt of notice of the amount of the net proceeds of sale, or if more than one claimant, then notice of the amount of claimant's asserted proportionate share of the net proceeds of sale, serves upon the Custodian and files with the court an election to waive all claims to the net proceeds and to claim just compensation instead. If the court finds that the claimant has established an interest, right, or title in any property in respect of which such an election has been served and filed, it shall proceed to determine the amount which will constitute just compensation for such interest, right, or title, and shall order payment to the claimant of the amount so determined. An order for the payment of just compensation hereunder shall be a judgment against the United States and shall be payable first from the net proceeds of the sale in an amount not to exceed the amount the claimant would have received had he elected to accept his proportionate part of the net proceeds of the sale, and the balance, if any, shall be payable in the same manner as are judgments in cases arising under section 1346 of title 28, United States Code. The Alien Property Custodian shall, immediately upon the entry of final judgment, notify the Secretary of the Treasury of the determination by final judgment of the claimant's interest and right to the proportionate part of the net proceeds from the sale, and the final determination by judgment of the amount of just compensation in the event the claimant has elected to recover just compensation for the interest in the property he claimed."

With the following committee amendments:

On page 1, line 9, strike out "requires" and insert in lieu thereof "require".

Page 2, line 3, after "Alien Property Custodian" insert "or any successor officer, or agency".

Page 2, line 9, after "The" insert "net".

Page 3, line 13, strike out "Any recovery" and all that follows down through the period in line 23, and insert in lieu thereof the following: "Any recovery of any claimant in any such suit in respect of the property or interest or part thereof so sold shall be satisfied from the net proceeds of such sale unless such claimant, within sixty days after receipt of notice of the amount of net proceeds of sale serves upon the Alien Property Custodian, or any successor officer or agency, and files with the court an election to waive all claims to the net proceeds, or any part thereof, and to claim just compensation instead."

Page 3, line 20, after "Alien Property Custodian" insert "or any successor officer, or agency".

The committee amendments were agreed to.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, on page 16 of the report I note that the purpose of this bill is to amend section 9(2) of the Trading With the Enemy Act to empower the President, in time of war or national emergency, to determine that the interest and welfare of the United States require the sale of any property or interest claimed in any suit filed under this subsection which is pending on or after the date of enactment. I am curious to know whether this is still considered to be a time of war or national emergency? And would this sale be conducted under the acceptance of the fact that this is a time of war or national emergency?

Mr. MACK. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. MACK. Yes; we are in a time of emergency now.

Mr. GROSS. So this property, if the pending legislation is enacted, would be sold in a time of national emergency; is that it? The national emergency would be considered to exist?

Mr. MACK. The gentleman is correct.

Mr. GROSS. Would that be because of the Korean war or World War II? What constitutes the present national emergency? Let me put it that way.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. HARRIS. Proclamation No. 2194 issued by the President of the United States on December 16, 1950, proclaims the existence of a national emergency. This order has not been rescinded.

Mr. GROSS. Then the authority stems from the Korean war?

Mr. HARRIS. Yes.

I do not think we ever had the termination of the World War II emergency, because, as the gentleman may very well remember, after the Legislative Reorganization Act of 1946 was enacted we had a question each year as to whether or not the Congress was legally in session after the 31st of July. The gentleman remembers very well that history.

Mr. GROSS. So the Korean emergency still exists. I have heard from a number of people that insist the United Nations won the war in Korea. Evidently the war has not been won in Korea.

Does the gentleman agree to that? Evidently the United Nations did not win the war in Korea.

Mr. HARRIS. I may say to the gentleman I have my own views and my own feelings about that. Whatever you might call it, some call it police action.

Mr. GROSS. Yes, police action, quote and unquote.

Mr. HARRIS. I do not think that we could with this legislation, important as it is, try to settle an issue which the country has not been able to settle. The United Nations has not been able to settle it in 12 years.

Mr. GROSS. If it were left to the United Nations, it would never be settled. I think the gentleman will admit that. At any rate, I think this is a reasonable piece of legislation. However, I am interested in the fact that it is predicated upon a war emergency that some people like to tell you was ended long ago.

Mr. BRUCE. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to my friend from Indiana.

Mr. BRUCE. I think the gentleman from Iowa has made an important point in bringing up this declaration of emergency. The chairman states that in his judgment it was Korea, but even elsewhere this country is still operating under that emergency proclamation, and that is why some of us have so many reservations as to policy.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ROONEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3460) to amend section 9(a) of the Trading With the Enemy Act, as amended, pursuant to House Resolution 745, he reported the bill back to the

House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

AUTHORIZING THE SECURITIES AND EXCHANGE COMMISSION TO DELEGATE CERTAIN FUNCTIONS

Mr. HARRIS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 2135) to authorize the Securities and Exchange Commission to delegate certain functions.

The SPEAKER. The question is on the motion offered by the gentleman from Arkansas.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill S. 2135, with Mr. ROONEY in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Arkansas [Mr. HARRIS] will be recognized for 30 minutes, and the gentleman from Illinois [Mr. SPRINGER] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Arkansas [Mr. HARRIS].

Mr. HARRIS. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this bill, which is a Senate bill, S. 2135, would authorize the Securities and Exchange Commission by published order or rule to delegate certain of its functions to a division of the Commission, an individual Commissioner, a hearing examiner, or an employee or employee board, and provides for appeals of actions taken under certain of such delegations. The Commission would retain a discretionary right to review any action taken under delegated authority, and the vote of one member of the Commission would be sufficient to bring any such action before the Commission for review.

Mr. Chairman, this legislation is not new. We have had this before the House heretofore; that is, the general plan. This House approved the reorganization plan of the President last year dealing with this subject matter. As has been said earlier today, the other body failed to concur, but they did precisely in connection with the reorganization of the Securities and Exchange Commission what we did in the House with reference to the reorganization plan of the Federal Communications Commission. We did not like it. So we killed it and we rewrote the reorganization plan ourselves, just as we did with the Interstate Commerce Commission. The Senate did rewrite the reorganization plan respecting the Securities and Exchange Commission plan and reported and passed it. We have it here today. Therefore, insofar as the House is concerned it is not a new problem at all. It is one that is recognized as having merit and as being justified.

Mr. Chairman, permit me to say this: A general explanation of it, incidentally, is going to be put in my remarks in case anyone has any calls or request for anything in connection with it. Permit me to say this, however: In our special subcommittee investigation in 1958, 1959, and 1960, among many problems that we developed, was one of efficient administration in these major regulatory agencies of the Government. Members have heard me talk about delays, redtape, bureaucratic action and many things that make it difficult for our people to get the service to which they are entitled and in some instances I might say that these administrative agencies or regulatory agencies have almost bogged down to a standstill.

That made it necessary that we do something about it, and our committee has done something about it. We have been working on it since. This is the fifth of the six major regulatory agency reorganizations. This means that in this Congress we have dealt with five of the six major regulatory agencies of this Government. The only one left is the Federal Power Commission. The Senate has passed a reorganization plan similar to these for the Federal Power Commission, and in the last few days I have been considering the scheduling of that in our committee, and perhaps before the end of the session we will get the benefit of whatever good may come from that, in order to expedite the work before it.

Furthermore, as a result of the work of our committee the question of ex parte representations has been one of the big problems. We made recommendations which our committee, I believe unanimously, approved in this regard. We proposed legislation on it. We got into a great deal of discussion and controversy over it, because the kind of discussion we had created a great deal of interest and brought to our attention the many complicated problems connected with it.

The other body took a different approach to it and endeavored to bring something out of it, as we did in the House with the legislation that is proposed here. Out of this whole activity came another approach. The President set up an administrative conference of the United States which is headed by Judge Prettyman, who is now retired, a former Chief Judge of the Circuit Court of Appeals of the District of Columbia, and a very able man. I cannot think of a man who would be more able to head such an important conference.

He has the confidence not only of those in Government but of the bar associations and the Judicial Conference as well. That Conference has been moving along to help expedite these problems and resolve this very knotty problem. I am glad to report to the House, I am glad to have this opportunity to report to the House that in a recent meeting of this Conference the provisions of H.R. 14 of the last Congress have virtually been adopted, with one or two minor exceptions. So you can see that our committee has been giving a lot of consideration and thought and study to these major regulatory agencies in order that they may be armed with the machinery more efficiently to perform their own duties.

I think I can say, Mr. Chairman, that these agencies, in view of these matters and others that I have referred to, are now, in my judgment, performing an excellent job, generally speaking. They are endeavoring to carry out their work and to perform their duties in the interests of the American people. I do not mean by that to imply that any former members of these commissions have not done so in a general way. There are certain individuals whose resignations were brought about, but generally speaking there is no implication to be taken adverse to the membership of the commissions. I do say that, generally speaking, today these commissions are endeavoring to perform their jobs in a manner permitted by their abilities and with the equipment and machinery they have.

Mr. Chairman, I do not mean to imply that there are not other things that can be done. I think there is a lot of delay yet and I am hoping, with constant attention, such as we are giving to these regulatory agencies, with the limited staff we have in the old Legislative Oversight Committee, that progress will be had.

The purpose of that is to keep a constant vigil over these administrative agencies in order that we may help them to improve their procedures and that the Congress will do its duty in bringing about better administrative processes and improve the procedures in these fields. So this proposal we have here today is another attempt at this broad objective of ours in ultimately bringing about the strengthening of our processes in the regulatory agencies of this Government in order that the people of this country may benefit thereby.

This is a good bill, it has merit, it is justified, and I heartily commend it to you for your consideration and approval.

EXPLANATION OF BILL

Section 1(a) of the bill would authorize the Commission, "by published order or rule" to delegate "any of its functions to a division of the Commission, an individual Commissioner, a hearing examiner, or an employee or employee board," with certain exceptions. Section 1(b), subject to certain limitations and restrictions, would require the Commission to "retain a discretionary right to review" delegated action within a time and in a manner to be prescribed by rule. Section 1(c) would provide that delegated action becomes final action if the Commission declines review or if no review is sought within the time specified by rule.

Section 2 would authorize the Chairman of the Commission to name the particular persons, including Commissioners, who are to perform functions once the whole Commission has determined that those functions are to be delegated.

The first proviso in section 1(a) would expressly limit the power to delegate by making that power subject to section 7(a) of the Administrative Procedure Act. Briefly, section 7(a) requires that hearings on all rulemaking where notice or hearing is required by the "basic" statute (the one which confers the rulemaking power) and on all adjudications required by the basic statute to be determined on the record after opportunity for an agency hearing, shall be presided over by the agency itself (the Commission), one or more members of the agency or a hearing examiner appointed in compliance with the Administrative Procedures Act.

Thus under this first proviso in section 1(a) of the bill the Commission could not delegate the function of conducting hearings of the type just described to staff personnel but only to Commissioners or to hearing examiners.

Under the second proviso in section 1(a) the function of general rulemaking, as distinguished from rules of particular applicability, may not be delegated to anyone.

The power to delegate all rulemaking, as well as all adjudication, was questioned at the hearings which preceded the Senate defeat of Reorganization Plan No. 1 of 1961. This proviso is to make it clear that general rulemaking is not to be delegated.

Section 1(b) contains six limitations on the Commission's discretion not to review delegated action. The first one was contained in the original Senate version of the bill; the second one was suggested by the Commission when the bill was before the Senate Banking and Currency Committee; and the remaining four were suggested by the New York Stock Exchange.

The first proviso in section 1(b), which was in the original draft of the bill, would make review by the full Commission mandatory if one of the five members requested review either on his own motion or on a petition by a party. Reorganization Plan No. 1 would have required a minimum of two Commissioners to compel a review.

The next proviso in section 1(b) would compel the full Commission to review upon request, whenever acceleration of a registration statement under section 8(a) or effectiveness of a posteffective amendment under section 8(c) of the Securities Act of 1933 was denied at any delegated level.

The remaining provisions of section 1(b) of the bill were suggested to the Senate by the New York Stock Exchange. These provisions cover for the most part areas in which the Commission contemplates delegation, if any, only to a limited extent.

Under section 12(d) of the Securities Exchange Act of 1934 an application for registration of a security to be listed on any registered exchange becomes effective 30 days after the Commission receives certification from the exchange, unless the Commission accelerates the effective date. The proviso in section 1(b) of the bill would compel full Commission review if a party adversely affected by denial of such an acceleration requested it.

The next proviso in section 1(b) would require full Commission review whenever requested by a person adversely affected by any delegated action which suspends, denies, or revokes a broker-dealer registration pursuant to section 15(b) of the Securities Exchange Act.

The next proviso would grant mandatory review by the full Commission to any party adversely affected by any delegated action which suspends, denies, or withdraws the registration of a stock exchange or which suspends or expels a member of such an exchange pursuant to section 19(a) of the Securities Exchange Act.

Finally, any delegated action which suspends trading on an exchange pursuant to section 19(a) of the Securities Exchange Act would have to be reviewed by the full Commission if an adversely affected party so requested.

The Committee on Interstate and Foreign Commerce conducted hearings on May 29 at which the members of the Securities and Exchange Commission appeared in unanimous support of the bill. Statements were received from the Bureau of the Budget, the Department of Justice, and the Civil Service Commission supporting the bill as being in accord with the objectives of Reorganization Plan No. 1 of 1961. A letter was received for the record from the New York Stock Exchange, which last year had appeared in opposition to the reorganization plan, supporting S. 2135, in view of the changes which had been made in it from the reorganization plan. No one appeared or submitted a statement opposing the measure.

The committee urges the passage of the bill.

Mr. SPRINGER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, after sitting for some 8 months as a member of the Oversight Committee a few years ago we came to certain conclusions. After having several of these agencies before us we did come to one definite conclusion, which was that the work simply had to be expedited. There were cases that had been there on the docket for years.

When we had the agencies before us, and the chairmen and commissioners of the various agencies testified, we found that the method of conducting the work under the rules of the commission simply made it impossible to push their work ahead and to expedite matters. As a result of all this, we came in in early 1961 with Reorganization Plan No. 1, and we had several weeks of hearings and coming to the House we thought that we had a reasonably good bill. The bill did pass the House. However, when it went over to the Senate there was strenuous opposition, and the plan was defeated. However, the Senate then did rewrite the bill, taking out most of the features to which there had been strenuous objections by various groups in the country.

Now we come to this particular bill. I think that we can expedite the work of this particular Commission. Section 2 would expressly authorize the Chairman of the Commission to name the particular persons, including Commissioners, who are to perform functions once the whole Commission has determined that those functions are to be delegated.

From this brief summary of the basic structure of the bill as to section 2, it is apparent that it would provide the broadest possible power to delegate, subject only to the limitations and safeguards which we have put in the bill.

The committee believes that the instant bill, S. 2135, is consistent with the objectives we have sought in our hearings in the House. This legislative measure looks toward the expediting of the work of this regulatory agency in the interest of the public. As the result of all this, the committee does urge the passage of the bill.

May I say to my colleague that I know of no opposition to the bill.

Mr. HARRIS. Mr. Chairman, I have no further requests for time, and I suggest the Clerk read.

Mr. SPRINGER. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) in addition to its existing authority, the Securities and Exchange Commission, hereinafter referred to as the "Commission", shall have the authority to delegate, by published order or rule, any of its functions to a division of the Commission, and individual Commissioner, a hearing examiner, or an employee or employee board, including functions with respect to hearing, determining, ordering, certifying, reporting, or otherwise acting as to any work, business, or matter: *Provided, however,* That nothing herein contained shall be deemed to supersede the provisions of section 7(a) of the Administrative Procedure Act of 1946 (60 Stat. 241), as amended: *And provided further,* That nothing herein contained shall be deemed to authorize the delegation of the function of rulemaking as defined in the Administrative Procedure Act of 1946, as amended, with reference to general rules as distinguished from rules of particular applicability, or of the making of any rule, regulation, or order pursuant to section 19(b) of the Securities Exchange Act of 1934.

(b) With respect to the delegation of any of its functions, as provided in subsection (a) of this section, the Commission shall retain a discretionary right to review the action of any such division of the Commission, individual Commissioner, hearing examiner, employee, or employee board, upon its own initiative or upon petition of a party to or an intervenor in such action, within such time and in such manner as the Commission shall by rule prescribe: *Provided, however,* That the vote of one member of the Commission shall be sufficient to bring any such action before the Commission for review: *And provided further,* That in the event action at a delegated level (1) denies any request for action pursuant to section 8(a) or section 8(c) of the Securities Act of 1933 or the first sentence of section 12(d) of the Securities Exchange Act of 1934; (2) suspends, denies, or revokes a broker-dealer registration pursuant to section 15(b) of the Securities Exchange Act of 1934; (3) suspends, denies, or withdraws any registration or suspends or expels a member of a national securities exchange pursuant to section 19(a) of the Securities Exchange Act of 1934; or (4) suspends trading on an exchange pursuant to section 19(a) of the Securities Exchange Act of 1934, a person or party adversely affected by such action shall be entitled to review by the Commission.

(c) Should the right to exercise such review be declined, or should no such review be sought within the time stated in the rules promulgated by the Commission, then the action of any such division of the Commission, individual Commissioner, hearing examiner, employee, or employee board, shall, for all purposes, including appeal or review thereof, be deemed the action of the Commission.

SEC. 2. In addition to the functions transferred by the provisions of Reorganization Plan Numbered 10 of 1950 (64 Stat. 1265), there are hereby transferred from the Commission to the Chairman of the Commission the functions of the Commission with respect to the assignment of Commission

personnel, including Commissioners, to perform such functions as may have been delegated by the Commission to Commission personnel, including Commissioners, pursuant to section 1.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. ROONEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (S. 2135) to authorize the Securities and Exchange Commission to delegate certain functions, pursuant to House Resolution 747, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the third reading of the bill.

The bill was ordered to be read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

ADJOURNMENT OVER

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet on Monday next.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, a week ago today, I questioned the majority leader as to when we might expect some signs of a sine die adjournment, and he could not help me very much. Now we have the acting minority leader——

Mr. BOGGS. Majority—if you do not mind.

Mr. GROSS. The acting majority leader, I stand corrected—I wonder if he could give us any help. I note he has been down to the White House with our distinguished Speaker and others discussing the "must" bills that the President insists this Congress must enact. I wonder if the gentleman could give us any information as to when we might get to go home and smell the roses in the rose gardens in Iowa.

Mr. BOGGS. The gentleman is a conscientious Member and is always talking about how well we are taken care of here, and I am certain the gentleman does not mind staying here on the job until we complete the business that we must complete.

Mr. GROSS. Well, that is hardly encouraging. Could the gentleman give us any indication as to when we might expect sine die adjournment?

Mr. BOGGS. No; I would rather not hazard a guess. We could be here for quite a while—and I hope the gentleman is enjoying it.

Mr. GROSS. I hope the gentleman is wrong about being here quite a while.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

DISPENSING WITH BUSINESS IN ORDER UNDER CALENDAR WEDNESDAY RULE ON WEDNESDAY NEXT

Mr. BOGGS. Mr. Speaker, I ask unanimous consent to dispense with the business in order under the Calendar Wednesday rule on Wednesday next.

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

There was no objection.

SPECIAL COMMITTEE TO INVESTIGATE CAMPAIGN EXPENDITURES OF CANDIDATES FOR HOUSE OF REPRESENTATIVES

Mr. BOLLING. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution, House Resolution 753.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

Resolved, That a special committee of five Members be appointed by the Speaker of the House of Representatives to investigate and report to the House not later than January 3, 1963, with respect to the following matters:

(1) The extent and nature of expenditures made by all candidates for the House of Representatives in connection with their campaign for nomination and election to such office.

(2) The amount subscribed, contributed, or expended, and the value of services rendered, and facilities made available (including personal services, use of advertising space, radio and television time, office space, moving-picture films, and automobile and any other transportation facilities) by any individual, individuals, or group of individuals, committee, partnership, corporation, or labor union, to or on behalf of each such candidate in connection with any such campaign or for the purpose of influencing the votes cast or to be cast at any convention or election held in 1962 to which a candidate for the House of Representatives is to be nominated or elected.

(3) The use of any other means or influence (including the promise or use of patronage) for the purpose of aiding or influencing the nomination or election of any such candidates.

(4) The amounts, if any, raised, contributed, and expended by any individual, individuals, or group of individuals, committee, partnership, corporation, or labor union, including any political committee thereof, in connection with any such election, and the amounts received by any political committee from any corporation, labor union, individual, individuals, or group of individuals, committee, or partnership.

(5) The violations, if any, of the following statutes of the United States:

(a) The Federal Corrupt Practices Act.

(b) The Act of August 2, 1939, as amended, relating to pernicious political activities, commonly referred to as the Hatch Act.

(c) The provisions of section 304, Public Law 101, Eightieth Congress, chapter 120, first session, referred to as the Labor Management Relations Act, 1947.

(d) Any statute or legislative Act of the United States or of the State within which a candidate is seeking nomination or reelection to the House of Representatives, the violation of which Federal or State statute, or statutes, would affect the qualification of a Member of the House of Representatives within the meaning of article I, section 5, of the Constitution of the United States.

(6) Such other matters relating to the election of Members of the House of Representatives in 1962, and the campaigns of candidates in connection therewith, as the committee deems to be of public interest, and which in its opinion will aid the House of Representatives in enacting remedial legislation, or in deciding contests that may be instituted involving the right to a seat in the House of Representatives.

(7) The committee is authorized to act upon its own motion and upon such information as in its judgment may be reasonable or reliable. Upon complaint being made to the committee under oath, by any person, candidate, or political committee, setting forth allegations as to facts which, under this resolution, it would be the duty of said committee to investigate, the committee shall investigate such charges as fully as though it were acting upon its own motion, unless, after a hearing upon such complaint, the committee shall find that the allegations in such complaint are immaterial or untrue. All hearings before the committee, and before any duly authorized subcommittee thereof, shall be public, and all orders and decisions of the committee, and of any such subcommittee, shall be public.

For the purpose of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such public hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Eighty-seventh Congress, to employ such attorneys, experts, clerical, and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, and to take such testimony as it deems advisable. Subpenas may be issued under the signature of the chairman of the committee or any subcommittee, or by any member designated by such chairman and may be served by any person designated by any such chairman or member.

(8) The committee is authorized and directed to report promptly any and all violations of any Federal or State statutes in connection with the matters and things mentioned herein to the Attorney General of the United States in order that he may take such official action as may be proper.

(9) Every person who, having been summoned as a witness by authority of said committee or any subcommittee thereof, willfully makes default, or who having appeared, refuses to answer any question pertinent to the investigation heretofore authorized, shall be held to the penalties prescribed by law.

That said committee is authorized and directed to file interim reports whenever in the judgment of the majority of the committee, or of a subcommittee conducting portions of said investigation, the public interest will be best served by the filing of said interim reports, and in no event shall the final report of said committee be filed later than January 3, 1963, as hereinabove provided.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

Mr. BOLLING. Mr. Speaker, this is the usual resolution which passes the House about this time every year. It was reported out of the Rules Committee this morning unanimously. It pro-

vides for a select committee of five to oversee the elections this fall. I know of no objection to it from either side.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

THE CASE OF HARRY SYLVESTER JONES

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

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

There was no objection.

Mr. RIVERS of South Carolina. Mr. Speaker, I was shocked and outraged—but scarcely surprised—to read in this morning's Washington Post an editorial which asserts that Harry Sylvester Jones is "an unfortunate young man" who has become a "serious community menace" not because of his own depraved misconduct, but because he has been neglected by the community; because he has not been given special privileges.

Harry Sylvester Jones, Mr. Speaker, is the young Negro ex-convict who was arrested yesterday in connection with the brutal rapes of three white women and the vicious knife attack on Miss Mary Lou Kosterlitsky, a longtime able and respected employee of this body. He promptly confessed all these unspeakable crimes, explaining them away with the statement that he had committed them because he was "timid" and did not know how to ask a girl for a date. God help Washington if Jones had not been timid.

This is the man whom the Washington Post calls an unfortunate young man. I would wonder, Mr. Speaker, if the Washington Post regards the women who were violated by Harry Jones as fortunate women. From all I can read in the editorial, it probably does regard them as fortunate, for the editorial which expresses such deep concern about Harry Jones expresses no concern whatsoever for the women he has so viciously brutalized.

I predicted on this floor yesterday, Mr. Speaker, that the great diligence of the Metropolitan Police Department in running Harry Jones to earth would be thwarted and frustrated by some court in the District of Columbia which would somehow find a way to turn Harry Jones loose to continue his assaults on innocent women. I believe the editorial, which I include as a part of my remarks, is the first step in the campaign to free Harry Jones:

COMMUNITY FAILURE

The arrest of a 24-year-old former convict on charges of having raped three Washington women in the last month and with having stabbed a Congressman's aid as she was praying in a church brings to light another tragic failure on the part of this community. This man was sent to the National Training School for Boys in connection with housebreaking at the age of 15. Since then he has been repeatedly arrested and has served time in several Federal prisons. He is well known to the juvenile court, the board of public welfare, the police, the District of Columbia General Hospital, and the Youth Correction Center.

Many of those who have studied the case of this unfortunate young man have been well aware of his need for psychiatric care. He is reported to have told the police and others who have had supervision over him that he has an irresistible sex urge. Yet he seems to have been shifted from one institution to another, from one set of officials to another, until, on his release last February without any supervision, because his term had expired, he became a serious menace to the community. Our judicial, penal, and psychiatric agencies failed to grapple effectively with a problem of the utmost interest to the entire city.

The arrest was accomplished by the meticulous collection of fingerprints and careful detective work, apparently without any of the shortcuts in which the police sometimes indulge. For this the police are entitled to commendation and thanks from the community. But the total record of the case, as reported in this newspaper today, discloses gross inadequacies in dealing with a man who was known to be a grave community problem. How many times will crimes of this sort have to be repeated before this city will begin to provide the kind of constructive program that is needed?

THE TEAMSTERS UNION AND FREEDOM OF THE PRESS

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

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

There was no objection.

Mr. BECKER. Mr. Speaker, on Monday of this week, I called the Attorney General's attention to the very fine and wonderful publicity he has had in certain areas of personal triumphs and expressed the hope that he might get around to doing something about the affairs of our people, Jimmy Hoffa, racketeers, and other criminals and lawbreakers.

Today I sent a letter to the Attorney General of the United States calling his attention—in the event he is not aware of it—to the restriction of freedom of the press in Cleveland, Ohio.

I read an article from the Wall Street Journal of August 8, 1962, as follows:

Deliveries of the Cleveland Press were delayed by the Teamsters Union because of a comment in a full-page advertisement by the International Association of Machinists that was critical of the Teamsters. The Press is an afternoon Scripps-Howard newspaper. The Teamsters resumed deliveries of later editions after the Press removed two lines in the IAM advertisement. The ad was part of a campaign for votes in a representation election between the IAM and the Teamsters at Gabriel Co.

This evidence of the Teamsters Union in forcing the censoring of an advertisement in the Cleveland Press is certainly in violation of the Constitution of the United States.

I am wondering why our Attorney General, Robert Kennedy, has not taken proper action against Hoffa's Teamsters Union, for I remember at one time Hoffa was supposed to be a target of our present Attorney General.

AUGUST 9, 1962.

Hon. ROBERT F. KENNEDY,
Attorney General of the United States, Justice Department, Washington, D.C.

DEAR MR. ATTORNEY GENERAL: I am enclosing herewith an article appearing in the Wall Street Journal of August 8, 1962, that is self-explanatory. The article is as follows:

"Deliveries of the Cleveland Press were delayed by the Teamsters Union because of a comment in a full-page advertisement by the International Association of Machinists that was critical of the Teamsters. The Press is an afternoon Scripps-Howard newspaper. The Teamsters resumed deliveries of later editions after the Press removed two lines in the IAM advertisement. The ad was part of a campaign for votes in a representation election between the IAM and the Teamsters at Gabriel Co."

Isn't this in violation of the Constitution dealing with freedom of the press? Since when has any union or union leader the right to coerce any newspaper from printing advertisements or news items it sees fit to do?

Mr. Attorney General, are you going to prosecute the Teamsters Union for this violation? Certainly you must agree that Jimmy Hoffa and his teamsters have no right to suppress news or newspapers and prevent the truth from reaching the people.

What are you going to do? I haven't seen any statement from you about this in light of all the publicity you have been receiving in the past of which I made mention on the floor of the House on Monday, August 6, 1962.

Sincerely,

FRANK J. BECKER,
Member of Congress.

THE FEED GRAIN PROGRAM AND AGRICULTURAL LOANS

Mr. BECKWORTH. 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 Texas?

There was no objection.

Mr. BECKWORTH. Mr. Speaker, I desire to call your attention to some facts and figures that were submitted for the CONGRESSIONAL RECORD by Senator WILLIAMS of Delaware, and are to be found on pages 15902, 15903, 15904, 15905, 15906, and 15907. These figures show that when the feed grain program was written it helped the small farmer in this way. Some of the amounts in dollars mentioned are roughly these: $94,000, $53,000, $64,000, $65,000—also some other very large amounts.

I hope the Members of the House will help me ascertain this: In addition to these amounts mentioned, assist me to find out how many of these companies or individuals received Commodity Credit Corporation loans on, not one crop, not on two crops, not on three crops, but on four crops.

For example, if the information furnished one is correct, we have one county in Texas where more than 2,200 farmers received commodity loans on 4 crops.

Mr. Speaker, I say that it is time that this Congress and the people of this country become interested in knowing

just how huge are the Commodity Credit Corporation loans that go to very, very few people or companies. Help us to get the information.

I include some of the tables I have referred to and some other comments:

Value of payment in kind feed grain certificates issued to producers under 1961 feed grain program

OVER $50,000

Name	Address	Value of payment-in-kind certificates	Name	Address	Value of payment-in-kind certificates
Farmers Investment Co	288 South Stone, Tucson, Ariz	$94,092.30	RLDS Church Farms	Independence, Mo	$65,183.58
Mace, C. Bruce, Ranch, Inc	Box 187, Davis, Calif	53,039.28	Hill Farms	Hart, Tex	65,320.06
Nichols, A. H	724 East 3d, Dixon, Ill	51,816.42	Mills, J.C	Box 726, Abernathy, Tex	65,113.00
Gehring, Wm., Inc	Route 1, Rensselaer, Ind	64,670.70	Tatton, V. H. and J. M	Salt Creek Ranch, Refugio, Tex	58,413.78

BETWEEN $40,000 AND $50,000

Gila River Ranch	Post Office Box 67, Gila Bend, Ariz	$40,478.90	Louisiana State Penitentiary	Angola, La	$45,414.00
Knaggs, Layton	Box 970, Woodland, Calif	42,819.00	Halsell Cattle Co., care of W. F. Rowland.	Amherst, Tex	40,823.71
Gumz, Arthur P	North Judson, Ind	44,289.20			
Northern Trust & Co	50 South LaSalle St., Chicago, Ill	41,253.68	Moore, Tom	Navasota, Tex	46,042.10
Overmeyer Farms, Inc	Wolcott, Ind	40,379.00	Moser Ranch	Route 4, DeKalb, Tex	45,980.01

BETWEEN $30,000 AND $40,000

Eaton Fruit Co., Inc	2030 West McDowell, Phoenix, Ariz	$34,831.14	Lawrence, W. V	Star Route A, Hobbs, N. Mex	$31,933.80
Adams, Charles	Snow Lake, Ark	34,475.72	Swindell, A. D	Pantego, N.C	34,148.40
Cote Farms, Inc	St. Anne, Ill	34,904.92	Case Farms	Richwood, Ohio	33,193.17
Savich, Emil	Route 1, Rensselaer, Ind	30,437.87	Clay, E. Bass	3214 Hayden, Amarillo, Tex	32,699.80
Watland Farms, care of Robert Johnson.	Rural Route 1, Fowler, Ind	32,864.60	Moore, Harry H., & Son	Box 7, Navasota, Tex	33,101.64
			Porter, R. L	Box 1055, Spearman, Tex	34,256.98
Glenn, Vivian	Johnson, Kans	35,659.44	Ware Farms	Box 865, Dimmitt, Tex	30,519.86
Evans, Harrison	Shuqualak, Miss	30,251.27			

BETWEEN $20,000 AND $30,000

Sherrill & La Follette	867 First National Bank Bldg., Phoenix, Ariz.	$24,461.50	Biegert Bros	Shickley, Nebr	$20,673.84
			Broadwell, Frank and Jas. A	York, Nebr	21,024.88
Kuhn, Mrs. Mary K	Marion, Ark	27,889.32	Hundahl Farms	Tekamah, Nebr	23,086.14
Harrell, H. J	2621 West Main St., Visalia, Calif	28,818.64	H & G Ranch	Box 111, Brownfield, Tex	20,043.00
Heidrick Bros	Route 1, Box 1215, Woodland, Calif	29,214.32	Bell, J. B	Route 1, Pantego, N.C	27,483.25
Hudson Ranches	Box 201, Calexico, Calif	23,730.00	Roberts Bros	Gregory, N.C	28,876.57
Victoria Island Farms	Box 248, Byron, Calif	22,542.72	Agricultural Lands, Inc	Route 1, London, Ohio	28,876.44
Bartels Farms, Inc	St. Marys, Mo	23,067.90	Orelton Farms, Inc	Box 391, London, Ohio	27,271.60
Moore, C. H., trust, estate	Clinton, Ill	28,973.27	Fullen, Jim	Ashport, Tenn	22,521.74
Tallmadge Ranch, Inc	1290 South Lincoln, Kankakee, Ill	24,022.48	Agriculture, Inc	Post Office Box 155, Girivn, Tex	22,875.24
Blood, John	206 East 5th St., Mount Carmel, Ill	25,203.90	Cowles, Ruth E	Chapman Ranch, Tex	27,715.88
Moore, Fred and Auston	Route 1, Rensselaer, Ind	24,290.40	Friemel, Herbert	Route 1, Canyon, Tex	23,177.05
New Harmony Realty, care of Melvin Fisher.	New Harmon, Ind	25,152.40	Gentry, W. H	Route 1, Hereford, Tex	21,467.60
			Givens, Ercell	Box 817, Abernathy, Tex	21,235.72
Adams, W. P	II Land Trust, Odebolt, Iowa	27,063.84	Glenn, M. T	Box 447, Tulia, Tex	23,540.12
Garst Co	Coon Rapids, Iowa	26,549.46	Green, James L	Route 2, Hereford, Tex	21,284.26
Good, R. C	Glenwood, Iowa	23,253.44	Grusing, Herman	32 Oldham Dr., Amarillo, Tex	21,799.86
Hamilton, J. C	318 2d Ave. NE., Hampton, Iowa	26,396.46	Hays, A. C., Jr	Box 668, Dimmitt, Tex	22,939.04
Huxsol, Julius	Route No. 4, Charles City, Iowa	20,727.80	Hill, Homer	Hart, Tex	28,161.32
Bott, Herman	Palmer, Kans	20,877.22	McGee, Taft	Box 69, Hereford, Tex	29,141.48
Christy, R. B., estate, care of Donald Christy, administrator.	Box 278, Scott City, Kans	20,214.28	Miller Farms Co	Box 728, Tulia, Tex	25,133.48
			Osborn, Sloan	Friona, Tex	25,009.55
			Perrin Bros	Box 12, Hereford, Tex	28,894.00
Crist, Leland L	Holcomb, Kans	20,585.76	Reid, Warner	Box 694, Tulia, Tex	22,152.12
Garden City Co	Box 435, Garden City, Kans	28,386.87	Smith, Rodney	Hart, Tex	21,590.91
Ellis, James C., estate, Lester Yeager, manager.	Owensboro, Ky	21,538.29	Varisco, Joe	Route 4, Box 161, Bryan, Tex	24,633.18
			Wheeler, John A	Route 1, Lorenzo, Tex	27,416.34
Albert Painton Co	Painton, Mo	21,487.56	White, James M., Sr	Box 622, Hereford, Tex	21,162.29
Burke Bros	Charleston, Mo	23,454.96	Winterrowd Bros	Box 1049, Pecos, Tex	21,020.30
Saline County Farms	Marshall, Mo	22,197.46	Malbon, W. R., Jr	London Bridge, Va	24,697.73

California Packing Corp.:
Woodland, Calif $7,298.28
Crystal City, Tex 7,881.95
Total 15,180,23
Reynolds Metals Co., Henderson, Ky 12,984.32
American Crystal Sugar Co., Rocky Ford, Colo 10,791.54
Ford Motor Co., Belleville, Mich 5,394.88

Two large banks likewise qualified as "farmers" eligible for payments under the 1961 feed grains program. These were:

Milliken Trust Co., Decatur, Ill $6,434.62
Northern Trust Co., Chicago Ill 41,253.68

Two colleges also established eligibility as "farmers," and thereby were eligible for payments under the Kennedy-Freeman program.

University of Illinois, Urbana, Ill $6,598.43
St. Benedict's College, Atchison, Kans 11,575.69

Two penitentiaries qualified as "farmers" under the 1961 Kennedy-Freeman farm program, and were thereby eligible for payments.

Glades State Prison Farm, Belle Glade, Fla $6,818.40
Louisiana State Penitentiary, Angola, La 45,414.00

Two airports are listed as eligible "farmers" under this program, and received payments as follows:

Waterloo Municipal Airport, Waterloo, Iowa $5,846.75
Kearney Municipal Airport, Kearney, Nebr 6,707.70

Even the city of St. Louis, Mo., was classified as a "farmer" under the 1961 Kennedy-Freeman feed grains program, and collected $12,203.91; and a motel—Sand & Sage Motel, Inc.—in Dimmitt, Tex., was listed as a "farmer," and collected $9,409.04.

The Delta & Pine Land Co., of Scott, Miss., qualified as a "farmer," and collected $11,409.68. This operation is not even owned by Americans; it is owned by the Fine Spinners & Doubles, Ltd., of Manchester, England. Just how a British corporation in Manchester, England, owning land in America, could qualify as an American farmer eligible for subsidy payments, is something only the imagination of a New Frontiersman could comprehend.

The wonder boy from Texas was on this gravy train: Billie Sol Estes qualified as a farmer, and collected $22,875.24 from the Department of Agriculture, under the 1961 Kennedy-Freeman feed grains program. This payment to Mr. Estes appears in the report in the name of Agriculture Inc., Post Office Box 155, Girvin, Tex., but the record shows that this was one of Mr. Estes' operations.

ENTRY INTO UNITED STATES OF ALIEN SKILLED SPECIALISTS

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that the gentleman from Rhode Island [Mr. ST. GERMAIN] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. ST. GERMAIN. Mr. Speaker, this bill will facilitate the entry into the United States certain relatives of our citizens and permit the immediate entry of alien skilled specialists who are needed by businesses and educational institutions throughout the Nation. The bill would permit the entry of sons, daughters, brothers, and sisters of U.S. citizens who have been on the waiting lists since 1954. This will help to protect the family ties of thousands of our citizens who have immigrated here. It is a humane liberalization of the existing statute that will help many Rhode Island families. There are several cases in my State that have been brought to my attention in the last several months which can be concluded successfully by approval of this bill.

The bill also provides for the entry of several hundred skilled specialists needed by businesses or educational and medical institutions throughout the Nation. This is not, however, a relaxation of our methods of immigration procedure. Before any of the specialist requests are approved for entry the Office of the Attorney General will make a full investigation and the American petitioner for the specialists must make full documentation of the need for the services of the person.

This, Mr. Speaker, is a bill to aid Rhode Islanders while providing a measure of flexibility that will prove functional for other areas of the country. Quick action by the Congress will be most beneficial to thousands of our immigrant citizens. Those who will be aided by the legislation join with me in urging action because of the time element. This bill should be given attention before the adjournment of this Congress.

STATE SENATOR RALPH C. MAHAR, OF ORANGE, MASS.

Mr. KEITH. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. CONTE] may extend his remarks at this point in the RECORD and include a newspaper article.

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

There was no objection.

Mr. CONTE. Mr. Speaker, on Saturday, August 4, the great Commonwealth of Massachusetts, lost one of its most distinguished public servants, State Senator Ralph C. Mahar, of Orange, Mass.

On very few occasions in a lifetime does a man like Ralph Mahar appear on the political scene. At the age of 25 he was elected to serve in the Massachusetts House of Representatives, and served in that august body until 1944, when he was elected to the State senate. It was during my service in the State senate that I met Ralph Mahar, and to him I am indebted for the excellent advice and guidance he gave to me in those early days of my political career. As he progressed in his climb to leadership my admiration and respect for him grew ever greater. He served as chairman of several major committees in the Massachusetts Legislature, and took a sincere interest in the educational system of his beloved Commonwealth. For his contributions in this field he became known as the father of the regional school program in Massachusetts.

His untimely death at the early age of 50 is a great shock to the thousands of people who knew him. Massachusetts has lost a leader without peer; and I have lost a dear personal friend.

Mr. Speaker, as evidence of the high esteem in which Ralph Mahar was held by fellow legislators, friends, and the man in the street, I include at this point in the RECORD the tributes paid to Ralph Mahar as appeared in the Greenfield, Mass., Recorder-Gazette on August 6, and a copy of an editorial from the Northampton, Mass., Daily Hampshire Gazette, on the same date:

[From the Daily Hampshire Gazette, Aug. 6, 1962]

SENATOR RALPH C. MAHAR

The sudden and unexpected death on Saturday of State Senator Ralph C. Mahar at his home in Orange has left Republican leaders in a state of shock and many other citizens mourning the loss of this man, a legislative leader for many years.

Although he was a quiet easygoing campaigner, Senator Mahar was the type of politician who kept in close touch with the people of his district and endeavored to reflect their composite views on matters that came before him while he was a member of both branches of the Great and General Court of the Commonwealth.

An indication of his political strength and the esteem in which he was held was seen in the fact that he was not being opposed by any member of his own party in his bid for reelection to the senate, and this despite the fact he was running in the Franklin-Hampshire district which had been revised to include Northampton 2 years ago.

He was only 25 years of age when he was first elected to serve his home district in the house of representatives and he served in that legislative branch until 1944 when he was promoted to a senate seat, a post he held until his death.

A leader in the fight for educational legislation, Senator Mahar was known as the father of regional schools in this State, and he was a spearhead in many battles to obtain much needed funds for the growth of the University of Massachusetts. He fathered the bill in 1947 that changed the State college to a university, considered this State institution his "pet project" and he fostered many other measures including the law to establish the Soldiers' Home in Holyoke, and a complete revision of the veterans' laws.

Senator Mahar was a lawyer by profession and it had been reported that he desired to top off his public career with an appointment to the Franklin County probate court judgeship. It was understood in the inner circles of politics that he was going to get renominated, and then withdraw to accept just such an appointment from Gov. John A. Volpe. During the past week a check on the possibility that this appointment would be made brought assurances from members of the Democratic Governor's Council that if the appointment was made it would be confirmed by the council.

The State senator from Orange carried a great deal of weight with members of both political faiths. He will be missed by members of his own family, his legislative friends and the people of his district.

[From the Greenfield Recorder-Gazette, Aug. 6, 1962]

TRIBUTES TO SENATOR MAHAR

ORANGE.—Numerous tributes poured in today from men in all stations of life on the death Saturday of State Senator Ralph C. Mahar.

They came from President John W. Lederle of the University of Massachusetts, from fellow legislators, Republican leaders and from the man in the street.

Dr. Lederle: "The news of Senator Mahar's death comes to me and all members of the university community as a profound shock. His quarter-century in public life has been marked by the highest integrity and competence, by a spirit and dedication that reflected citizenship at its best.

"From the very beginning of his public service, Senator Mahar recognized that education on all levels must have the constant attention of an enlightened government. During his distinguished career, Senator Mahar ably translated this conviction into major accomplishments that have benefited every city and town, every public school and college in this Commonwealth.

"We at the University of Massachusetts are particularly mindful of Senator Mahar's work in this area. It was he who submitted the bill that brought this institution to university level. It was he who with quiet persistence furthered the freedom bill legislation of 1956, by which the university was given the basic means to recruit an outstanding faculty. It was he who stood forthrightly for the granting of greater fiscal authority to the university trustees for the building of a greater University of Massachusetts.

"Over the many years of his service in the legislature, his chairmanship of a number of important legislative committees, notably the committee on education, the senate ways and means committee, and the committee on taxation, has served to indicate how enlightened public service can result in general public improvement.

"The Commonwealth has lost a dedicated servant, a citizen of highest character and strongest competence. I personally have lost a great and good friend. The university community joins me in extending to Mrs. Mahar and her family our deepest sympathy and most sincere regret."

John S. Raymond, chairman of Orange selectmen:

"Selectmen of Orange have lost an intimate, personal friend; the town, a faithful servant; the county, a hard-working individual; and the district, a conscientious legislator."

Carroll E. Adams, president of the Franklin County Republican Club:

"Senator Mahar was an enthusiastic supporter of the Franklin County Republican Club. The county will miss him more than is apparent at the present moment."

Emma L. Blizzard, executive secretary, Mohawk Trail Association:

"Senator Mahar was a stanch leader and supporter of the association. He was a leader in the fight for the alteration of the blue laws for the benefit of everybody. Also he was a leader in the effort to establish the Mohawk Trail vacation area as the 10th vacation area in the State of Massachusetts. Senator Mahar was a friend of everybody and will be greatly missed."

Representative Walter T. Kostanski, Jr.:

"The untimely death of Senator Mahar, my close and personal friend, was shocking, not only to me, but to the entire Commonwealth.

"Highly respected by members of both political parties, his legislative record on Beacon Hill was one of accomplishment, dedication, and perseverance. His contributions to legislation regarding education, taxation, and public health are only a few examples of his achievements during his 25 years in the general court.

"We, the Massachusetts Legislature, have lost a devoted leader and conscientious legislator."

Representative Allan McGuane:

"I join in the general feeling of loss of a very able and conscientious legislator. It was my pleasure to serve with Senator Mahar

on the committee on education and to work with him for the location of the Community College in Greenfield. The area will feel the loss of his strong voice in the legislature and his many activities on behalf of the residents of Franklin County."

Raymond M. Trudel, president of the newly organized League of Cities and Towns:

"We have lost a very valuable public servant. He was a man with a rare combination of judgment and an acute awareness of the needs and feelings of his constituents as well as the feeling of the responsibilities of government to the people. He will be an extremely hard man to replace."

Attorney William T. Woodrow, chairman, Orange Republican Town Committee:

"Having been closely associated with Senator Mahar for over 25 years, it is extremely difficult to realize that such a dedicated personality has passed from our midst. The loss to the Commonwealth and the Republican Party is overshadowed only by the deep sense of personal loss to his family and others who so warmly cherished him for his profound convictions, wit, and wisdom."

Jacques Andre Istel, Orange:

"Senator Mahar is dead. The suddenness of this event increases our shock, but no forewarning could have diminished the void left in our midst by this great man. We depended upon his intelligence and experience for advice and upon his courage and integrity for statesmanship. Our loss is shared by the area and the Commonwealth. Our thoughts and friendship go to his wife and daughter at this unhappy time."

Robert A. Spatola, executive secretary, Massachusetts Sport Parachuting Commission:

"It was my pleasure and good fortune to work closely with Senator Mahar in the development of plans for the Sixth World Sport Parachuting Championships. From my brief experience I considered him to be perhaps the most outstanding citizen of Massachusetts. Certainly Franklin County and the sport parachuting movement in the United States owes a great deal to this man.

"He will not be able to see the results of his 2 years of work come to pass, only a short week away, when 25 nations will convene in Orange as a direct result of his efforts. Senator Mahar could well serve as a model and pattern for legislators not only in Massachusetts but throughout all free countries."

Attorney Delbert A. Witty, former county commissioner and Orange town counsel:

"For over 30 years Senator Mahar has been a close personal friend. For most of this period he has represented the people of western Massachusetts at the general court with honor and distinction. His intelligent devotion to his duties as a legislator and his tireless efforts in the service of his constituents has noticeably advanced the cause of good government in Massachusetts.

"The impact of his untimely passing will be realized for a long time, but his record of service will stand as a permanent memorial to a dedicated public servant."

Thomas Geary, sheriff of Franklin County:

"The Commonwealth of Massachusetts has suffered a stunning loss in the death of Senator Ralph C. Mahar. As an exceptionally able legislator he always had the best interest of the State at heart. He will be sorely missed by his legion of friends and my heartfelt sympathy goes out to them and particularly to his immediate family."

Robert W. Henderson, chairman of New Salem selectmen:

"The selectmen of New Salem, on behalf of the people and officials of the town, express their sincere sorrow and deep sense of loss over the death of Senator Ralph C. Mahar. He has been a constant source of information and assistance to this town for the many years he has represented us in the legislature. We will miss his complete knowledge of the working of government, his willingness to impart this knowledge and his assistance wherever and whenever it was needed. Above all we will miss his sincere friendship to the town and people of New Salem."

Ward M. Hunting, chairman, New Salem school committee, and vice president, New Salem Academy trustees:

"I was stunned to hear of Senator Mahar's death. His many contributions to education at all levels in Massachusetts stand as a monument to him. He will be sorely missed and his passing is a great personal loss to me."

Mrs. Carolyn H. Chouinard of New Salem, secretary of Swift River Valley Historical Society, Inc.:

"Senator Mahar, despite his many pressing responsibilities, always had time to advise and assist the Swift River Valley Historical Society. His friendship and interest will be sorely missed."

AMERICAN COMMUNISTS

Mr. KEITH. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HIESTAND] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. HIESTAND. Mr. Speaker, it is inconceivable to me that no tangible results can be shown, 10 years after Congress declared members of the Communist Party must register as agents of a foreign government. Surely we are not completely surrounded by incompetence and indifference, as many citizens are compelled by the facts to believe.

I appreciate the difficulties which have faced the Attorneys General over the past 10 years. We have seen the Communists hide behind our own Constitution for their protection. We have seen our constitutional guarantees turned against the welfare of the American people. Judicial review is a valued precept of the Republic. It has contributed to the protection of individual rights. Many of us, however become impatient with its plodding pace.

Mr. Speaker, 10 years is long enough. We cannot afford forever to allow the international agents of the Communist conspiracy to operate within our Nation unidentified and unrestricted. We felt that the Supreme Court action declaring the Internal Security Act constitutional and binding would free the hands of the Attorney General.

To my knowledge, not a single Communist has registered. The people wonder about the future of the Republic when laws for its own protection can be so openly ignored. I submit that we should be taking aggressive action against Communists and communism in this country. We have a law and the people have the right to have that law enforced. If this Attorney General cannot cope with the Communists perhaps the people should demand a new Attorney General who can.

THE REDS—WHAT NOW?

Mr. KEITH. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. DERWINSKI] may extend his 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. DERWINSKI. Mr. Speaker, even though the appropriation bill as passed by the House and signed by the President permits aid to Communist countries, the facts continue to roll in, demonstrating the complete stupidity of this phase of the foreign-aid program.

I have repeatedly stated that aid to Communist governments perpetuates their false ideology and does not serve the best interests of the people of Poland, Yugoslavia, or any other Red nation. The only practical aid that might be provided the people of Poland and Yugoslavia is help administered by our Government or private groups directly to the public so that they understand the aid comes from us and not from their despotic governments.

The Brooklyn Tablet, an outstanding Catholic publication, in its issue of Saturday, August 4, included editorial comment by Louis F. Budenz entitled "The Reds—What Now?" which presents a clear-cut case of the fallacies of providing aid to Communist governments. The article follows:

THE REDS—WHAT NOW?—RED POLAND TAKES STAND AGAINST UNITED STATES

(By Louis F. Budenz)

A very simple question can be put today. It arises from the summer's debate over whether the United States should give aid to Communist-controlled countries. Red Poland has immediately brought the matter to the fore. If you, Mr. Average American, were to furnish funds to a Mr. X, to repair his fortunes, what kind of conduct would you expect of him? Would you take it lightly if he secretly told a gang of rogues that he would use the money to work with them to damage you?

UNITED STAND

That is precisely what Red Poland is planning to do with American funds to the detriment of the United States. We have the word of the two most prominent Polish Communist leaders to this effect, as they have recorded their views in leading Communist directive organs.

Adam Rapacki is an important man in Communist-dominated Poland. He is known on the international stage as Minister of Foreign Affairs of the Polish People's Republic. He is also a leading member of the Central Committee of the Polish Communist Party.

At the very hour when the U.S. Congress was opening the doors of the U.S. Treasury for aid to the Soviet satellites, Rapacki was telling the comrades of Polish Red plans. He did this in a striking article in the June World Marxist Review, which was entitled "Socialist Diplomacy of Peace in the World Arena." In that article Comrade Rapacki associated Poland on all issues with Soviet Russia. He lined up that nation completely against the United States.

Rapacki's first words were: "The Socialist countries, by virtue of the nature of socialism and the laws of its development, pursue a policy of peace." We are aware by now that "the Socialist countries" are those countries under Communist control and by this declaration Rapacki places them all together in one united stand.

Whence does the danger of war come? Rapacki has the answer: "It is in the nature of imperialism to engender policies fraught with danger of war. Imperialism is the carrier of war."

Translated from Communist jargon, "imperialism" is the United States above all. And so it is that Rapacki insists that the only road to peace is by compelling the United States and other imperialist countries to yield, step by step, to the demands of Soviet Russia.

The central theme of Rapacki's secret intelligence to the comrades of the world is contained in one of those cleverly written statements which so often mark Communist writing. He says that Red Poland and all other Socialist states carry out international policies on the basis of Leninist principles of internationalism. We know from previous discussions that these words are nothing other than declarations of fealty to Soviet Russia.

The Polish Foreign Minister goes forward further to nail this down when he adds in the same sentence that Red Poland follows the decisions of the last two congresses of the Communist Party of the Soviet Union. And beyond that, in carrying out this unified action with Moscow, his country abides by the statement of the Moscow meeting of the 81 Communist Parties.

KEY PHRASES

It is a sign of the contempt which Rapacki has for American ignorance of Communist terminology that he resorts to this phrase. What he is telling the comrades is that Poland pledges itself to work against the United States as the chief bulwark of world reaction and as an enemy of the peoples of the whole world.

Those are the key phrases in the statement of the 81 Communist Parties. It is not then surprising that he follows up such a declaration with praise of Dictator Khrushchev as having brought forward the only plan for "general disarmament."

Rapacki's article is thus a 100-percent promise that Red Poland will continue to vote against the United States in the United Nations and will work elsewhere for our downfall. And that promise goes down to the very last words he writes when he promises our victory, which he has made clear must be a complete Communist victory.

What Rapacki has said is followed up in the Worker of July 15 and July 22 by Wladyslaw Gomulka, Premier of Red Poland. His first phrase is: "If it depended on the Soviet Union only, the prospect of peace would be very bright indeed." It is the United States which is the villian and which must be squelched.

From the words of these gentlemen, a prediction can be made. If the United States gives aid to Red Poland, the money will be used for the spread of communism.

MR. J. EDGAR HOOVER, DIRECTOR, FEDERAL BUREAU OF INVESTIGATION

The SPEAKER. Under previous order of the House, the gentleman from California [Mr. LIPSCOMB] is recognized for 30 minutes.

Mr. LIPSCOMB. Mr. Speaker, I would like to call to the attention of my colleagues the recent derogatory comments against a great American public servant, Mr. J. Edgar Hoover, Director, Federal Bureau of Investigation, made by Wilbur H. Ferry, vice president of the organization known as the Fund for the Republic.

According to the August 7, 1962, issue of the New York Times, Mr. Ferry, speaking before the Western States' Democratic Conference, accused Mr. Hoover of "sententious poppycock" in building a false legend of the strength of communism. Ferry then went on, according to this news story, to state that Mr. Hoover's remarks about the strength of communism are "a mischief-making tapestry of legend and illusion if there ever was one." He referred to the FBI Director—and listen to these highbrow words—as "the indubitable mandarin of anticommunism in the United States" and "our official spyswatter."

I think my colleagues will agree that the Nation has been most fortunate for all these years to have Mr. J. Edgar Hoover and his organization as our "spyswatter." Mr. Hoover has performed—and is still performing—a magnificent service. Every home and individual in this Nation are more secure today because Mr. Hoover heads the FBI. His contribution has been nationwide; his dedication to duty has been superlative; his loyalty to democratic ideals has been above approach. He has been honored by our Presidents, by the Congress, by countless private organizations and individuals as a public servant who is a determined foe of the criminal and the subversive, who exemplifies the American tradition and works untiringly to make this a better country.

Mr. Ferry's comments reflect him as a highly unrealistic observer of today's world. To criticize Mr. Hoover as falsely representing the danger of communism, reflects a blind man trying to guide traffic at a busy intersection. He just doesn't know what it is all about. Communism today represents the greatest single danger to the existence of our democratic institutions. Communist-bloc powers—Soviet Russia, Red China, and all their satellites—are working vigorously to destroy our Government and set up a Red dictatorship. They would not hesitate to slaughter millions if that advanced their cause. And then to think of a man, supposedly educated, who says that communism is not a danger.

The Communist conspiracy extends to this country. In 1919, the Communist Party, U.S.A., was founded in Chicago. Ever since it has worked as a tool of Moscow. Today it espouses the Kremlin's line. Its highest leader, Gus Hall, is Moscow trained. When once asked in a court of law, "And are you willing to take up arms and overthrow the constituted authorities?" he answered, "When the time comes, yes." William Z. Foster, the old wheelhorse of communism, who served as national chairman of the party in this country, died last year in Moscow. What happened? The Russians gave him a state funeral. Even Nikita Khrushchev himself was there. Would this indicate to anybody but a dreamer that the Communist Party, U.S.A., does not have value for the Russians?

Over the years the Communists have tried to infiltrate many of our organizations and have exercised a strong influence in our Nation. Fortunately, because of the wisdom of the American people, the prosecutions of the Government, and the excellent work of the FBI, Communist influence has been driven back. But it is still there in dangerous form, with the Communist Party still operating.

Think of Harry Gold, the Rosenbergs, David Greenglass—these are Russian spies, and I am mighty glad—as are all patriotic Americans—to use Mr. Ferry's words, that Mr. Hoover "swatted them." The history of international relations might be different today if the Russians had not secured vital atomic secrets from Dr. Klaus Fuchs through Harry Gold.

To call Mr. Hoover's warnings about the danger of communism a "legend" is to distort reality. Mr. Ferry also went on to say that Mr. Hoover's warnings against Soviet espionage is an old line, designed to secure congressional appropriations. This is an insult to every Congressman who ever voted on FBI appropriations. It simply is not true. I am a member of the Subcommittee on Appropriations which passes on FBI appropriations. Mr. Hoover every year comes before our subcommittee and tells us about FBI operations. His presentation is one of the very best I have ever heard. He explains everything in detail, answers our questions, and gives the entire subcommittee a complete accounting of his stewardship. There is nothing secretive; there are no threats; there are no attempts to hoodwink us. Our subcommittee is not, as Mr. Ferry says, thrown into a "trance" about Mr. Hoover's comments about communism. We agree with him because we know that communism is a serious danger. That is the reason Congress very readily votes Mr. Hoover appropriations, because we know he is factually sound in his analysis of communism, that he is a man of vast experience and unquestioned integrity. I personally can state on this count that Mr. Ferry's comments are a fabric of falsehoods, spleen, and unrealistic dreams.

Who is Wilbur H. Ferry? His occupation as vice president of the Fund for the Republic betrays his identity. The Fund for the Republic for years has slyly been promoting the idea that communism is not a danger. It has financially assisted the publication of books and other material espousing this general theme. It is a tax-free foundation, utilizing money from the Ford Foundation for propaganda purposes.

Ferry, as vice president, has been a spearhead of this dangerous folly. In 1958, in a letter to the Citizen Register, Ossining, N.Y., Ferry criticized that paper for supporting Mr. Hoover. I might add that Ferry has been extremely critical of Mr. Hoover for a long time—obviously because in Mr. Hoover he finds a man whose knowledge about communism is far superior to Ferry's.

In 1960, in a letter to the Santa Barbara, Calif., News Press, Ferry more or less argues that unilateral disarmament is the only practical policy for the United States to adopt.

Red domination of this and other free nations is at least "thinkable."

He apparently is of the "better Red than dead" school, which, to my mind, is a defeatist point of view. As Americans we want to be neither dead nor Red, but have confidence that, through our democratic processes of government, we can survive as a free nation and help

other nations of the world—including Russia—attain true freedom. I reject Mr. Ferry's lack of confidence in America.

Perhaps that is why the Militant, organ of the Trotskyites, recently quoted Mr. Ferry very approvingly. In its March 26, 1962, issue, the Militant quoted from Ferry under the caption, "Thought for the Week."

May I say that I—and I believe all thinking Americans—will realize that Mr. Ferry's comments are mere rhetorical dribbles stemming from a lack of understanding of the realities of today's world. America is indeed fortunate to have in Mr. Hoover a man who has a realistic grasp of the subversive nature of communism. For this we say, "Thanks."

HON. HERBERT HOOVER

The SPEAKER. Under previous order of the House the gentleman from Massachusetts [Mr. MORSE] is recognized for 5 minutes.

Mr. MORSE. Mr. Speaker, tomorrow a great American statesman and a beloved figure observes his birthday anniversary in the town he was born in 88 years ago. Herbert Hoover will participate in the dedication of the library, named for him, in West Branch, Iowa. There will be stored his official papers, documents which reflect a long and honorable career of public service, a career which I hasten to add he still tirelessly pursues. Not one facet of our rapidly shifting and perplexing world problems escapes his eye or defies his wise analysis and comment. I have been greatly honored in working for implementation of some of his recommendations for economy in government. But I have touched only the fringe of this great man's endeavors. When history records Herbert Hoover's name it will be as one of this century's greatest humanitarians, a man of vast personal courage and dignity, and an unshakeable American patriot.

A little more than a year ago, in an address to a group of young people, President Hoover expressed, in a few beautiful words, our present day need to protect our inheritance of individual freedom:

THE INHERITANCE OF THE NEXT GENERATION

(Mr. Hoover's address as given at Freedom Week celebration, Independence Hall, Philadelphia, Pa., June 27, 1961)

Mr. Mayor, and our friends, big and little, it is a great honor to receive this distinguished medal from the city of Philadelphia.

And, Mr. Mayor, it is with great humility that I speak from this place so hallowed to every American.

It is a privilege to speak to this assembly of high school boys and girls. Your happy faces, your bubbling spirits assure the next generations of Americans.

Too often persons addressing our high school students speak at the level of "be good and you will be happy." I think you can take stronger stuff.

Our purpose here today is to pay tribute to those great men who established a transcendent heritage for the American people. Those men revived the noble concepts of independence of peoples, individual freedom, equality of opportunity, and the dignity of man.

Mankind, in all recorded history, had seldom before had the privileges of freedom. Its revival at that time by the Founding Fathers has now spread to a large part of the world.

You will inherit these freedoms and you will have the sacred duty to maintain them both at home and abroad.

Freedom is a thing of the spirit. But it is not an abstraction. From it comes love of our country. And the spirit of freedom releases the energies and creative impulses of mankind.

Out of this release of creative spirit in America came the homes, the farms, the factories, magnificent schools, great colleges, huge hospitals, superb libraries, museums, churches, highways, telephones, airplanes, radio, and TV. Someday you will inherit them free. They come to you—a gift from the labor and sacrifices of those who have gone before.

You will have the job to operate them, and the job of their improvement is never ended, because new scientific discoveries, new inventions, new ideas, will make all of today's physical things out of date within your lifetime.

It is difficult to believe how fast change comes upon us from the creative spirit of individual freedom.

When I was born—about 87 years ago—there were no electric lights, no telephones, no radio, no TV, no automobiles, no paved roads, no tall buildings, no airplanes, no atomic bombs. There were only small industries; and the railways had only just begun to spread nationwide.

But do not think that my boyhood was spent in privation. We had warm homes. We had good food. We had good homemade clothes. We had the joys of most of the games you play today—even marbles and a form of baseball.

We had inherited good schools, good teachers, and good universities. We had no fears for the future of our country. And every year on the Fourth of July there were repeated to us the inspiring words of the Declaration of Independence. From them came a renewed devotion to the great men who met in this hall 185 years ago, and a heightened faith in America.

Your inheritance of freedom brings you both rights and responsibilities. You have more rights than are spelled out in the Bill of Rights in our Constitution. They have been expanded over the years by law, and by common consent we have interpreted them to include the right of choice.

To retain your inheritance of these rights, you will need not only to know what they are, but to be alert to protest any infraction of them.

Your inheritance of individual freedom cannot be sustained without many restrictions. With changing forces and new inventions also come new methods of evil.

Legislatures devise more and more restrictions. But as to all these restrictions, there is one fundamental test of their wisdom. Do they restrict the creative spirit and the energies which freedom brings? For they are the major impulse of all progress. You should all your life test every legislative act, every social and economic proposal as to whether it unnecessarily limits the energy and the creative spirit in our people.

Today the validity of our beliefs in freedom is at stake over the whole world. You will need take part in that struggle.

You will also inherit the costly burden of our defense against the implacable foe who lurks in the Kremlin. While we hope for the cooperation of other nations in this defense of mankind, in the end the safety of America must rest upon our own armed right arm. Whatever sacrifice this entails, I am confident of your courage.

What I am saying to you is not a recital of trite banalities, for these rights and responsibilities are the base of our American way of life, and in fact, of our civilization.

Perhaps I may give you a note of confidence from my own inheritance of American freedoms. Our country gave me the opportunity of the public school and a training in my profession at a great university.

In my long life, I have lived and worked in countries of freemen, of tyrannies, and of Communist dictators. I have seen liberty die and tyranny rise. I have seen slavery again on the march. But every one of my homecomings from these journeys was for me a reaffirmation of the glory of America. Each time my soul was washed by relief from the grinding poverty of many nations. And I was inspired by the greater kindliness and frankness which come from acceptance of equality and wide open opportunity to all who want a chance. There is no place on the whole earth, except here in America, where every boy and girl can have such a chance.

God bless you.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. TUPPER (at the request of Mr. ARENDS), for Monday, August 13, 1962, on account of official business.

Mr. ZELENKO (at the request of Mr. BOGGS), for today and the balance of the week, on account of official business.

Mr. DENT (at the request of Mr. BOGGS), for Wednesday and the balance of this week, on account of official business.

Mr. STEPHENS (at the request of Mr. JOHN W. DAVIS), for the remainder of this week on account of the death of his mother.

SPECIAL ORDER GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to Mr. MORSE (at the request of Mr. KEITH) for 5 minutes today, to revise and extend his remarks, and to include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

(The following Members (at the request of Mr. BOGGS) and to include extraneous matter:)

Mr. MORGAN.

Mr. STEPHENS.

Mr. ANFUSO.

Mr. POWELL.

Mr. TOLL.

(The following Member (at the request of Mr. KEITH) and to include extraneous matter:)

Mr. FINO.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 55. An act to authorize the establishment of the Fort Bowie National Historic Site, in the State of Arizona, and for other

purposes; to the Committee on Interior and Insular Affairs.

S. 2771. An act for the establishment of a Commission on Science and Technology; to the Committee on Science and Astronautics.

S. 3013. An act to amend the act of July 2, 1940, as amended, relating to the recording of liens on motor vehicles and trailers registered in the District of Columbia, so as to eliminate the requirement that an alphabetical file on such liens be maintained; to the Committee on the District of Columbia.

S. 3153. An act to guarantee electric consumers in the Pacific Northwest first call on electrical energy generated in Federal plants in that region and to guarantee electric consumers in other regions reciprocal priority, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 3314. An act to amend the District of Columbia Public School Food Services Act; to the Committee on the District of Columbia.

S. 3317. An act to amend provisions of law relating to personal property coming into the custody of the property clerk, Metropolitan Police Department, and for other purposes, to the Committee on the District of Columbia.

S. 3574. An act to extend the International Wheat Agreement Act of 1949; to the Committee on Banking and Currency.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 12547. An act to amend the act of August 7, 1946, relating to the District of Columbia's hospital center, to extend the time during which appropriations may be made for the purposes of that act.

ADJOURNMENT

Mr. JOHN W. DAVIS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 28 minutes p.m.), under its previous order, the House adjourned until Monday, August 13, 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:

2395. A letter from the Assistant Secretary of the Interior, transmitting a proposed concession contract with Willow Beach Resort, Inc., which will authorize the corporation to provide concession facilities and services in Lake Mead National Recreation Area for the term from date of execution of the contract to December 31, 1982, pursuant to 70 Stat. 543; to the Committee on Interior and Insular Affairs.

2396. A letter from the Secretary of Commerce, transmitting a report relative to providing war risk insurance and certain marine and liability insurance for the American public as of June 30, 1962, pursuant to title XII of the Merchant Marine Act of 1936, as amended; to the Committee on Merchant Marine and Fisheries.

2397. A letter from the Secretary of Commerce, transmitting the quarterly report of the Maritime Administration of the Department of Commerce on the activities and transactions of the Administration under the Merchant Ship Sales Act of 1946 for the period April 1, 1962, through June 30, 1962; to the Committee on Merchant Marine and Fisheries.

2398. A letter from the Under Secretary of Commerce, transmitting a draft of a proposed bill entitled "A bill to amend the act entitled 'An act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of certain international conventions, and for other purposes,' approved July 5, 1946, with relation to the importation of trademarked articles and for other purposes"; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DELANEY: Committee on Rules. House Resolution 755. Resolution for consideration of H.R. 10113, a bill to establish an Office of Public Works Coordination and Acceleration; to authorize the preparation of a plan for acceleration of public works when necessary to avoid serious nationwide unemployment levels; and for other purposes; without amendment (Rept. No. 2159). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 753. Resolution authorizing the Speaker of the House of Representatives to appoint a special committee to investigate and report on campaign expenditures of candidates for the House of Representatives; without amendment (Rept. No. 2160.) Referred to the House Calendar.

Mr. THOMPSON of New Jersey: Joint Committee on the Disposition of Executive Papers. House Report No. 2161. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. SPENCE: Committee on Banking and Currency. H.R. 12080. A bill to permit domestic banks to pay interest on time deposits of foreign governments at rates differing from those applicable to domestic depositors; without amendment (Rept. No. 2162). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON: Committee on Government Operations. S. 538. An act to amend section 205 of the Federal Property and Administrative Services Act of 1949 to empower certain officers and employees of the General Services Administration to administer oaths to witnesses; with amendment (Rept. No. 2163). Referred to the House Calendar.

Mr. DAWSON: Committee on Government Operations. H.R. 11899. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to provide for a Federal telecommunications fund; with amendment (Rept. No. 2164). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DAWSON: Committee on Government Operations. H.R. 10134. A bill to authorize the Administrator of General Services to convey certain land in Prince Georges County, Md., to the American National Red Cross; with amendment (Rept. No. 2165). Referred to the Committee of the Whole House.

Mr. DAWSON: Committee on Government Operations. H.R. 7781. A bill to authorize the Administrator, General Services Administration, to convey by quitclaim deed a parcel of land to the Silver Hill Voluntary Fire Department and Rescue Squad; with amendment (Rept. No. 2166). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARING:

H.R. 12845. A bill to repeal section 13a of the Interstate Commerce Act; to the Committee on Interstate and Foreign Commerce.

H.R. 12846. A bill to amend the Trading With the Enemy Act, as amended; to the Committee on Interstate and Foreign Commerce.

H.R. 12847. A bill to amend section 7 of the Clayton Act to give full force and effect to the operation of the provisions of that section applicable to certain railroad consolidations and mergers until December 31, 1963, and for other purposes; to the Committee on the Judiciary.

By Mr. BATES:

H.R. 12848. A bill to amend the act of June 12, 1960, for the correction of inequities in the construction of fishing vessels, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H.R. 12849. A bill to authorize the Secretary of the Interior to construct two modern stern ramp trawlers to be used for research, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. CONTE:

H.R. 12850. A bill to amend title 38, United States Code, to provide vocational rehabilitation, education and training, and loan guarantee benefits to persons who served in the Armed Forces on or after January 1, 1962, in combat zones, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. JAMES C. DAVIS:

H.R. 12851. A bill to permit an officer or member of the Metropolitan Police force of the District of Columbia to detain and question persons suspected of committing crimes; and to require bond in the case of certain material witnesses; to the Committee on the District of Columbia.

H.R. 12852. A bill to amend the Juvenile Court Act of the District of Columbia to clarify the functions of the Corporation Counsel in the juvenile court, and for other purposes; to the Committee on the District of Columbia.

H.R. 12853. A bill to amend the Juvenile Court Act of the District of Columbia, in order to reduce the juvenile age limit, and for other purposes; to the Committee on the District of Columbia.

By Mr. HIESTAND:

H.R. 12854. A bill to limit the purposes for which funds appropriated or otherwise made available to the Department of Health, Education, and Welfare may be used; to the Committee on Education and Labor.

By Mr. JOHNSON of Wisconsin:

H.R. 12855. A bill to amend the Agricultural Adjustment Act of 1938 relating to the lease and transfer of tobacco acreage allotments; to the Committee on Agriculture.

By Mr. PETERSON:

H.R. 12856. A bill to amend the Social Security Act to provide a program of health care insurance, through the payment of premiums on private health insurance policies, for individuals aged 65 or over who are fully insured under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. PUCINSKI:

H.R. 12857. A bill to develop the American merchant marine and to promote the foreign commerce of the United States through the use of mobile trade fairs; to the Committee on Interstate and Foreign Commerce.

By Mr. RODINO:

H.R. 12858. A bill to facilitate the entry of alien skilled specialists and certain relatives of U.S. citizens, and for other purposes; to the Committee on the Judiciary.

By Mr. ST. GERMAIN:

H.R. 12859. A bill to facilitate the entry of alien skilled specialists and certain relatives of U.S. citizens, and for other purposes; to the Committee on the Judiciary.

By Mr. KEARNS:

H.J. Res. 850. Joint resolution authorizing the President of the United States to designate the period from November 26, 1962, through December 2, 1962, as National Cultural Center Week; to the Committee on the Judiciary.

By Mr. DAVIS of Tennessee:

H. Res. 756. Resolution authorizing expenditures incurred by the Special Committee To Investigate Campaign Expenditures to be paid from the contingent fund of the House; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. BALDWIN:

H.R. 12860. A bill for the relief of Rolando de la Torre Arceo and John Antony Arceo; to the Committee on the Judiciary.

By Mr. CONTE:

H.R. 12861. A bill for the relief of Col. Carroll E. Adams; to the Committee on the Judiciary.

By Mr. CURTIS of Massachusetts:

H.R. 12862. A bill for the relief of Gloria J. Budge; to the Committee on the Judiciary.

H.R. 12863. A bill for the relief of Jeanette Kaloc; to the Committee on the Judiciary.

By Mr. DOOLEY:

H.R. 12864. A bill for the relief of Mrs. Maria Cecere Grande; to the Committee on the Judiciary.

By Mr. HALL:

H.R. 12865. A bill for the relief of Bienvenido Yikyekan Borromeo; to the Committee on the Judiciary.

By Mr. HOLLAND:

H.R. 12866. A bill for the relief of George Sakellariou; to the Committee on the Judiciary.

By Mr. RODINO:

H.R. 12867. A bill for the relief of Ronald C. Kiederling; to the Committee on the Judiciary.

By Mr. SHEPPARD:

H.R. 12868. A bill for the relief of Desmond M. Luck; to the Committee on the Judiciary.

By Mr. ZELENKO:

H.R. 12869. A bill to provide that the vessel *Montauk* may be a U.S.-flag commercial vessel for the purposes of section 901(b) of the Merchant Marine Act, 1936; to the Committee on Merchant Marine and Fisheries.

SENATE

THURSDAY, AUGUST 9, 1962

The Senate met at 12 o'clock meridian, and was called to order by the President pro tempore.

Rev. Frank C. Bourbon, S.J., dean of men, Loyola College, Baltimore, Md., offered the following prayer:

We humbly and sincerely call upon You, Almighty God, for the guidance which each passing day teaches us can come only from You. Without this guidance, which You alone can give, we move, but have no direction.

The signs which we are able to read along the way tell us unmistakably that the road ahead for us, as individuals and as a Nation, will not be easy. We are constantly reminded forcibly of the dangers which surround us. Were we not conscious of Your presence in our lives and in our affairs, we would walk a lonely and terrifying road.

Give us the courage to believe that though the future is hidden from our eyes, it yet belongs to You. Give us the strength to call upon You in all of our needs. Our firm trust in Your assistance at every turn, we pray, will merit for us timely help in every need. May we be led by You, that, in turn, we may lead others to You. In joy or in sorrow, we ask no other reward of You than that You be pleased with our service, and be waiting for us at the end of the path which was chosen for us by You. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, August 8, 1962, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 7283. An act to amend the War Claims Act of 1948, as amended, to provide compensation for certain World War II losses;

H.R. 10501. An act for the relief of Kenyon B. Zahner; and

H.R. 11880. An act to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations, and for other purposes.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H.R. 12547) to amend the act of August 7, 1946, relating to the District of Columbia Hospital Center, to extend the time during which appropriations may be made for the purposes of that act, and it was signed by the President pro tempore.

HOUSE BILLS REFERRED OR PLACED ON CALENDAR

The following bills were severally read twice by their titles and referred or placed on the calendar, as indicated:

H.R. 7283. An act to amend the War Claims Act of 1948, as amended, to provide compensation for certain World War II losses; placed on the calendar.

H.R. 10501. An act for the relief of Kenyon B. Zahner; to the Committee on the Judiciary.

H.R. 11880. An act to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations, and for other purposes; to the Committee on Foreign Relations.

LIMITATION OF DEBATE DURING MORNING HOUR

On request of Mr. MANSFIELD, and by unanimous consent, statements during the morning hour were ordered limited to 3 minutes.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

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

Charles H. Carr, of California, to be U.S. district judge for the southern district of California.

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

Stanley A. Weigel, of California, to be U.S. district judge for the northern district of California.

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

Gen. Maxwell D. Taylor, U.S. Army, for appointment as Chairman of the Joint Chiefs of Staff; and

Gen. Earle G. Wheeler, U.S. Army, for appointment as Chief of Staff, U.S. Army.

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

Capt. George G. Burkley, Medical Corps, U.S. Navy, assistant physician to the President, for temporary promotion to the grade of rear admiral while serving at the White House.

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

Victor M. Longstreet, of New Jersey, to be an Assistant Secretary of the Navy.

ADDITIONAL EXECUTIVE REPORTS OF COMMITTEE ON ARMED SERVICES

Mrs. SMITH of Maine. Mr. President, from the Committee on Armed Services, I report favorably the following nominations: Temporary appointments of 23 rear admirals in the Navy; temporary appointment in the Marine Corps of 6 major generals and 7 brigadier generals; 3 generals and 1 lieutenant general, to be placed on the retired list of the Army, and the permanent appointment in the Regular Army of 49 brigadier generals. I ask that these names be placed on the Executive Calendar.

The PRESIDENT pro tempore. The nominations will be placed on the Executive Calendar, as requested by the Senator from Maine.

The nominations are as follows:

Levering Smith, and sundry other officers, for temporary promotion to the grade of rear admiral in the Navy;

William P. Battell, and sundry other officers, for temporary appointment to the grade of major generals in the Marine Corps;

Joseph L. Stewart, and sundry other officers, for temporary appointment to the grade of brigadier generals in the Marine Corps;

Gen. George Henry Decker, U.S. Army, to be placed on the retired list in the grade of general;

Gen. James Edward Moore, Army of the United States (major general, U.S. Army); and Gen. Herbert Butler Powell, Army of the United States (major general, U.S. Army), to be placed on the retired list, in the grade of generals;

Lt. Gen. Thomas John Hall Trapnell, Army of the United States (major general, U.S. Army), to be placed on the retired list, in the grade of lieutenant general; and

Brig. Gen. Walter August Jensen, Army of the United States (colonel, U.S. Army), and sundry other officers, for appointment in the Regular Army of the United States.

Mrs. SMITH of Maine. Mr. President, in addition to the above, I report favorably 209 appointments and promotions in the Navy and Marine Corps, in the grade of lieutenant commander and below, and 200 appointments in the Air Force, in the grade of major and below. All of these names have already appeared in the CONGRESSIONAL RECORD, so in order to save the expense of printing on the Executive Calendar, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

The PRESIDENT pro tempore. The nominations will lie on the desk, as requested by the Senator from Maine.

The nominations are as follows:

William R. Walker, and sundry other officers, for appointment in the Navy;

John G. Matlack (Army Reserve Officers' Training Corps) for permanent appointment in the Marine Corps; and

Roger R. Bate, and sundry other officers, for appointment in the Air Force.

The PRESIDENT pro tempore. If there be no further reports of committees, the nominations on the Executive Calendar will be stated.

U.S. ATTORNEY

The Chief Clerk read the nomination of James P. Alger, of Utah, to be United States attorney for the district of Guam for a term of 4 years.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

U.S. MARSHAL

The Chief Clerk read the nomination of James R. Berry, of Pennsylvania, to be U.S. marshal for the western district of Pennsylvania.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

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

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

LEGISLATIVE SESSION

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

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

COMMITTEE MEETINGS DURING SENATE SESSION

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

On request of Mr. MANSFIELD, and by unanimous consent, the following subcommittees were authorized to meet during the session of the Senate today:

The Internal Security Subcommittee of the Committee on the Judiciary.

The Subcommittee on Minerals, Fuels, and Materials of the Committee on Interior and Insular Affairs.

The Permanent Subcommittee on Investigations of the Committee on Government Operations.

EXECUTIVE COMMUNICATIONS, ETC.

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

REPORT ON REPROGRAMING ACTION OF NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

A letter from the Administrator, National Aeronautics and Space Administration, Washington, D.C., reporting, pursuant to law, on reprograming action by that Administration at Slidell, La.; to the Committee on Aeronautical and Space Sciences.

PROPOSED LOAN OF DESTROYER TO THE GOVERNMENT OF PAKISTAN

A letter from the Secretary of Defense, reporting, pursuant to law, on the proposed loan of a destroyer to the Government of Pakistan; to the Committee on Armed Services.

REPORT ON U.S. SOLDIERS' HOME

A letter from the Secretary of the Army, transmitting, pursuant to law, a report on the U.S. Soldiers' Home, Washington, D.C., for the fiscal year 1961 (with an accompanying report); to the Committee on Armed Services.

REPORT ON PROVISION OF WAR RISK INSURANCE AND CERTAIN MARINE AND LIABILITY INSURANCE FOR AMERICAN PUBLIC

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report on the provision of war risk insurance and certain marine and liability insurance for the American public, as of June 30, 1962 (with an accompanying report); to the Committee on Commerce.

REPORT ON ACTIVITIES UNDER MERCHANT SHIP SALES ACT OF 1946

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report on the activities and transactions under the Merchant Ship Sales Act of 1946, from April 1, 1962, through June 30, 1962 (with an accompanying report); to the Committee on Commerce.

REPORT ON EXAMINATION OF PRICING OF CERTAIN ENGINES UNDER CONTRACTS WITH CONTINENTAL MOTORS CORP., MUSKEGON, MICH.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the examination of the pricing of spare engines for fire-crash vehicles under Department of the Air Force fixed-price prime contracts with Continental Motors Corp., Muskegon, Mich., dated July 1962 (with an accompanying report); to the Committee on Government Operations.

PROPOSED CONCESSION CONTRACT IN LAKE MEAD NATIONAL RECREATION AREA, ARIZ.

A letter from the Assistant Secretary of the Interior, transmitting pursuant to law, a proposed concession contract in Lake Mead National Recreation Area, Ariz. (with accompanying papers); to the Committee on Interior and Insular Affairs.

ACQUISITION OF LANDS FOR ADDITION TO ADAMS NATIONAL HISTORIC SITE

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to authorize the acquisition of lands for addition to the Adams National Historic Site (with an accompanying paper); to the Committee on Interior and Insular Affairs.

AMENDMENT OF ACT RELATING TO IMPORTATION OF CERTAIN TRADEMARKED ARTICLES

A letter from the Under Secretary of Commerce, transmitting a draft of proposed legislation to amend the act entitled "An act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of certain international conventions, and for other purposes," approved July 5, 1946, with relation to the importation of trademarked articles and for other purposes (with accompanying papers); to the Committee on the Judiciary.

REPORT OF JEWISH WAR VETERANS, U.S.A., NATIONAL MEMORIAL, INC.

A letter from the Treasurer, Jewish War Veterans, U.S.A., National Memorial, Inc., Washington, D.C., transmitting, pursuant to law, a report of that organization, for the period April 1, 1961, to March 31, 1962 (with an accompanying report); to the Committee on the Judiciary.

PETITION

The PRESIDENT pro tempore laid before the Senate a petition signed by Harry J. Duttman, and sundry other citizens of the State of Michigan, praying for an amendment to the Constitution of the United States to protect the right to practice freedom of religion in any and all public buildings, which was referred to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. YARBOROUGH, from the Committee on Post Office and Civil Service, without amendment:

H.R. 11523. An act to authorize the employment without compensation from the Government of readers for blind Government employees, and for other purposes (Rept. No. 1866).

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

S. 3162. A bill to approve an amendatory repayment contract negotiated with the

Quincy Columbia Basin Irrigation District, authorized similar contracts with any of the Columbia Basin irrigation districts, and to amend the Columbia Basin Project Act of 1943 (57 Stat. 14), as amended, and for other purposes (Rept. No. 1872); and

H.R. 8567. An act to authorize the Secretary of the Interior to create trial boards for the U.S. Park Police, and for other purposes (Rept. No. 1867).

By Mr. GRUENING, from the Committee on Interior and Insular Affairs, without amendment:

S. 703. A bill to validate the homestead entries of Leo F. Reeves (Rept. No. 1869).

By Mr. BYRD of Virginia, from the Committee on Finance, with an amendment:

H.R. 860. An act to repeal certain obsolete provisions of title 38, United States Code, relating to unemployment compensation for Korean conflict veterans (Rept. No. 1868).

By Mr. THURMOND, from the Committee on Armed Services, with amendments:

H.R. 7932. An act to amend the act of July 2, 1958, so as to repeal portions thereof relating to residual rights in certain land on Santa Rosa Island, Fla. (Rept. No. 1871).

By Mr. PELL, from the Committee on Labor and Public Welfare, with amendments:

S. 2511. A bill to provide for the production and distribution of educational and training films for use by deaf persons, and for other purposes (Rept. No. 1870).

BILLS AND JOINT RESOLUTION INTRODUCED

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

By Mr. ERVIN:

S. 3624. A bill for the relief of Dr. Diago Aranda; to the Committee on the Judiciary.

By Mr. BIBLE:

S. 3625. A bill for the relief of Zenon Zubieta; to the Committee on the Judiciary.

By Mr. PASTORE:

S. 3626. A bill for the relief of Irene Golato and Clorinda Golato; to the Committee on the Judiciary.

By Mr. MORSE:

S. 3627. A bill for the relief of Lee Sik Ning and Lee Ngar Wai; to the Committee on the Judiciary.

By Mr. SALTONSTALL (for himself and Mr. JACKSON):

S. 3628. A bill to amend title 10, United States Code, to authorize the appointment of citizens or nationals of the United States from American Samoa, Guam, or the Virgin Islands to the U.S. Military Academy, the U.S. Naval Academy, and the U.S. Air Force Academy; to the Committee on Armed Services.

By Mr. YOUNG of Ohio:

S.J. Res. 215. Joint resolution authorizing the President of the United States to issue a proclamation declaring Sir Winston Churchill to be an honorary citizen of the United States of America; to the Committee on the Judiciary.

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

RESOLUTIONS

ANALYZATION OF BENEFIT-COST RATIO OF WATER RESOURCE DEVELOPMENT PROJECTS

Mr. PROXMIRE (for himself and Mr. LAUSCHE) submitted a resolution (S. Res. 374) concerning the discount rate in analyzing the benefit-cost ratio of water resource development projects, which was referred to the Committee on Interior and Insular Affairs.

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

ESTABLISHMENT OF THE SENATE SELECT COMMITTEE ON THE ECONOMIC IMPACT OF NATIONAL DEFENSE

Mr. HART (for himself, Mr. CASE, Mr. CLARK, Mr. DOUGLAS, Mr. GRUENING, Mr. HARTKE, Mr. HUMPHREY, Mr. JAVITS, Mr. LAUSCHE, Mr. MCCARTHY, Mr. MUSKIE, Mr. PELL, Mr. PROXMIRE, Mr. RANDOLPH, and Mr. WILLIAMS of New Jersey) submitted a resolution (S. Res. 375) establishing the Senate Select Committee on the Economic Impact of National Defense, which was referred to the Committee on Armed Services.

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

WINSTON CHURCHILL

Mr. YOUNG of Ohio. Mr. President, very few individuals in history have made as many notable contributions to their time as Winston Churchill has to the 20th century. The entire world is indebted to him for his leadership in the struggle of freemen against nazism, fascism, and communism.

He is one of the honored few whose names themselves speak for their achievements. As a writer, a historian, and orator—indeed, one of the great masters of all time in the use of the English language—he has earned himself a place among the literary giants of the English-speaking world. In addition, as the son of an American mother and English father, he—more than any other man of our time—truly represents the close friendship between the United States and England.

Mr. President, through the years, he has been one of our Nation's finest friends. He is deserving of the gratitude of all Americans for his contributions to freedom and democracy.

A thousand years from now people in far places will give thanks that in a dark and grave period in history this indomitable man grasped leadership of freemen and women and threw back in bitter defeat the powerful forces of tyranny. His enthusiasm, vigor, and leadership helped crush the terror of nazism, and people were restored to their simple dignity as creatures of God.

In his July 4 speech in Philadelphia, President Kennedy spoke of the hope of an eventual Atlantic Union. I suggest that one way in which we can inaugurate this great hope is by bestowing the high honor of honorary citizenship of the United States upon Winston Churchill. This is something that no man can buy or acquire in any way except through the grateful generosity of the American people. Accordingly, I introduce, for appropriate reference, a joint resolution which will bestow this honor upon Winston Churchill.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred.

The joint resolution (S.J. Res. 215) authorizing the President of the United States to issue a proclamation declaring Sir Winston Churchill to be an honorary citizen of the United States of America, introduced by Mr. YOUNG of Ohio, was received, read twice by its title, and referred to the Committee on the Judiciary.

HONEST CONGRESSIONAL STANDARDS FOR FEDERAL PROJECTS

Mr. PROXMIRE. Mr. President, on behalf of myself and Mr. LAUSCHE, I submit a resolution calling for honest standards for calculating the costs and benefits of Federal projects.

Mr. President, how would you like to pay for your house at 2½ percent interest—and take 100 years to pay?

Sounds pretty farfetched?

Yet the costs and benefits of all Federal water resource and construction projects are now calculated on the basis of these unrealistic assumptions.

This amounts to gross deception, and if anyone wants to know who is deceived, it is that forgotten man, the American taxpayer.

The outlays for cement and steel for Federal projects are made in present-value dollars, collected now from you, the present taxpayer.

The expected benefits, however, are calculated over a 100-year span—and a dollar's worth of benefits 10, 50, or a hundred years from now is worth a lot less than a dollar today, even if the price level stays constant.

No taxpayer in his right mind would invest funds if he got only 2½ percent interest on them. He could do far better than that by putting them in absolutely safe Government bonds or in a federally insured savings account.

But the return from tax dollars invested in the steel and concrete of Federal projects is discounted at that completely unrealistic 2½ percent figure—even though the lowest long-term rate on Government bonds, which the U.S. Government pays when it borrows money, is now over 4 percent.

Any private individual who has ever tried to borrow money knows that a hundred-year term is outrageously long. Forty years is the absolute maximum usually allowed, and that only in exceptional cases.

But in figuring the benefits on a Federal project, a 100-year lifespan is used automatically. Since many water resource projects and highway projects on the average end their useful life sooner than that, this means that others must be expected to last 200 or 300 years. This assumption is utterly ridiculous.

As a result of these assumptions, the benefits of Federal projects are grossly overstated. The costs are seriously understated. If meaningful assumptions were used, the cost of many multi-million-dollar projects would vastly exceed all alleged benefits.

But in the Alice-in-Wonderland world of Federal projects these economic fal-

lacies and distortions continue. I am therefore submitting a resolution stating that if a longer-than-50-years project life is assumed to calculate benefits, then the minimum rate at which the U.S. Government can borrow money for long periods should be used to calculate the discount over time.

Unless this is done, and ridiculous as it sounds, the American taxpayer would be better off taking the money for these projects, investing it in Government bonds, and making lavish direct cash payments to the beneficiaries of the projects. This cost would be substantially less to the U.S. Treasury.

CONGRESS SHOULD HAVE OWN STANDARDS

It is becoming increasingly apparent to many that the Congress should establish its own methods of determining the economic value of water resource development projects. Three months ago the President made public the new set of criteria and procedures, standards, and policies to be used by executive agencies in the formulation and evaluation of alternative resource development projects. Yet the Congress has yet to consider these procedures to determine if it wants to adopt them as its own, or if it feels that congressional standards ought to be different in any way. There is no reason why Congress must be bound by the standards established in the executive branch of the Government. But there are many reasons why the Congress should have standards which it has explicitly considered and adopted. It may be that the President's set of economic standards for the evaluation of water resource projects will be found to be suitable for the purposes of congressional evaluation in this area. But until the Congress as a whole establishes its own standards, it will be forced to use those established by the executive agencies, regardless of their suitability for resolving the choices that must be made by Congress.

As a start toward the establishment of congressional standards, I am today submitting a resolution which would indicate the size and nature of the discount rate which Congress feels to be appropriate for use in this area. On previous occasions, the Senate has expressed itself on various features of the benefit-cost ratios which are the primary tool used in the evaluation of the economic merit of alternative water resource projects. But it has never explicitly considered and adopted a rate of discount which is a very crucial part of any benefit-cost ratio. A very small change in the size of the discount factor could cause very large changes in the benefit-cost ratio itself. In spite of the importance of the choice of the proper discount rate, Congress has no choice but to use the rate of discount used by the administrative agencies. A very long calculation process is required to work out a benefit-cost ratio using any particular discount factor. If the benefit-cost ratios presented to Congress by the executive agencies have been computed only on the basis of one discount rate, it is not feasible to expect individual Congressmen to repeat the long, involved calculation to obtain a benefit-cost ratio which uses a discount factor which might be felt to be more realistic.

ADMINISTRATION STANDARDS BADLY OVERSTATE VALUE OF PROPOSED PROJECTS

The discount factor and the period used for analysis:

It is not enough to estimate the benefits which are likely to result from some project over either a 50- or 100-year period. In order to compare the future benefits of a project with costs which have to be incurred in the present, it is necessary to obtain the present discounted value of all these future benefits. The only way a dollar receivable a year from now can be compared with a dollar today, is to apply some discount factor to that dollar which is receivable a year from now. The present discounted value of a dollar receivable a year from now is about 0.98 if the discount factor or rate of interest is 2.5 percent, but it is only about 0.96 if the discount factor or rate of interest is 5 percent. This suggests that while the process of discounting is important, the level of the discount rate used is very important.

The concepts behind this arithmetic relation are more difficult to isolate, especially in a particular problem such as this. What is the discount factor supposed to measure? What is the discounting procedure supposed to accomplish besides providing for the comparability of dollar amounts at different points in time?

PRESENT STANDARDS SERIOUSLY MISALLOCATES RESOURCES

One justification for a very high discount factor such as 10 percent is that it is the rate which indicates the rate of return or productivity on private capital, in real terms. The question concerns the best alternative uses of scarce capital. If real resources or real capital can be used in the private sector and yield a 10-percent rate of return, there is little justification for using those scarce resources in some Government project which would not be economically justified unless some very low rate of discount like 2.5 percent, was used. In these terms, the rate of discount used should reflect the real productivity of that capital in the best alternative use. If the alternative use in the private sector is quite profitable with a real rate of return of 10 percent on it, that should be the rate which is used to obtain the present discounted values of the future stream of benefits from the Government project. Otherwise it is possible that resources would be misallocated as the result of using those scarce resources in the Government project, rather than for the more profitable on the private project. The increased yield or profit, in real terms, on the private would tend to be better from the national point of view than would the Government project which would not be justified unless some much smaller rate of discount was used.

The size of the discount factor is thus one way of considering the full social costs of any Government project. The larger the private production which has to be foregone as the result of the Federal expenditure, the larger the discount factor should be, and the less the present value of the future benefits will be. This is just another way of saying that the more private production or benefits in the future which are foregone, the less the present value should be which is placed on the future benefits derived from the Government project.

RATE OF INTEREST ON NATIONAL DEBT IGNORED AS DISCOUNT FACTOR

Another alternative conceptual foundation for the selection of the proper rate of discount is the rate of interest on long-term debt. More specifically it is felt that the rate or yield on long-term marketable U.S. Government obligations can be considered the pure rate of interest; i.e., that rate which is free from any risk premiums and other distortions present in private rates of interest. At the moment this rate would be in the neighborhood of 4 percent. While this is less than the higher rates which reflect private profitability, it is more than the 2.5 percent which is currently being used, and therefore the use of this rate would lower the present value of all the benefits derived from this project.

This view of the proper discount factor has appeal in that the same rate is used to determine the repayment obligations of the power users and municipal water users as would be used to evaluate the benefits. In these terms it might be argued that unless the project has a yield at least as high as that which the Government has to pay to obtain the funds to build the project, the project is not justified. It may also be argued that unless the project yields additional output at the same rate which the Government imposes on those that have to repay to the Government on the reimbursable parts of the project, the project is not economically justified.

The issues involved in the use of this method of selecting the discount factor should not be confused with the issue concerning the repayment responsibility of the irrigating farmers. At the present time they are required to repay some small part of the costs which have been allocated to the irrigation part of the project. But they do not have to pay the interest on that part of the cost which has been allocated to them and which they are obligated to repay. This amounts to a significant subsidy in itself, but it is quite distinct from the issue of using a discount factor which is too low and therefore one which tends to overstate the present value of the benefits.

There is only one argument that is usually made in favor of such a low rate of discount as used by the Bureau of Reclamation. It is argued that any current rate of interest or yield on capital does give an indication or weight to the needs of future generations. Since the Government has a responsibility to look out for the future generations as well as for the present, the Government should not accept discount factors which reflect the present generation's desire to live well now at the expense of future generations. This, of course, is the same idea behind conservation laws which prevent the wasteful use of wasting resources such as timber and oil. There

is no known way to objectively determine such a rate of social time preference. It is almost completely a value judgment which can be made only at the highest policymaking levels of Government, if it is made at all. Perhaps Congress is willing to rationalize the present 2.5-percent rate in these terms.

TWO AND ONE-HALF PERCENT DISCOUNT FACTOR SERIOUSLY WRONG

This notion is open to severe criticisms. In the first place, the savings done by individuals influence the rate of interest since such savings are, of course, part of the supply which determines the price of money when combined with the demand for loanable funds. Since the savings done by individuals is frequently for the education of their children and estates for them, the concern for future generations does enter into the present rate of interest. The Government should not be expected to be any more concerned about future generations than the existing electorate.

Also, these projects do not last forever. Sometimes they silt in after 50 years. Thus, we are talking about benefits to the present generation to a large extent, and therefore their preferences should be controlling. In fact, if we are concerned about the future generations, we should not build the dams, since by doing so we are using a scarce resource, damsites, and thus preventing the future generations from getting the most benefit out of them since they may silt up by the time the need for them is the greatest, for either flood control or irrigation.

PROJECT LIFE SERIOUSLY UNREALISTIC

At the present time the Bureau of Reclamation practice is to use the life of the project, or 100 years, whichever amount is shorter. Since it is difficult to predict the life of the project, practice has resulted in 100 years being used. The only benefit-cost ratio which appears in the justification given to the Appropriations Committee is the total benefit-cost ratio for 100 years. The definite plan report includes ratios for both 100 years and 50 years. Until recently, 50 years was used almost entirely. A table indicates the various benefit-cost ratios for various arbitrary periods of 50 and 100 years.

There was a great deal to be said for using a 50-year period instead of a 100-year period. This is especially true as long as the Bureau uses a discount factor which is completely free of any risk element. Whatever one can say about 2.5 percent, it does not approximate in anyway whatsoever a risk premium. Even the long-term Government bond rate of 4 percent might be considered free of any risk premiums. If such a risk premium-free discount factor is going to be used, the period of life should be more conservative. If 100 years is going to be used, the discount factor should contain a risk premium. It should be at least 5 percent if 100 years is going to be used.

A 50-year period should also be considered as the most realistic, since that is the period which is required by law for the irrigators to repay their cost responsibility.

CONGRESSIONAL RESPONSIBILITY REQUIRES ACTION

There are many different justifications, for many different discount rates and periods of analysis to be used in calculating benefit-cost ratios. This is a problem that has attracted much attention by economists, engineers, and other independent experts recently. While this diversity of approach characterizes the scholarly studies that have been made, all of them are similar in one important regard. All feel that the discount rate should be higher than the 2.5 percent currently being used by the executive agencies, and which obtained new administrative approval in the President's newly proposed standards. It is difficult to ignore the arguments and the conclusions of these studies. It would be irresponsible on the part of Congress to continue to use the economic discount rate standards suggested by the administration without explicitly considering these alternatives. It may very well be that there are good reasons why a 2.5-percent discount rate and a 100-year period of analysis can be accepted by Congress. If there are such reasons, they have not yet been made known to Congress, for the good reason that Congress has not yet carefully considered this matter.

The following quotes from these books and journal articles indicate the nature of the problem, and the alternatives which have yet to be considered by Congress.

RESOLUTION PRACTICAL

I feel that this resolution would provide a legitimate compromise between the present practice, and some of these alternative proposals which have so much merit in terms of affecting a more reasonable allocation of scarce tax dollars among alternative uses.

This resolution would make clear congressional intent in this vital area. It would permit the continued use of a 2.5-percent discount rate if the period of analysis is 50 years. This is reasonable since the shorter time period would result in more certain estimates of the future expected benefits being made. And the 2.5 percent might be justified by the reasons suggested earlier, that is such a low rate of discount might be said to reflect this generation's desire to leave more for the subsequent generations.

However, if a 100-year period of analysis is used, then this resolution would indicate that a larger discount factor should be used; namely, the discount factor determined by the current average yield on all long-term Government bonds that currently have more than 10 years to run before maturity. By using a higher discount rate, proper weight is given to the more uncertain benefits which are estimated to come about during the much longer period which has been attributed to the project for purposes of accruing benefits.

The effect of this would be to eliminate some very marginal projects that the administration is currently sending to Congress for approval. An example of this is the Glen Elder project. The following table indicates the benefit-cost ratios under these various assumptions of time period and discount rate. If marginal projects as this were eliminated from consideration, more funds would be freed for more worthy projects.

Benefit-cost of Glen Elder ratios under various assumptions

	Using 2.5 percent factor				Using 4 percent discount factor			
	100 years		50 years		100 years		50 years	
	Direct	Total	Direct	Total	Direct	Total	Direct	Total
Project	1.09	1.18	0.85	0.93	0.72	0.78	0.64	0.69
Irrigation	.71	1.01	.57	.80	.49	.69	.43	.61
Flood control	1.18	1.18	.92	.92	.77	.77	.68	.68
Municipal water	1.81	1.81	1.39	1.39	1.17	1.17	1.03	1.03

I ask unanimous consent that a series of studies be printed in the RECORD at this point from: First, "Water Supply—Economics, Technology, and Policy"; second, "Proposed Practices for Economic Analysis of River Basin Projects"—Report to the Joint Economic Committee on War Resources; third, "Federal Expenditure Policy," a compendium of papers presented to the Joint Economic Committee; fourth, "Magnitude of the Discount Rate for Government Projects," by William L. Miller, of Auburn University; fifth, "Practical Logic of Investment Efficiency Calculations"; and sixth, "Investment in Additional Water Supplies."

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

The resolution (S. Res. 374) was referred to the Committee on Interior and Insular Affairs, as follows:

Whereas the sense of the Senate, stated in S. Res. 281, Eighty-fourth Congress and in S. Res. 148, Eighty-fifth Congress, is that the Congress will continue to exercise its constitutional powers to encourage the comprehensive conservation, development, and utilization of the land and water resources of the Nation, and that reports to the Congress in support of authorization of projects for such purposes should (1) include evaluations made in accordance with criteria prescribed by the Congress, and (2) fully disclose the results of studies and analyses of the potential utilizations, costs, alloca-

tions, payout, benefits, both direct and indirect;

Whereas previous statements of congressional intent have been silent on the important matter of the proper discount rate (the interest rate on the Federal investment) to be used in such economic analysis of the benefits and costs of prospective water resource development projects, in spite of the fact that a small change in the present discount factor could significantly alter the benefit-cost ratio of many projects, thus affecting the choice of alternative projects;

Whereas if public funds are to be used to best advantage, the most economically feasible projects should be selected for authorization, so that funds are not denied to prospective water resource projects which would yield larger economic benefits over the years, and to insure that public funds are properly allocated to all private and public uses;

Whereas the proper choice of the best projects from many alternative uses requires that a discount rate be used which is realistic in terms of the public interest and all economic factors;

Whereas it is important that any rate of discount used for these important economic choices should be determined by the Congress;

Whereas the estimation of benefits for any project for any future time period includes the evaluation of many uncertainties and imponderables, and the longer the time period for which the projection is being made, the more uncertain the estimated benefits will be;

Whereas the uncertainties associated with a longer period of analysis indicate that the discount rate should be higher so that the more uncertain benefits of the more distant future are not given the same weight as the more certain benefits which are estimated to come about in the near future in determining the selection of alternative water resource development projects; and

Whereas the present policy is to use the same discount rate, which currently is approximately 2.5 per centum, in analyzing the benefit-cost ratio of projects where the period of analysis is more than 50 years and as much as 100 years and of projects where such period is less than 50 years: Now, therefore, be it

Resolved, That it is the sense of the Senate that in cases where the period of analysis with respect to the useful life of a water resource development project is more than 50 years the discount rate used for the purpose of such analysis should be greater than in cases where such period is 50 years or less and should be at least equal to the average rate of interest payable by the Treasury on interest bearing marketable securities of the United States outstanding on the last day of the fiscal year preceding such analysis which on such day had 15 years or more remaining before reaching maturity, such average rate being currently approximately 4 per centum.

The material presented by Mr. PROXMIRE is as follows:

WATER SUPPLY—ECONOMICS, TECHNOLOGY, AND POLICY

OBJECTIONS TO THIS SOLUTION

Most of the objections considered earlier in connection with the economic theory of choice in general—in particular, the existence of extra-economic values, the problem of "higher" and "lower" tastes, the dependence of the solution upon the existing distribution of wealth and talents, the existence of market imperfections, and divergences between private and social costs—are also relevant for the economic theory of intertemporal decision; but, since they do not involve the latter in any unique way, we shall not attempt to discuss them further here. There are, however, a number of more or less cogent objections to the classical theory that apply exclusively or with particular force when intertemporal decisions are considered. In the former category is the question of how to weigh the claims of posterity properly as against the claims of current generations. Another, somewhat technical, consideration is the argument that the interest rate is not an outcome of market forces but rather a datum arbitrarily under control of government. In the latter category we will discuss market imperfections peculiar to the capital market itself.

THE CLAIMS OF POSTERITY

The allegation that market determinations of values as between present and future goods and services neglect the claims of future generations is at the heart of the more sophisticated expositions of "conservationist" philosophy. It is true that men do to some extent save for the benefit of their heirs and so do take the claims of future generations into account insofar as these make themselves indirectly felt through the affections of the present generation. But, conservationists may maintain, the market does not of itself provide any direct way for the needs and desires of unborn individuals to influence current choices between consumption for the benefit of the present and investment for the benefit of the future. Consequently, human selfishness being what it is, the decisions actually made through the market are almost bound to be one-sided. According to one view: "It is the clear duty of government, which is the trustee of unborn generations, as well as for its present citizens, to watch over, and if need be, by legislative enactment, to defend the exhaustible resources of the country from rash and reckless spoliation."[1] (We may, as an aside, reiterate the doubts we expressed earlier about such preaching of the "duties of government," with its implicit assumption that government is the repository and defender of social conscience on all economic questions rather than a complex institution composed of human beings with their own self-centered needs and desires.)

If, in fact, the Government seeks deliberately to act as the trustee of future generations, there is a variety of instrumentalities available. For preservation of fish and game resources there are license fees, season and bag limits, protected species, size limitations, and numerical quotas. Subsidies are granted farmers under a number of programs whose official purpose is to encourage them to undertake future-directed investments. Certificates of rapid tax amortization have had somewhat the same effect in the industrial sector, though the official purpose here is development of a mobilization base for national defense. In the case of oil and natural gas, monthly extraction quotas are established by a number of the major producing states. (In this and some other of the instances cited, the allegation has been made that the official purpose of conservation is rather less important than the actual purpose of holding down production for purposes of monopolistic gain.) In a few cases, regulation of one type or another has been applied to prevent drawing-down of underground water levels by pumping.

[1] A. C. Pigou, "Economics of Welfare" (4th ed.; London, 1932), p. 29. The views of Pigou and a number of other authors are described in A. Scott, "Natural Resources: The Economics of Conservation" (Toronto: University of Toronto Press, 1955), pp. 88–97.

For the present, however, we want to restrict our consideration to the question of possible intervention through the interest rate to validate the claims of future generations.[2] There are two general ways by which the Government could attempt to counteract the effect of an "excessively" high interest rate or discount of future costs and benefits. The first is to let the market rate govern in the private sphere but, in the Government's own operations, to make decisions on the basis of a somewhat lower rate. This is actually done today, though as a more or less accidental consequence of tax legislation rather than as a deliberate policy. Thus, costs and benefits of Federal projects are normally discounted at rates between 2.5 and 4 percent, whereas even for conservative investments in the private sphere the future is likely to be discounted at a much steeper rate—6 percent after taxes or 10 percent before taxes may not be untypical.[3]

It is simple to show that the existence of differing rates of discount for public and private investments, after adjustment for risk, is undesirable on efficiency grounds. Assuming that the private and public spheres are divided on some principle which need not concern us here, the adoption, say, of a 3-percent discount rate in the public sphere and a 6-percent rate in the private sphere for investments of comparable risk means that there will be investments in the private sphere not undertaken because they will not be justified except for discount rates below, say, 5 percent. Meanwhile, however, projects yielding only 3 percent are being adopted in the public sphere. On efficiency grounds the disparity of interest rates will lead to the adoption of public projects that are less productive than private projects not being adopted. Note that the question of the claims of the future versus the present does not enter into this conclusion. The disparity of interest rates means that, given the aggregate amount of present sacrifice, less is provided for the future when less productive investments are undertaken.[4]

PROPOSED PRACTICES FOR ECONOMIC ANALYSIS OF RIVER BASIN PROJECTS

INTEREST AND DISCOUNT RATES AND RISK ALLOWANCES

The values attached to benefits and costs at their time of accrual can be made comparable only after conversion to an equivalent basis for time and degree of certainty

[2] To the extent that the regulations cited above can be justified on economic grounds, they represent attempts to correct divergences between private and social costs. The magnitude of these divergences, granting that a correction is required, can still only be measured once a rate of discount for intertemporal comparisons is agreed on.

[3] The operative rates in the public and private spheres are discussed in more detail in later sections of this chapter.

[4] This argument implicitly assumes that the public investment is to be compared with the marginal private alternative, holding aggregate investment constant. Another possible approach would be to compare the public investment alternative with the private spending that would result if the tax moneys required for the public investment were left in private hands instead. This would lead to a somewhat different conclusion, since presumably part of the money left in private hands would then be spent for consumption purposes, thus quite possibly leaving less available for future generations despite the higher productivity of capital in the private sphere. Which comparison is the relevant one depends upon the purpose at hand.

of occurrence. Interest and discount rates and risk allowances provide a means for giving monetary expression to differences in the time and certainty of occurrence of benefits and costs.

Prevailing interest and discount rates for loans and investments usually reflect both the "time" and "risk" elements. The wide range in such rates arises largely out of differences in the estimated risk on various types of loans or investments. However, ways other than adjustments in the interest and discount rate are available in benefit-cost analysis for treating at least part of the risk associated with a particular project. To the extent feasible, direct or specific risk allowances should be made. This would leave the interest or discount rate with the primary function of adjusting estimates for time of occurrence plus residual risks. It would be expected, however, that the total allowance for risk and interest appropriate in the analysis of a Federal project would be comparable with such allowance for private undertakings involving similar risk, uncertainty, and longevity.

Risk allowances: Adjustments for risk take account of the hazards and uncertainties that intervene between the commitment or investment of resources and the accrual of benefits. There are two principal types or categories of risk for which allowance must be made in benefit-cost analysis. One type is predictable, since bases are available to calculate the probability or frequency of losses associated with its occurrence. For predictable risks, the value attached may be converted into a reasonably certain annual amount, either through insurance or an appropriate allowance. To the extent feasible, the value of all predictable risks should be converted to an annual or present worth basis and allowed for either as a deduction from benefits or as an addition to project costs. For example, where losses from fires, storms, pests, and diseases, or the costs of their prevention, if such is possible, can be estimated with reasonable assurance, the returns available to justify investment costs should be reduced accordingly. The estimate of the resulting net returns would thus be as free as possible of all predictable risks.

Risks in the form of uncertainties for which no appropriate basis is available for prediction include the probability of errors in estimating benefits and costs due to such factors as fluctuations in the levels of economic activity, technological changes and innovations, and other unforeseeable developments adversely affecting the cost or value of project services. Risk allowances for this group of uncertainties must be based largely upon judgment, since precise information is not available for calculating their value.

Methods of allowing for uncertainties or unpredictable risks include the use of estimates of benefits that are reasonably conservative; the assumption of a limited economic life, with minimum allowances for salvage, which results in amortization of costs within the limited economic life (see following section); a risk component in the discount rate, safety margin requirements in project formulation, such as designing projects short of the marginal limit on scale of development or including a contingency reserve in project costs to cover unforeseeable developments; and finally, selection only of the more desirable projects.

Summary of recommendations on risk: It is recommended that net returns exclude all predictable risks, either by deducting them from benefits or adding them to project costs, usually on a present worth or annual equivalent basis. Allowance for uncertainties or unpredictable risks in benefit accrual should be made indirectly by the use of conservative estimates of net benefits, requirement of safety margins in planning, or including a risk component in the discount rate.

Interest and discount rates: The monetary values of benefits and costs that accrue at varying times are comparable only if all are adjusted to a uniform time basis. The use of interest rates provides a means for converting estimates to a common time point or period.

Interest and discount arise because of the competing demands that exist for limited supplies of savings available for capital investments yielding returns in the future. The demand for savings stems largely from the opportunities for productive use of capital. With the supply of existing capital and savings limited, opportunities exist for new capital investment that over a period of time will yield a return in excess of the initial investment involved. Thus, the opportunities of obtaining net returns over costs from the utilization of income-yielding goods constitute a major source of demand for savings. The supply of individual savings available for investment is limited principally by the preference of individuals for present over future goods. Because of the higher valuations that individuals place on present goods, a payment in the form of interest is needed to induce savings and compensate for the current use that is forgone. Consequently, interest rates may be considered as an expression of the exchange relationship between present and future goods. This premium or interest rate is the added value of having resources presently available in comparison with future values. For comparison with present costs, the determination of the present worth of goods available in the future involves scaling down or discounting their future values.

With limited amounts of resources available for capital investment, the interest cost of investing such resources in a water development is measured by the rate of return that would be realized if the capital were invested in other uses of comparable risk and duration. This cost is over and above allowances for risk and arises whether a private or public viewpoint is involved. As explained in the preceding section, adequate allowance for risk should be made, to the fullest practicable extent, in the estimates of benefits and costs. On this basis, the minimum interest rate appropriate for use in project evaluation for converting estimates of benefits and costs to a common time basis is the risk-free return expected to be realized on capital invested in alternative uses. At a given time this rate is the projected average rate of return; i.e., yield, expected to prevail over the period of analysis, in the absence of inflationary or deflationary changes in the general price level, on such relatively risk-free investments as long-term Government bonds. Although apparently involving considerations generally similar to those in the projection of prices, only limited attention has been given to the problem of developing projected interest rates. Pending development of a projected rate, the average yield on long-term Federal bonds (preferably rounded to the nearest one-fourth of 1 percent) over a sufficiently long period of time to average out the influence of cyclical fluctuations might be uniformly used by all agencies as an approximation of the expected long-term, essentially risk-free rate.

Use of the minimum risk-free rate assumes that risk elements have been adequately accounted for in the calculations of benefits and costs. If it is found impracticable or impossible to make the estimates of project effects on a risk-free basis, the risk allowance would have to be accounted for by an increment in the interest or discount rate applied to deferred effects. These considerations are of particular significance in evaluating associated costs and converting benefits to present worth or to a uniform annual rate. Thus, in the evaluation of associated costs and irregularly accruing benefits it should be recognized that the relatively risk-free long-term interest rates are inappropriate. The recommended interest rates for evaluating these effects should be those considered to be applicable to participants after analysis of the specific situation.

The economic analysis should also include a comparison of the cost of a project or increment thereof with available alternative means of accomplishing the specific purposes involved. In making such comparisons the project basis for treating interest should also be used for the alternative, with any necessary adjustments for differences in risk.

Summary of interest rate recommendations: It is recommended that estimates of benefits and costs accruing at various times should be made comparable by adjustment to a uniform time basis through the use of projected long-range interest rates. Pending the development of such rates, the average rate of return; i.e., yield, on long-term Federal bonds over a sufficiently long period of time to average out the influence of cyclical fluctuations is considered appropriate for uniform application by all agencies on the condition that adequate allowance has been made for uncertainties and risks. If such allowance is not possible, a component for risk should be included in the interest rate as may be the case for irregularly accruing benefits and associated costs. In comparing the cost of a project or increment thereof with alternative means of accomplishing the purposes involved, the treatment of interest for the alternative should be on a basis comparable with that of the project, with any necessary adjustments for differences in risk.

PERIOD OF ANALYSIS

A number of economic and physical forces limit the economic life of any project. Physical depreciation, obsolescence, changing requirements for project services, and time discount and allowances for risk and uncertainty may limit the present value of future project services. The upper limit of the economic life of a project is reached when the foregoing factors cause the costs of continuing the project to exceed the additional benefits expected from continuation. As so used, the economic life is generally less, and never more, than the physical life of a project.

Although the economic life of a project establishes an upper limit on the period of analysis, it may be desirable to use a period short of this limit for economic analysis in order to provide additional allowance for risk. Conservative estimates of salvage values and of the productive life of initial installations and of replacements, and allowances for operation and maintenance sufficient to provide full operating conditions throughout the period of analysis, justify reducing other allowances for risk and uncertainty.

Furthermore, in certain cases it may be advantageous to gear the period of analysis to the expected economic life of the major initial structure, or, where there is considerable variation in the expected life for various purposes, the probable life for each purpose may be used. The decision whether or not to replace the project at the end of the productive life of the basic structure can be made at a later time and is not an essential consideration or a necessary part of the initial project formulation or justification. In the case of major structural replacements, such as a set of navigation locks, the period of analysis needs to be of sufficient length to cover only the benefits and costs associated with the first or initial cycle of a project, even though economic life may be extended through successive replacements.

The difficulties and the uncertainty associated with estimating the value of remote effects provide another justification for lim-

iting the period of analysis. Even though the character of the basic structures may allow an extended economic life, or the possibilities of replacement may be such as to suggest a continuing life, the limitations on the reliability of estimates projected into the distant future and their small present value when discounted provide reasons for selecting a maximum evaluation period.

It is recommended that a period of analysis of 100 years be considered as the upper limit on economic life. In cases where obsolescence is likely to be an important factor, use of an economic life substantially less than this upper limit, possibly not exceeding 50 years, may be warranted. Justification for the 100-year upper limit lies in the increasing uncertainty involved in predicting the more remote future and in the likelihood that any benefits and costs accruing beyond a 100-year cutoff would be largely offsetting in their amounts. Because of the low present worth of remote benefits, any benefits accruing beyond a 100-year period will seldom change the benefit-cost estimates significantly.

Any resources remaining at the end of the period of analysis should be valued in terms of their nonproject uses. For example, in the case of land, the salvage value should be based on its potential use at the termination of the project, but not to exceed the initial cost or value of the land adjusted for any improvement or damages resulting from the project. For most other remaining resources, the salvage value would be either junk values or values of such goods for use in other locations, after allowance for transportation or reinstallation.

Establishing the length of the period of analysis and the basis for salvage determines the amortization period and the amount of the net capital investment to be amortized. The amortization charge should be sufficient to cover all capital investment costs in excess of salvage during the period of analysis. Either of the two common methods for treating salvage give approximately the same results. One is the deduction of the present worth of salvage from the present investment cost, with the remainder amortized over the period of analysis. The other is to charge interest on the total investment but to amortize only the investment cost in excess of the value of salvage remaining at the end of the period.

The logical basis for estimating benefits and costs accruing during the period of analysis should be in accordance with the changes in productivity or operating capacity expected during the assumed economic life. However, the difficulty of forecasting the rate at which project services are likely to change in amount often necessitates estimates being made on the assumption of full operating capacity throughout the project life. Such procedure in the case where output declines over the course of a project's useful life is likely to overestimate somewhat both benefits and costs. Although the net significance of this procedure is not likely to be serious in the usual case, it may be necessary in the case of some projects to gear estimates to expected levels of operating capacity in calculating both benefits and costs.

Recommendations: It is recommended that the maximum period of analysis be the expected economic life of the project or 100 years, whichever is shorter. Even for projects involving basic structures of more extended life and those having continuing replacement possibilities, it is recommended that a 100-year period of analysis be considered as the upper limit on economic life. Any allowance for salvage should be based on the expected value in nonproject uses at the end of the period of analysis. The amortization charge should be sufficient to cover the capital investment during the period of analysis, calculated on a sinking fund basis using the investment cost interest rates. Except in special cases, the basis for estimating benefits and costs should be under the assumption of maintaining the project at full operating capacity.

[From Federal Expenditure Policy—A compendium of papers presented to the Joint Economic Committee]

The Interest Rate in Cost-Benefit Analysis

(By Arnold C. Harberger, associate professor of economics, University of Chicago)

It would be hard to overstate the importance of the interest rate used in the discounting of benefits and costs to judge the worthwhileness of proposed long-term Federal investments. Suppose a project were expected to yield benefits of $1 million a year beginning 5 years from the initiation of construction and extending indefinitely into the future. Using an interest rate of 2½ percent, we would evaluate this stream of expected benefits at $35.36 million as of the date of initiation of the project. But if we were to use a 6-percent rate, our evaluation would be no more than $12.45 million. The choice of interest rate becomes more critical, the longer the duration of the project in question, and the longer the lag between the beginning of construction and the time when benefits begin to accrue. Clearly, major mistakes can be made if the wrong interest rate is used in evaluation. If the cost of the above project were $20 million, it would be a fine investment if 2½ percent were the right rate and a terrible mistake if 6 percent were the right rate. I propose to argue in this paper that a rate of 6 percent or better is the proper rate to use in evaluating Federal projects. This compares with a rate of 2½ percent most commonly used by the Government agencies which undertake cost-benefit analyses.

The justification most commonly given for the use of the 2½ percent rate is that that is the rate at which the Government can borrow. This, of course, is no longer true; perhaps a 3½ percent rate would accord better with the present state of the money market. Be that as it may, my argument for a rate of 6 percent or better does not depend critically on the state of the money market. It holds equally well for the easy-money days immediately following the Second World War and for the hard-money period through which we are now passing.

The essence of my argument is that there exist and have existed ever since the war widespread opportunities for investments yielding 6 and 8 percent and higher. So long as such opportunities are available, our society does itself a disservice by investing at yields of merely 2½ or 3½ percent. The opportunities I speak of are those at the margins of industrial and agricultural investment, and I suspect it is also true that investment in residential construction might yield close to 6 percent.

Let us consider a typical industrial investment. Let it be financed half out of equity (or retained earnings) and half out of borrowings. What must it yield in order that it be a successful investment in the market sense? Presumably, the total yield should be sufficient to pay the interest on the borrowings and provide a rate of return on the newly invested equity equal to the market rate of return on equity. Taking figures which are reasonably representative of the period since the war, let us assume the interest charge on borrowings to be 4 percent, and the earnings yield of equities to be 10 percent. This earnings yield is, of course, after taxes; the before-tax yield of equity capital has typically been in the order of 20 percent. Thus our typical successful investment yields 4 percent on half the invested funds and 20 percent on the other half, making the rate of return on the whole equal to 12 percent. It may be objected that the 10 percent figure for earnings yield, while representative of the whole postwar period, has been rendered obsolete by the great rise in stock prices that has occurred. For recent years a figure of 7 percent might be better for the after-tax yield of equities. This means 14 percent before tax, and together with a 4 percent borrowing rate applied to half the total capital implies an overall yield on capital of 9 percent, rather than the 12-percent figure obtained earlier.

Another approach to estimating the rate of return on capital in the United States is to compare total income received on account of capital with the total value of the capital itself. Neither of these components is easy to estimate, but much work has been done in recent years to improve our knowledge of both.[1] In spite of the lack of absolute precision in the presently available estimates, one may feel quite confident that the stock of capital in the United States is somewhere between three and four times the national income, and that the income accruing to capital amounts to somewhere between one-third and one-fourth of the national income. Our estimate of the rate of return on capital in the overall economy lies, then, in the range between 6¼ percent (income of one-fourth divided by capital of 4) and 11.1 percent (income of one-third divided by capital of 3), and probably closer to the middle than to the extremes of the range.

In the case of agriculture we have a reasonably good measure of the return on capital in the ratio of the gross rent paid to the value of rented farms. For 12 Corn Belt States this rent/value ratio ranged from an average of 5½ percent in Ohio to an average of 8½ percent in Wisconsin, with most States averaging between 6 and 7 percent. The figures are for 1954–57, and apply to farms rented wholly for cash.[2]

It is clear that there do exist many alternative investments yielding 6 percent and more per year. One might ask, however, whether these differ substantially from typical Government projects in their degree of riskiness, so as to warrant a substantially different rate of return. I cannot help but feel that Federal projects are highly similar in their degree of riskiness to many private projects. Both power and irrigation facilities are provided by the private market, side by side with Federal installations, as are, from time to time, river and harbor improvements, flood-control facilities, etc. These rank, to the best of my judgment, neither as especially safe nor especially risky investments. It therefore seems reasonable to expect that Federal investments in these activities should pay off at least at 6 percent, which, as we have seen, appears to be somewhat below the average return on investments in the private sector of the economy. The purpose of Federal investment is, I believe, to improve our level of living and that of our children; the measure of this improvement is provided in dollar terms through the estimation of benefits. There seems little or no justification for the Government's withdrawing resources from the private sector unless these will yield as much improvement in levels of living as ordinary private investments.

My recommending the use of a substantially higher interest rate in cost-benefit analysis does not imply any prejudgment that serious mistakes were made because a lower rate was used. If estimated benefits

[1] Cf. Raymond Goldsmith, A Study of Saving in the United States. (Princeton: 1956.) Moses Abramovitz, Resource and Output Trends in the United States Since 1870, American Economic Review, May 1956, pp. 5–23, and the sources cited therein.

[2] U.S. Department of Agriculture, The Farm Cost Situation, May 1957, p. 19, table 8.

were 5 times costs using a 2½ percent rate, they would likely turn out to exceed costs, though by a smaller margin, when a 6 or 8 percent rate was used. It is the projects which are marginal in the first place that look bad when a higher rate is used. It is accordingly of interest to inquire whether projects actually undertaken could pass the test of a higher interest rate. A group of investigators at the University of Chicago have looked into this question, using the same benefit and cost estimates as were presented by the agency in question, but simply applying different interest rates for time discounting.

Out of 24 Bureau of Reclamation projects which were in fact undertaken, only 8 would have been judged acceptable at a 5-percent rate, and only 2 at a 7½-percent rate, and only one at a 10-percent rate, if only primary benefits are taken into consideration. Counting secondary as well as primary benefits, 16 projects would pass the test at the 5-percent rate, 9 at the 7½-percent rate, and 4 at the 10-percent rate. Similar results emerged from a study of 29 Corps of Engineers projects. However, in the case of 27 Department of Agriculture watershed programs, practically all of the projects would stand up under a 5-percent rate, and two-thirds would be acceptable at a 10-percent rate, although one must add that the estimates of benefits, which are the raw material of benefit-cost analysis, appear to be subject to substantial possible error in these cases.[3]

Thus it appears that the use of a higher rate would have precluded some, but by no means all of the projects actually undertaken. I strongly recommend and urge that future Federal investments receive scrutiny in terms of a rate of interest comparable to the return to capital in the private sector. This will lead to a better use of our resources, and in the bargain may provide some possibilities for budget limitation.

[From the Southern Economic Journal, April 1962]

THE MAGNITUDE OF THE DISCOUNT RATE FOR GOVERNMENT PROJECTS

(By William L. Miller, Auburn University)

(This paper, part of a project begun during the 1960 Ford Faculty Research Seminar at Vanderbilt University, has profited from criticism by Rendigs Fels, director of the seminar, and John V. Krutilla. Neither of these obliging critics nor the Ford Foundation necessarily agrees with opinions expressed in this paper; they are not responsible for the shortcomings of the final draft.)

I

The number of Government projects which appear desirable varies inversely to the magnitude of the rate at which their time streams of benefits and costs are discounted. Appropriately enough, the question of the proper size of the discount rate for Government enterprises has received and is receiving considerable attention from economists.[1]

[3] University of Chicago Office of Agricultural Economics Research. Paper No. 5612, July 18, 1956, pp. 4–5.

[1] See especially the following: O. Eckstein, "Water Resource Development" (Cambridge, Mass.: Harvard University Press, 1958), pp. 94–104; J. Hirshleifer, J. C. De Haven, J. W. Milliman, "Water Supply Economics, Technology, and Policy" (Chicago, Ill.: University of Chicago Press, 1960), pp. 139–174; J. V. Krutilla and O. Eckstein, "Multiple Purpose River Development" (Baltimore, Md.: Johns Hopkins Press, 1958), chapter IV; R. N. McKean, "Efficiency in Government Through Systems Analysis" (New York: John Wiley & Sons, 1958), pp. 74–95; P. O. Steiner, "Choosing Among Alternative Public Investments," American Economic Review, December 1959, pp. 893–916.

This paper does not review recent work on this subject but concentrates on some matters which have not received their quota of attention.[2] Because Otto Eckstein raises the issues with which this paper is concerned and because he is highly specific in setting forth his general solution, point-of-departure use is made of his work.[3]

Eckstein assumes that government succeeds in preventing widespread unemployment or severe inflation. Government finances itself by taxation, and enough is known of the incidence of taxes to enable economists to specify to what extent a particular tax reduces consumption or investment. Furthermore, the traditional competitive model provides a usable approximation to the American economy.

In the traditional competitive model there is one capital market ruled by one rate of interest, which is the price of capital and which brings into equality plans of savers and investors. Unfortunately for the economist, the American economy has no single capital market and no one rate of interest. Instead the capital market consists of quasi-independent sectors. Partly because of differentiation and partly because of variations of risk premiums, there is a welter of interest rates, no one of which can be used for discounting by government.

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[2] No attention is paid in the body of this paper to the contributions of McKean and Steiner and to the possibility of using as the rate of discount the average of rates of return on long-term Government obligations.

For circumstances in which Government budgets are subject to change, McKean favors discounting at the market rate of interest (McKean, op. cit., pp. 76–81), but he fails to say just what market rate is to be employed. If budgets are fixed, McKean thinks discounting should be at the marginal internal rate of return for Government projects (ibid., pp. 81–88). This suggestion has little use because budgets in practice are fixed only in the short run, and, even if they were fixed in the long run, the issue of their proper size would still demand attention. See Hirshleifer, De Haven, and Milliman, op. cit., pp. 149, 169–172; J. Margolis, "The Economic Evaluation of Federal Water Resource Development," American Economic Review, March 1959, pp. 104–105.

In the article cited in footnote 1, Steiner discounts internal rates of return of private and public enterprises by the "opportunity cost of deferred consumption" or "social time preference." Though this rate performs an analytic need for him and enables him to perform an interesting integrative operation on his predecessors' work, not enough information is available on its nature and the method by which it might be computed to render it usable for solving problems other than purely conceptual ones.

Eckstein rejects use of the average rate of return on long-term governmental obligations on the ground that it does not reflect risks inherent in individual governmental projects (Eckstein, op. cit., pp. 95–96; Krutilla and Eckstein, op cit., p. 124). Three reasons why this average may not reflect these risks are (1) Government taxing power supports the bonds, and losses on projects will be paid out of tax proceeds; (2) the Federal Government can create its own money and act as both buyer and seller of bonds; (3) central bank operations designed to reduce interest rates may, during transition periods at least, depress rates on Government bonds more than other interest rates. Because rates on Government obligations fluctuate, however, it may be that at times an average of such rates would be of appropriate magnitude.

[3] See especially Krutilla and Eckstein, op. cit., ch. IV, which chapter is primarily the work of Eckstein.

Despite the existence on a complex of interest rates, averaging provides a way out. The social cost of taxation depends on whether taxes curtail consumption or investment. If taxation reduces consumption, social costs are in Eckstein's system discoverable by averaging rates of interest, net of tax reductions permitted borrowers and net of taxes paid by recipients of property income, applicable to householders primarily in their role as debtors. If taxes come out of investment, social costs are computed by averaging interest rates and returns, net of taxes paid, on investment. By using chiefly 1955 data for the United States, Eckstein found that taxes which curtail consumption involve a social cost of 5.79 percent, that those reducing investment cost society 5.44 percent, and that the weighted average of costs resulting from both forms of taxation lies between 5 percent and 6 percent.

Interests of underdeveloped regions may justify reduction of the discount rate in order to subsidize their development.

This brief sketch is not designed to present the full flavor and content of Eckstein's contribution, but merely to raise the issues which I wish to discuss. In what follows I shall argue in the manner and sequence indicated:

1. An average of rates of interest and returns in the private sector sets too high a minimum for a number of reasons. First, it requires of public enterprise higher standards than are demanded of private firms. Second, this average at times reflects some private rates of return that are too high. Third, the range of from 5 percent to 6 percent embodies short-run influences and perhaps an inflation premium which should be eliminated. The range of helpful discount rates seems narrow, and the number of fields of useful application appears limited.

2. Substantially the same discount rate appropriate for projects financed by taxation under circumstances of full employment should be used during mild or moderate inflation but not hyperinflation.

3. Substantially the same discount rate should be used regardless of the level of employment. Unemployment does not justify a lower rate than used during full employment.

4. Until all alternatives have been investigated and found wanting, the discount rate should not be lowered to promote development of lagging regions.

I shall not attempt to answer the question whether or not prospective returns on government projects can be computed and shall assume that one discount rate is appropriate for a given project throughout its life.

II

With Eckstein let us assume full employment and balanced governmental budgets. Can we with confidence use discount rates in the 5-percent to 6-percent range? I shall develop three reasons why we should not so limit the range and then present a substitute range of discount rates and indicate in broad outline the type of projects to which these rates may be applied.

(1) Eckstein notes that a discount rate of between 5 percent and 6 percent would rule out most water resource development projects as outlined in plans sponsored and under consideration in 1953–55.[4] Perhaps less rigorous standards would eliminate almost as many, but at least the minimum of the 5–6 percent range seems too high. The canons of economic efficiency do not require that Government projects meet higher standards than private business firms. It is in the nature of an average "internal rate of

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[4] Eckstein, op. cit., p. 99. As Krutilla makes clear, however, use of the 5–6-percent range would not always mean that the resources could not be developed to a smaller scale. See Krutilla and Eckstein, op. cit., p. 274.

return" that its use as a discount rate will render negative the present value of private firms for which the internal rates of return are below average.

For information on small and medium business firms Eckstein turned to data compiled by R. A. Foulke and published in issues of Dun's Review and Modern Industry for October, November, and December, 1955.[5] As indicated in table I, these issues of Dun's Review report results for 29 lines of manufacturing, 24 wholesale lines, and 12 retail lines—a total of 65 lines of business. It is interesting to see what would happen to these medium and small businesses if they were subjected to discount rates of 5 percent and 1954 profit rates were taken as internal rates of return. The profit rate on tangible net worth was below 5 percent for between one-half and three-fourths of the firms in 17 of the 65 lines of business; it was below 5 percent also in from one-fourth to one-half of the firms in 39 other of these lines. More than three-fourths of the firms in 2 additional lines could not meet the minimum Eckstein standard. Only in 7 lines were more than three-fourths of the firms able to show profit rates in excess of 5 percent of the tangible net worth. These data tell in favor of a lower minimum discount rate for Government projects than Eckstein provides. It seems reasonable that many business firms receiving less than average profits are judged successful and socially desirable, and from the standpoint of economic efficiency it is equally reasonable to regard many Government projects as worthwhile though their internal rates of return are below averages computed according to Eckstein's method.

TABLE I.—*Small and medium businesses with less than 5 percent profit on tangible net worth, 1954*

Percentage of firms with less than 5 percent profit	Number of lines of business			
	Manufacturing	Wholesaling	Retailing	Total
More than 75	1	1	0	2
50 to 75	6	8	3	17
25 to 50	17	13	9	39
Less than 25	5	2	0	7
Total	29	24	12	65

Source: Dun's Review and Modern Industry, October, November, December 1955. Data compiled by R. A. Foulke.

(2) During prosperous periods manufacturing corporations as a whole show returns on stockholders' equity in excess of 5 percent, and the size of these rates varies with that of the firms concerned. For example, in 1949 on the average a manufacturing firm with rates of return below 5 percent would have been one with total assets of less than $250,000; for in that year manufacturing corporations in this class averaged only about 5 percent on stockholders' equity, but larger firms did better. Similarly in 1955 and 1957, manufacturing corporations with assets in excess of $1 million generally showed returns on stockholders' equity considerably in excess of 5 percent.[6] We should not allow these high profits of larger manufacturing firms to influence the discount rates employed in connection with Government projects, for these firms have notoriously failed to expand until the marginal efficiency of capital has been made equal to the rate at which buyers of corporate securities are willing to make funds available.[7] Since data averaged by Eckstein included the earnings yields on common stock, which are at times abnormally high because returns on stockholders' equity are unduly large, we again conclude that an average computed according to his methodology is somewhat biased against Government enterprise. Restrictive policies of manufacturing corporations should not be built into other types of economic activity, public or private.

(3) Eckstein's method by which he arrived at the range of between 5 and 6 percent does not exclude certain intertemporal influences which should be eliminated in the interests of longer run economic efficiency. Computation of averages for other years indicates certain defects in the procedure. I have followed Eckstein twice through his statistical netherland and have arrived at results for 1949 and 1957. According to my computations, a tax reducing consumption would have involved a social cost of 6.7 percent in 1949 and 6.6 percent in 1957; a tax-reducing investment would have cost 7 percent in 1949 and 6.3 percent in 1957.[8] Because of the influence of central banking and fiscal policies, the volatile nature of such items as earnings yield on common stock, changes in the extent to which various rates of interest and return mirror anticipation of inflation, speculation on security exchanges, and so on, considerable fluctuation of averages computed after Eckstein's manner is to be expected.

If anticipated benefits and costs are to be computed in terms of constant prices, use of Eckstein's method for arriving at a discount rate will cause much mischief. A project which would be attractive within the 5–6 percent range for 1955 will be eliminated by the 6–7 percent range appropriate for 1957. If the rise in the rates for 1957 over those for 1955 represented changes in long-run normal returns, this fact would support use of Eckstein's methodology, but it is unlikely that such justification exists. Clearly we need a rate which will be valid for more than 1 year.

What we need is a "real" rate of return or perhaps a set of such rates, which in equilibrium will satisfy both the marginal rate of time preference and the marginal return from investment. Unfortunately this goal represents an unattainable ideal. We have only the prospect of a compromise solution.

One proximate solution attempts to remove the inflation premium and short-run influences allegedly incorporated in market rates. A recent example of this approach is G. L. Reuber and R. J. Wonnacott's computation of the cost of social capital in Canada.[9] These authors regard the 1959 rate on Government of Canada bonds, 5.5 percent, as the upper limit of real return to investment in Canada and the dividend rate on common stocks, 4.25 percent, as the lower limit and estimate that the riskless real rate of return to Canadian investment in 1959 was 4.75 percent. Since the gap between 4.75 percent and 5.5 percent is 0.75 percent, the combined effect, of impending inflation and short-run factors is judged to be equal to this difference. After removing this amount (.75 percent) from each available rate of interest and return and averaging, Reuber and Wonnacott conclude that the opportunity cost of borrowing in Canada in 1959 was 5.6 percent if borrowing were done by the Federal Government and 5.64 percent if it were undertaken by the Province of British Columbia. Thus, the opportunity cost of borrowing is approximately the same whether securities are sold by the Federal or provincial governments and is within the range computed by Eckstein for the social cost of taxation in the United States in 1955.

For the United States Reuber and Wonnacott estimated that the interest rates during 1959 also were abnormally high because of the influence of inflation and short-run factors. According to them, these pressures accounted for a premium of 0.75 percent. Hirshleifer, et al., think that inflation alone was responsible for a premium of between 0.5 percent and 1 percent.[10] Reduction of rates in my computations for 1949 and 1957 by 0.75 to allow for this alleged premium, would in general bring them into the range derived by Eckstein on the basis of 1955 data for the United States.

A kindred but preferable approach begins with estimates of the long-run risk-free real rates of return. For the United States and Canada, informed opinion places this rate between 3.5 percent and 4.5 percent.[11] This position gains support from the general willingness of buyers of corporate securities to make funds available for between 3.5 percent and 4.5 percent when they think that risks are comparatively low.[12] If we assume that these rates reflect preferences of householders and other lenders and that their wishes should be followed, the marginal efficiency of capital should have been driven down to about 4 percent.

According to this line of thought we are well advised to settle for a discount rate of between 4 percent and 4.5 percent where benefits and costs are highly certain of realization. If circumstances warrant, we may add a risk premium of from 0.5 percent to 2 percent.[13] At present higher premiums appear unwarranted, for a discount rate of from 6 percent to 6½ percent is high enough

[5] Krutilla and Eckstein, op. cit., p. 106.

[6] Information for 1949 based on Federal Trade Commission and Securities and Exchange Commission, Quarterly Industrial Financial Report Series, for all United States Manufacturing Corporations, Fourth Quarter, 1949, Table 6, p. 17, as computed and reported by C. B. Hoover in "On the Inequality of the Rate of Profit and the Rate of Interest," Southern Economic Journal, July 1961, p. 11. Data on profit rates in 1955 and 1957 are in Federal Trade Commission and Securities and Exchange Commission, Quarterly Financial Report, Fourth Quarter, 1955, Table 3, p. 3; Fourth Quarter, 1957, Table 3, p. 5.

[7] For development of this thesis, see Hoover, op. cit., pp. 1–12.

[8] My rates are higher than Eckstein's primarily because earnings yield on common stock and business income were higher in 1949 and 1957 than in 1955. Among minor factors is the fact that Eckstein's estimates of marginal tax rates seem too high. Compare his rates in Krutilla and Eckstein, op. cit., p. 109, with those of C. H. Kahn in his "Personal Deductions in the Federal Income Tax" (Princeton, N.J.: Princeton University Press, 1960), p. 104.

[9] G. L. Reuber and R. J. Wonnacott, "The Cost of Capital in Canada with Special Reference to Public Development of the Columbia River" (Washington, D.C.: Resources for the Future, Inc., 1961), especially pp. 7, 22, 52, 69–70.

[10] Hirshleifer, De Haven, and Milliman, op. cit., pp. 143–144.

[11] Ibid., pp. 144–145, 148; Reuber and Wonnacott, op. cit., pp. 69–70, 78–79.

[12] "Historical Supplement to Federal Reserve Chart Book on Financial and Business Statistics" (Board of Governors of the Federal Reserve System, 1960), pp. 44–45, 51.

[13] Cf. Hirshleifer, De Haven, and Milliman, op. cit., pp. 141–142, 144–148. Hirshleifer, et al., set up two discount rates as bench marks. One is the pure long-term rate of interest, believed in 1959 to be just over 4 percent. The other benchmark is an "opportunity" rate of about 10 percent. This "opportunity" rate is arrived at by taking as point of departure the average earnings for public utilities, taken in 1959 to be 5.2 percent on the assumption that equity and debt are of about equal importance. This rate is raised to over 9 percent to allow for Federal, State, and local taxes. If risks associated with government projects are generally greater than those connected with private endeavors, a marginal rate of at least 10 percent is indicated. Thus, novelty is

to eliminate undesirable projects where discounting according to the foregoing pattern can be helpful.

Discounting after this pattern has only limited usefulness in connection with government activity and should be confined to comparatively routine projects like post offices, highways, hydroelectric plants, irrigation schemes, and even schools. About the nature and likelihood of benefits from such ventures we know a great deal, though not enough, from both private and public experience. Furthermore, for such projects government can reasonably be expected to have aversions to risk similar to those of private enterprise.

The discount policy favored in this paper has nothing to contribute toward evaluation of projects in many fields of government action, such as interplanetary travel and atom smashing.[14] While we know little or nothing ex ante about the nature and likelihood of a favorable outcome from these activities, we as people are overwhelmingly of the opinion that government should engage in them. Economists can add nothing by recommending a discount rate of 40 percent or some higher rate that might measure response of private investors to risks and uncertainties involved.

III

Let us assume that we have settled upon a range of discount rates between 4 percent and 6.5 percent for projects financed by taxation during a period of full employment. Should this range be modified downward (1) to promote the interests of posterity, (2) to evaluate projects whose financing involves deficit spending, (3) to relieve unemployment, and (4) to aid lagging regions? Since, to my thinking, the problem of the interests of future generations has received adequate consideration elsewhere,[15] I shall confine discussion to the other three items.

First, can the 4–6.5-percent range be applied to a world of high level employment and deficit financing by Government? Full employment deficit models in which Government obtains resources from domestic sources are of two broad types, those in which the quantity of money remains constant and those in which it rises. First, let us suppose that Government borrows monetary savings of householders and private business firms. If borrowing is from a wide range of householders, business firms, or both, the social cost of this borrowing should approximate that of taxation. Any computation indicating that it costs different amounts to take the same resources from the same people should raise doubts as to the worth of the basic method for evaluating social costs. Only in marginal cases, in which additional taxes would hinder production but borrowing would not, would social costs vary between the two methods of getting resources.

Inflation is a substitute for taxation; it transfers resources to the Government as a result of two developments. To set either or both of these afoot, the Government causes new money to be created and in effect offers attractive prices to producers, who sell. Goods are removed from the market and additional money is injected. If output can be increased, as will be possible under conditions of unemployment induced by a deficiency of effective demand not associated with low marginal productivity, prices need not rise.

If, however, spending rises faster than output, prices move upward. Government gets resources; the private sector gets higher prices. The other way in which increases in output or prices shift resources to government is by increasing its real take from taxation. For example, with a progressive income tax more and more people pay higher taxes because they are driven into higher tax brackets. From the standpoint of economics, inflation transfers resources to the Government which could be obtained by taxation.

For analysis of the social cost of inflationary finance, one must use a minimum of two models, one for hyperinflation and one for lesser varieties. Since a large number of factors influence the distribution of income, isolation of the effect of each during a period of mild inflation is very difficult, but investigations of the post-1939 inflation in the United Kingdom and the United States indicate that inflation experienced in these countries did not significantly affect the distribution of income among broad social groups—laborers and owners of property, recipients of high and low incomes.[16] Consequently, as a first approximation we may conclude that in real terms the cost of obtaining resources by mild inflation approximates the cost of securing the same resources by taxation. On this assumption, the same discount rate should be used for projects involving either taxation or mild inflation. This solution assumes, of course, that moderate inflation involves no social costs except those which would result from taxation; and for broad social groups this assumption appears reasonable, for in general a mild or even moderate inflation allows time for adjustments which prevent some or even most of the harmful effects of hyperinflation. However, even during mild inflation older families and retired persons and others whose incomes lag suffer at least during transitional periods before institutional adjustments are made to eliminate redistributional effects. If society thinks that those hurt by mild inflation should not bear this burden, it may be helpful to call attention to this judgment by requiring a slightly higher discount rate for projects financed by inflation than is demanded of those brought about without it.

Hyperinflation is another matter. In the first place, severe and rapid inflation results in drastic changes in distribution of income. Thus, in the great German inflation of the 1920's, labor's share in the national income declined but only after prices began to rise at the rate of 20 percent a month.[17] Similar results accompanied the Hungarian inflation of 1945–46, but the evidence from Greek inflation of the same period is not clear.[18] In addition, hyperinflation imposes other costs on society, which are commonplace. Clearly a discount rate suitable for ventures financed by taxation cannot be applied to those whose execution is associated with hyperinflation.

IV

Up to this point we have been concerned with a discount policy suitable for domestic programs under conditions of full employment. We shall continue with domestic policy but turn our attention to the matter of a proper policy during unemployment attributable primarily to some source other than a shortage of cooperative factors of production. Should the discount rate used during full employment be applied to a situation of widespread unemployment? I think so.

Though in the presence of unemployment Government spending can be increased without curtailing output in the private sector, this happy result is not inevitable. Whether Government employment of resources in this situation involves a cost to the private sector depends in part on the method of finance used. Taxation during periods of unemployment certainly involves a cost to the private sector by curtailing consumption, preventing debt reduction, reducing money balances which later will in part be spent to increase consumption and investment, and—probably most important of all—excluding deficit financing which would stimulate employment.

During unemployment deficit financing is less costly to the private sector than taxation. When there is unemployment, Government can raise income and employment by deficits created by either or both of two ways, cutting taxes and increasing expenditures. As long as tax cuts will increase income, otherwise worthless increases in governmental outlay cannot be defended simply on the ground that they will raise national income. Government projects that are really worthwhile take a long time to get under way. Hence, it could be argued that, in the early days of the New Deal, boondoggles were justified in the short run. The reply is that reductions of taxes can be instituted as fast as boondoggles, provide jobs almost as quickly, and result in more efficient use of resources. The opposition may counter that reduction of taxes in the early days of the New Deal would have gone in large part to increase the size of hoards held by wealthy individuals. What merit this argument may once have had has been removed by the tendency of the personal income tax to become everybody's tax and not a tax paid almost exclusively by people in very high income brackets. More than ever, prospective increases in Government expenditures must offer a return greater than zero over and above their contribution to employment.

At least two factors indicate that this return must be considerably in excess of zero. Alternatives available to Government normally will provide services considerably above zero worth. Even if resources transferred from the private sector do not at that moment reduce its efficiency, the Government cannot afford to make frivolous use of these resources unless it has no alternative. Generally long before frivolous use becomes attractive, rising employment will lift the opportunity cost of removing resources from the private sector to a positive figure, regardless of the method of finance employed by the Government.

In times of severe unemployment government intervention should aim toward full employment. When governments are committed to drastic intervention in the case of rapid falls in income, the presumption is that this state will be quickly attained.

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attained by including taxes in the discount rate, whereas most economists would count them as reductions of benefits. In essence these authors take the basic rate of 4 percent, add a risk premium of 2.2 percent, and then adjust the discount rate upward to allow for taxes.

Like Margolis, I was at first surprised at the smallness of the range of discount premiums suggested by Eckstein (0.5 percent to 2 percent), but I have become convinced that a much larger range can have little use. (Eckstein, op. cit., p. 86; Margolis, op. cit., p. 101.)

[14] Cf. R. N. McKean, "Evaluating Alternative Expenditure Programs," Public Finances: Needs, Sources, and Utilization (Princeton, N.J.: Princeton University Press, 1961), especially pp. 350–352.

[15] Hirshleifer, De Haven, and Milliman, op. cit., pp. 118–121; Krutilla and Eckstein, op. cit., pp 126–127; McKean, "Efficiency in Government," p. 118.

[16] G. L. Bach and A. Ando, "The Redistributional Effects of Inflation," Review of Economics and Statistics, February 1957, pp. 2–5, 12–13; A. J. Brown, "The Great Inflation, 1939–1951" (London: Oxford University Press, 1955), pp. 116–120; J. B. Kravis, "Relative Income Shares in Fact and Theory," American Economic Review, December 1959, pp. 917–947.

[17] Brown, op. cit., p. 114; C. Bresciani-Turroni, "The Economics of Inflation" (London: Allen and Unwin, 1937), pp. 300–313.

[18] Brown, op. cit., pp. 114–115.

Government use of resources for a little needed airport instead of for a more needed school will impair efficiency in the subsequent state of full employment.

In short, the full employment model cannot be discarded simply because of unemployment. Instead, it probably provides the best answer, not always to the question whether government should increase expenditures but at least to the problem of allocating the budgeted aggregate of governmental outlay. Accordingly, a discount rate appropriate for full employment does not lose its relevance during unemployment.

V

Lagging regions are characterized by unemployment and underemployment of labor resulting chiefly from two sources—(1) a deficiency of cooperating factors of production and (2) high net reproduction rates coupled with failure or inability of richer regions to drain off excess population directly by immigration or by proxy through imports of produce. Champions of lagging regions may favor employment of low rates of discount in order to subsidize development. Involved is the debatable proposition that this type of subsidization is the best policy for stimulating advance of these regions.

According to the late Ragnar Nurkse, world trade was much more an engine of growth in the 19th century than it has been in the 20th, for during the earlier period growth in income in the rich countries was accompanied by a greater expansion in imports from poor countries, whereas in the 20th century growth in the advanced countries has resulted in a relatively smaller growth in imports from backward countries.[19] The contrast while Nurkse found between the 19th and 20th centuries exists in the world today. Currently there are two types of lagging regions, those which can be eliminated by more rapid development of richer areas and those which cannot be removed in this way. The first category consists of regions already comparatively well off and poor areas which supply items in great demand in rich countries. The southern part of the United States provides an example of this first category; Indonesia probably falls in the second.

The southern part of the United States already ranks high among the richer regions of the world and can be regarded as poor only in comparison to the remainder of the United States. In periods of overemployment, as during World War II, per capita income in the South grows at a rate surpassing that for the rest of the United States.[20] If our impatience demands it, Government action to drive the economy beyond full employment to World War II levels for a period of 5 years would probably eliminate most if not all economic inferiority of the South. Even this line of action might prove cheaper than prolonged subsidization of enterprises located in the South. Patience may enable us to use less drastic remedies.

During periods of high level activity but less than overemployment, the South tends to advance at a rate approximating that of the rest of the country. Eventually, however, the South probably stands to gain relatively during such periods. The average age of those employed in its sickest industries is rising,[21] so that in the future mere maintenance of a high level of employment is likely to result in a rise in per capita income in the South which will surpass that in the rest of the country. Aging of the farm population helps in two ways. First, it reduces the crude birth rate. Second, because of rising death rates among aging farmers, more and more of them will migrate to some part of the hereafter. With help from these two sources, a lower net migration from agriculture into other industries is required than would otherwise be the case. Because of the rising age of farm operators, a future policy designed to maintain simply a high level of employment may well provide an even cheaper way to promote the relative advance of the South Success of this policy would make overemployment an unquestionably submarginal alternative.

To the extent that labor is immobile because of ignorance of job opportunities or because workmen cannot afford transfer costs, Government provision of job information, migration and resettlement loans, and even subsidies for those unable to migrate without this form of assistance, provide alternatives to subsidization of manufacturing, trade, and transport in the lagging regions.[22]

The problem of lagging regions within a country is only one among many rivals, all with their claims for governmental support. National Government should be concerned with the country as a whole. Accordingly, even if Government does not elect to promote a high level of employment to drain lagging regions of excess population, Government may give priority to a venture in an advanced region, for this project may have a higher internal rate of return than one in a poorer region even though a positive value for improvement is included among benefits derivable from the project in the backward area. Even if presumption lies in favor of subsidizing lagging sections of the United States, ignoring a part of the social cost of this policy leads only to confusion.

Because many poor countries have a high rate of population growth, a slow rate of technological advance, a scarcity of entrepreneurship, lack of skilled and disciplined labor, discontinuities in the accumulation of these resources and of capital, and so on, per capita income in these economically backward countries may not rise as a result of growth of rich countries and is even less likely to rise enough to remove much of their economic inferiority. Quite properly, development of a poor country like Indonesia may be judged to have value in its own right. In fact, aid to a poor country like Indonesia may be worth more to us than it is politically or even economically able to repay. In order to promote economic development in a poor country, subsidization may be consistent with economic efficiency in the United States because no alternative presents itself; but the worthwhileness of this policy provides no ground for ignoring the social cost to the people of the United States.

VI

We have dealt with the problem of the proper discount rate for use in evaluating certain government projects under four sets of circumstances—(1) full employment and balanced governmental budgets, (2) full employment and governmental deficits, (3) unemployment attributable to some factors other than a deficiency of complementary factors of production, and (4) unemployment and underemployment, characteristic of lagging regions, which are associated with a relative deficiency of complementary factors of production. In general, we have concluded that the same range of discount rates should be used in all circumstances. The major exceptions result from hyperinflation and from the apparent existence of poor regions where reduction of the discount rate is the only tool available for promoting development.

Often if not always, averaging rates of interest and returns in the private sector does not provide a satisfactory discount rate for governmental projects. Because of year-to-year fluctuations, such averages make projects attractive in some years but uneconomic in others. Indications are that we should look for a longer run real rate of return comparatively free of inflationary and short run influences. Estimates by economists and rates at which buyers of corporate securities are willing to make funds available to private business indicate that the minimum riskless rate is in the neighborhood of 4 percent. This rate might well be used for government projects for which risks are low. When circumstances demand, we may add risk premiums of from 5 percent to 2 percent, but at present we probably cannot develop helpful rates at higher levels.

That the minimum discount rate should be below 5 percent, the minimum of Eckstein's range, gains support from two additional facts. First, use of average rates from the private sector demands higher standards of public than of private enterprise. Enterprises with rates of return below the average are tolerated in private but not public ventures. Second, at times some private rates of return are too high because of restrictive practices in the private sector.

Finally, discounting in the manner indicated is most helpful in evaluating projects about which we have considerable knowledge of the nature and likelihood of success. It has little or nothing to offer when activities like interplanetary travel, certain types of research, and much military planning are in question.

EXCERPT FROM PRACTICAL LOGIC OF INVESTMENT EFFICIENCY CALCULATIONS

3. THE INTEREST OR DISCOUNT RATE

It is not often realized how sensitive efficiency calculations are to the rate of interest or discount assumed. Since in water-supply projects the bulk of the expenses are normally incurred early in the history of the development, while benefits are stretched over a relatively long period, a low interest rate makes projects look good, while a high interest rate makes them appear bad. In the previous chapter we have seen that typical Government procedure—on Federal, State, and local levels—is to use in efficiency calculations the relatively low rates in the range of 2 to 4 percent at which governments can borrow. Also, we have seen that, for private utility corporations, the influence of the corporate income tax requires a project to promise somewhere in the range of 10 percent pretax yield before it can be considered profitable, implying the use of a discount rate in this higher range.

In recommending practice for public works, Grant urges the use of a "minimum attractive rate of return," which would normally be higher than the borrowing rate. For this he adduces two different types of considerations: (1) That, if there are projects that are economic but are not being adopted because of limited budgets, the discount rate should be the marginal opportunity rate (the prospective return from alternative investments), and this will be higher

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[19] R. Nurkse, "Equilibrium and Growth in the World Economy," ed. by G. Haberler and R. M. Stern (Cambridge, Mass.: Harvard University Press, 1961), pp. 282–304.

[20] C. B. Hoover and B. U. Ratchford, "Economic Resources and Policies of the South" (New York: Macmillan Co., 1951), pp. 43–64; S. L. McDonald, "On the South's Recent Economic Development," Southern Economic Journal, July 1961, pp. 30–33; B. U. Ratchford, "Patterns of Economic Development," ibid., January 1954, pp. 219–226.

[21] For example, between 1930 and 1954 the percentage of farm operators in the United States under 35 years of age declined from 23 to 15; during the same period the percentage over 55 rose from 28 to almost 40. U.S. Department of Agriculture, "Family Farms in a Changing Economy," Bulletin No. 171, March 1957, p. 31, cited by P. Dorner, "The Farm Problem: a Challenge to Social Invention," Journal of Farm Economics, November 1960, p. 825, fn. 28.

[22] F. T. Bachmura, "Man-Land Equalization Through Migration" American Economic Review, December 1959, p. 1013.

than the borrowing rate; (2) that there should be allowance for such factors as risk, tax exemption of State and local bonds, and the value of money to taxpayers.

We regard these points as generally well taken[1] though requiring some discussion. The first consideration refers to the "capital rationing" situation mentioned earlier. In this case the limited budget of an agency may require it to stop investing when it still has marginal projects capable of yielding, say, 10 percent, despite the fact that the market rate of interest is lower, say, 3 percent. Here discounting at the market rate may lead to the adoption of a project yielding barely 3 percent, which would be a mistake if alternative investments yielding more are available as assumed. The natural solution to this problem, and the one urged by Grant (and others), is to use the marginal opportunity rate—in this case the internal rate of return on the marginal project—as the discount rate. Unfortunately, this solution is not a generally correct one, as will be shown in the appendix to this chapter. A preferable procedure, which will always lead to correct results so long as only funds of the current period are assumed to be rationed, is to compare projects on the basis of their present value as of time 1 (the value of the time stream for periods 1 through n, calculated back to time (1) per dollar of current funds. The formula to use is V_1/c_0, where

$$V_1 = s_1 + \frac{s_2}{1+i} + \ldots + \frac{s_n}{(1+i)^{n-1}}$$

(assuming a constant market rate of interest, i), and c_0 is the fund input for the current period. The formula is only applicable where a fund input for the current period is required (where no current input is required, the rationing of current funds is irrelevant). The rule is successively to adopt projects with the highest values of this ratio until the fixed budget is exhausted or until the alternative use of funds elsewhere becomes more desirable than further investments. Which of these conditions will apply depends upon whether the rationing requires exhaustion of the budget on investments or merely limits the total current funds so as not to exceed the budget made available, without ruling out shortfalls. A general treatment of the problem is investment decision under capital rationing appears in the appendix to this chapter.

We have relegated the technical discussion of optimizing under capital rationing to an appendix because we do not believe that this represents a practically important situation. The size of Government budgets for water supply, or for other types of projects, should not be considered fixed but should be determined by the efficiency of the projects that might possibly be undertaken. For this reason, we believe that cases will only rarely arise requiring use of the rather complex efficiency calculations described in the appendix as strictly necessary under conditions of capital rationing.

With regard to the second type of consideration raised by grant (allowance for risk, tax advantages of public projects, etc.), we indicated in our theoretical discussion of the previous chapter that risk should ideally be handled by expected-value estimation of costs and benefits, plus risk-aversion adjustment, if any, rather than through the interest rate. The discount rate to use would then be an estimate of the riskless marginal productivity of capital in the private sphere, which we estimated as currently near 5 percent (including allowance for property taxes). It is vital to emphasize that so low a discount rate is appropriate only if the cost and benefit estimates have been made so conservatively as to be certainty-equivalents as far as decisions are concerned. Unfortunately, we know that a degree of overoptimism is almost inevitably involved in the selection and evaluation of investment projects. Even for utility investments in the private sphere, we have seen that the capital market will supply funds only for projects promising (with the average degree of riskiness experienced in that sector) to yield around 9 or 10 percent. Unfortunately, public investment decision processes have on the whole a far worse record of overoptimism, so that the lowest discount rate for public projects we would recommend in practice, unless and until their record improves, is around 10 percent.

[1] We disagree, however, with one of Grant's points—that investments reducing government costs should be accepted with a lower required rate of return than investments reducing private costs. This departs from the fundamental principle of equating the productivity of capital on the margin in all employments.

EXCERPT FROM INVESTMENT IN ADDITIONAL WATER SUPPLIES

D. RISK, TAXES, AND THE DISCOUNT RATE

1. The discount rate and financial feasibility

In the calculation of both benefits and costs, the rate of discount is typically a critical element. Costs are incurred, predominantly, in the early years of a project, while benefits may be stretched out into the relatively distant future. The arithmetic of compound interest so works out that a benefit of $1 50 years from now has a present value of $0.37 at a discount rate of 2 percent, $0.14 at a rate of 4 percent, and $0.03 at a rate of 7 percent. High discount rates make projects look undesirable; low discount rates make them look desirable.

In the earlier portion of this chapter we distinguished between financial feasibility and economic feasibility. Conservative critics of Government investment projects have typically been anxious to insist on a criterion of financial feasibility, that is to say, a showing that a project will lead to revenues sufficient to cover all costs including interest on the capital borrowed for the project.[1] Supporters of enlarged Government programs, on the other hand, have typically attempted to justify projects by showing that there are economic benefits over and above the financial revenues which the project might bring in.

It is essential to the logic of the idea of financial feasibility that the discount rate be equal to the rate at which the Government can borrow. If the Government can borrow $1 million at 2.5 percent, then a project yielding net revenues of $25,000 a year is financially feasible, because the Government's interest cost is $25,000 a year. Any return over 2.5 percent represents a good project, that is, one that yields a financial profit to the Government, permitting a reduction in taxes or an increase in other Government expenditures.

The school of thought that maintains that the financial feasibility requirement is too stringent tends to favor the use of a lower rate of interest than the Government borrowing rate for evaluating public projects. All such low-interest schemes (compare the artificially low rates on loans to such groups as veterans) are typically defended by certain distributional arguments which we will not attempt to analyze. Abstracting from the distribution question, we argued above that such a procedure must lead to the construction of inefficient projects if in some sectors of the economy a standard of perhaps 5 percent is insisted on while in others projects yielding only, say, 2.5 percent are permitted. Even if the Government uses a constant rate (lower than the market) for all its projects, the market rate will be the rate used as a standard by private interests, and so again there will be inefficiency.

[1] See, e.g., Task Force on Water Resources and Power for the Commission on Organization of the Executive Branch of the Government ("Hoover Commission"), Report on Water Resources and Power (Washington, D.C., 1955), I, 104–6.

2. Risk

In the opposite direction, an important argument to evaluate is the contention that what is financially feasible may not be economically desirable and, specifically, that a rate higher than the Government borrowing rate should be used in discounting costs and benefits of Government projects—primarily to allow for risk, though, as we shall see, taxes and certain other considerations may also enter in. In private and public investment decisions, considerations of risk must obviously play an important role. In fact, for wide classes of investments the risk premium insisted upon by lenders exceeds in magnitude the pure interest charge for the use of the capital. It is of great importance to recognize that there are two different kinds of risk premiums.

Consider, for example, a debt instrument of a given maturity for which the riskless rate would be 5 percent but where there is a one-half chance of default of the interest (repayment of the principal is assumed to be certain). The quoted interest rate would then have to be 10 percent to give the investor the same "expected" or average return as the 5 percent rate on riskless instruments. If there were some risk of default of principal as well, a still higher quoted rate would be required to yield 5 percent after allowance for average loss through default. This risk premium we shall call the expected-value adjustment.

The second factor to be considered is "risk aversion"—that the investor might dislike risk for its own sake and might be unwilling to lend in the case just discussed (a 50 percent chance of default of interest) until the quoted rate reached, say, 12 percent. That is, he is indifferent between a riskless return of 5 percent and a one-half chance of getting 12 percent. On the other hand, an investor who liked to take chances might be indifferent between a riskless rate of 5 percent and a one-half chance of 8 percent. The risk-aversion premium can thus be either positive or negative. Whether on balance investors demand a positive risk premium over and above the expected-value adjustment is a question on which evidence is conflicting.

The distinction between the two kinds of risk premiums is relevant for an argument often made about the comparative superiority of Government when it comes to bearing the risk of large projects. Since the Government is in a position to pool the risks of many such projects, the law of large numbers permits it (so it is argued) to act purely on the basis of the expected return, whereas private capital may insist on a risk-aversion premium in addition. We cannot evaluate this argument until we know something more about whether in fact investors do demand such premiums.[2]

[2] If they do, the expected rate of return (after expected value adjustment) on capital invested in risky industries and enterprises should be greater than in relatively safe industries and enterprises. The existence of insurance is some evidence in favor of the existence of risk aversion, since insurance is not mathematically fair and involves a sacrifice of expected return for greater security of return. On the other hand, not all insurable risks are in fact insured, so the existence of insurance does not prove that the capital market as a whole insists on a positive risk-aversion premium. The existence of gambling provides some

Even if they do, however, the corporate form permits investors to spread their risks by buying small shares in many different enterprises, so it is still by no means obvious that Government has any such advantage in engaging in risky projects as that claimed. It is vital to remember, however, that this entire argument relates to the risk-aversion factor and not to the expected value adjustment, though in fact the two are often confused.[3] If Government is in a position to make an investment that will double with 50-percent probability, or else be lost entirely, the expected gain is zero. The fact that Government can pool many risks does not in any way permit it to ignore the effect of the risk of failure upon the expected return for this or any particular project or group of projects.

Let us suppose that a certain project might be built by the Federal Government or by a private corporation, the risks of failure of the project being the same in either case. (By "failure of the project" we mean that the actual outcome reveals either an overestimate of benefit or an underestimate of cost, or both, sufficient to make the net balance of economic considerations a negative one.) The Federal Government can at times borrow, say, at 3 percent when the corporation would have to pay perhaps 5.5 percent (assuming a balance between debt and equity capital). Because of its unlimited repayment ability, the borrowing power of the Federal Government is essentially unaffected by the riskiness of the projects engaged in. Nevertheless, the Government should use as its discount rate the one effective for private borrowers engaged in projects of comparable risk (in this case, 5.5 percent, ignoring any tax adjustments) if the marginal productivity of capital is to be equated between the private and Government sectors. The pooling-of-risks argument does not apply here unless the higher private borrowing rate incorporates an element of risk aversion (which we believe to be small at best).

If there were on balance positive risk aversion, there would in fact be a kind of natural advantage of large enterprises over small and, particularly, of Federal enterprises as compared with any others, since the Federal Government could engage in more pooling of risks. In the case of States or local authorities, again there is generally some ability to borrow at favorable rates because the taxing power provides a protection to the investor over and above the prospective profits of the projects engaged in. (Even for private corporations there will typically be a fair amount of reserve ability in the corporation to pay debts over and above that based on the prospective success of particular projects.)

One interesting point here is the existence of the institution of the revenue bond, for which the repayment power is limited to the prospective revenues of the projects borrowed for. Revenue bonds, of course, typically must be sold at prices yielding higher interest rates than general obligations of the Government unit involved. The market rates involve investors' estimates of the real riskiness of the projects. Our present argument really comes down to saying that ideally all projects should be evaluated as if they were to be financed by revenue bonds. Only if this were done would the principle of financial feasibility be appropriate, so far as the discounting rate is concerned.

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evidence in the opposite direction—that some people are willing to sacrifice expected return for insecurity of return.

[3] The discussion in Krutilla and Eckstein (op. cit., pp. 122–24) does not clearly distinguish between the two concepts in making the pooling-of-risks argument.

ESTABLISHMENT OF SELECT COMMITTEE ON THE ECONOMIC IMPACT OF NATIONAL DEFENSE

Mr. HART. Mr. President, recently on the Senate floor we had another go-around on the subject of the distribution of defense contracts. We continue to have acrimonious charges and countercharges. Increasing numbers of us express concern at the seeming overconcentration of defense contracts in a few selected areas of the country, while labor-surplus areas with idle industrial capability are bypassed.

Additionally, we are now alerted to the fact that where research and development goes, there also tend to go the defense contracts. And defense expenditures for research and development are likewise being concentrated in a very few areas.

Those of us who do not think this is healthy for the economy of the Nation—and a strong economy is essential to the national defense—have many unanswered questions:

First. Why has this concentration of nonprofit research and development effort occurred?

Second. Is such concentration desirable from the defense viewpoint?

Third. Does this concentration tend to foreshadow the geographic location of future production awards?

Fourth. If there are areas with useful potential in research and development, not now fully utilized, are there suitable means by which defense can take advantage of these resources?

These are just a few of the most recent unanswered questions. There are many others. Essentially, Mr. President, the problem boils down to this: There exists nowhere to my knowledge—and I have been grappling with this daily since I have been a Member of this body—a comprehensive review and analysis on which to answer these questions. That we should spend our billions for defense with complete logic and in the Nation's best interest, all agree; we want to and perhaps we are but, admit it, we do not know; we only hope. We have no way of judging. We need a thorough blueprint, and there is none.

In the 86th Congress and again last year I submitted resolutions to create a Senate Select Committee on the Economic Impact of National Defense. These were referred to the Senate Banking and Currency Committee and no action has been taken on them. I am more convinced as each day passes that we must have such a fundamental study. Therefore, I have revised somewhat the scope of the resolution in the hope of removing objection to it. I emphasize that the composition of the committee as suggested here is just that, a suggestion; certainly any modification developed by Banking and Currency Committee members which would still meet the objective would be welcome.

May I urge that before adjournment we set up the study group contemplated here, in order that we may have at hand without further delay this much needed information.

This is not advocated as a device to get contracts to or away from anyone. It is proposed so that, hopefully, a total evaluation can be made.

Joining me in submitting the new resolution are Mr. CASE, Mr. CLARK, Mr. DOUGLAS, Mr. GRUENING, Mr. HARTKE, Mr. HUMPHREY, Mr. JAVITS, Mr. LAUSCHE, Mr. MCCARTHY, Mr. MUSKIE, Mr. PELL, Mr. PROXMIRE, Mr. RANDOLPH, and Mr. WILLIAMS of New Jersey.

Mr. President, for myself and the Senators named, I submit the resolution, for appropriate reference.

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

The resolution (S. Res. 375) was referred to the Committee on Armed Services, as follows:

Whereas a strong economy is essential to the continued welfare of the Nation, to its agricultural and industrial development, and to the national security; and

Whereas Congress has recognized the need for controlling inflation and providing maximum production and employment; and

Whereas the spending of the Department of Defense is the largest single item in the national budget at the present time; and

Whereas the world situation indicates that this situation will continue into the foreseeable future; and

Whereas the impact of this spending has a direct relationship to the Nation's economic well-being; and

Whereas the defense expenditure policy could have significant bearing on business competition and monopoly; and

Whereas the termination, modification, or increase of the major defense undertakings frequently result in serious dislocation of the Nation's labor force; and

Whereas maximum return for defense expenditures is essential to our continued prosperity; and

Whereas the Senate, in connection with provision of funds adequate for national defense and maintenance of a sound economy, desires to have recommendations relative to methods to achieve these essential goals: Now, therefore, be it

Resolved, That there shall be established a select committee of the Senate which shall make exhaustive studies of the extent to which defense procurement policies in the United States are related to the national economy, to the end that such studies and the recommendations based thereon may be available to the Senate in considering defense procurement policies for the future. The committee shall be designated "The Senate Select Committee on the Economic Impact of National Defense."

SEC. 2. (a) The committee shall be composed of three members of the Committee on Armed Services, three members of the Committee on Banking and Currency, three members of the Committee on Labor and Public Welfare, three members of the Committee on Finance, and three members of the Select Committee on Small Business; all said members to be designated by the chairman of the respective committees, at least one member designated from each of the above committees being selected from the minority membership thereof. In addition, there shall be three Members of the Senate designated by the President of the Senate, at least one being from the minority membership thereof. The committee shall cease to exist at the close of business on January 31, 1964.

(b) Any vacancy in the membership of the committee shall not affect its powers, and any vacancy in the membership of the committee shall be filled in the same manner

as provided for determining the original membership.

(c) Nine members of the committee shall constitute a quorum.

(d) The chairman shall be chosen by the members at the first meeting.

SEC. 3. The committee shall conduct a comprehensive study and investigation with respect to the following matters:

(a) The impact of defense procurement spending on the national economy from 1946 to the present time;

(b) The extent to which this spending is currently affecting our economy;

(c) Estimate of future trends in defense spending and their effect on the economy;

(d) Steps which could be taken consistent with the defense effort, to minimize the inflationary and deflationary effects of defense spending;

(e) The character of legislation that may encourage the adoption of new methods and improved processes of defense procurement which will result in the least depletion of our national strength; and

(f) Such other factors it may consider necessary to attain a full and complete understanding of the impact of defense spending and defense procurement policies upon our national economy, our foreign policy, and the national defense.

SEC. 4. (a) For the purposes of this resolution, the committee is authorized to (1) make such expenditures; (2) hold such hearings; (3) sit and act at such times and places during the sessions, recesses, and adjournment periods of the Senate; (4) require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents; (5) administer such oaths; (6) take such testimony orally or by deposition; and (7) employ and fix the compensation of such technical, clerical, and other assistance and consultants as it deems advisable, except that the compensation so fixed shall not exceed the compensation prescribed under the Classification Act of 1949, as amended, for comparable duties.

(b) Upon request made by the members of the committee selected from the minority party, the committee shall appoint one assistant or consultant designated by such members. No assistant or consultant appointed by the committee may receive compensation at an annual gross rate which exceeds by more than $1,200 the annual gross rate of compensation of any individual so designated by the minority members of the committee.

(c) With the prior consent of the executive department or agency concerned and the Committee on Rules and Administration, the committee may (1) utilize the services information, and facilities of any such department or agency, and (2) employ on a reimbursable basis the services of such personnel of any such department or agency as it deems advisable. With the consent of any other committee of the Senate, or any subcommittee thereof, the committee may utilize the facilities and the services of the staff of such other committee or subcommittee whenever the chairman of the committee determines that such action is necessary and appropriate.

(d) Subpenas may be issued by the committee over the signature of the chairman or any other member designated by him, and may be served by any person designated by such chairman or member. The chairman of the committee or any member thereof may administer oaths to witnesses.

SEC. 5. The expenses of the committee under this resolution, which shall not exceed $175,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

COMMUNICATIONS SATELLITE ACT OF 1962—AMENDMENT

Mr. CLARK submitted an amendment, intended to be proposed by him, to the bill (H.R. 11040) to provide for the establishment, ownership, operation, and regulation of a commercial communications satellite system, and for other purposes, which was ordered to lie on the table and to be printed.

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

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

By Mr. WILEY:

Excerpts from address prepared for delivery by him over Wisconsin radio stations, August 4–5, 1962, relating to the homecoming of the 32d Division, Wisconsin National Guard.

Excerpts from address prepared for delivery by him over Wisconsin radio stations, August 4, 1962, relating to programs to meet the challenges of agriculture.

CONGRESSIONAL FRINGE BENEFITS

Mr. CARLSON. Mr. President, last week the distinguished senior Senator from Delaware [Mr. WILLIAMS] placed in the CONGRESSIONAL RECORD a letter he had writeen to Worth Bingham, Washington correspondent for the Louisville Courier-Journal, regarding an article on congressional fringe benefits. The article written by Mr. Bingham was factually analyzed by the Senator from Delaware.

Joe Lastelic, Washington correspondent for the Kansas City Star, wrote an article regarding Senator WILLIAMS' letter. The article, entitled "Senator Gives Other Half of a Half-Truth Exposé," was printed in the August 3 issue of the Kansas City Star; and I ask unanimous consent that it be printed in the RECORD as a part of these remarks.

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

SENATOR GIVES OTHER HALF OF A "HALF-TRUTH" EXPOSÉ

(By Joe Lastelic)

WASHINGTON, August 3.—Senator JOHN J. WILLIAMS, Republican, of Delaware, who opened his files and bared his soul to a correspondent for a series of articles about how much Members of Congress make financially is sorry he did.

WILLIAMS is not much of an orator, but he is a meticulous man and when he speaks on the Senate floor his colleagues and members of the galleries listen carefully. For beneath all the facts and figures the Senator from Delaware comes up with the full, complete, and truthful picture of any point he has investigated.

Today WILLIAMS inserted a letter into the CONGRESSIONAL RECORD which he had written to Worth Bingham, Washington correspondent for the Louisville Courier-Journal, taking up paragraph by paragraph Bingham's copyrighted stories on congressional fringe benefits.

The series was widely printed throughout the country and appeared in part in the Kansas City Star.

"Oftentimes the printing of a half-truth can be even more misleading than a lie," Senator WILLIAMS said. "What Mr. Bingham failed to point out was that these allowances to operate an office do not accrue to a Member if the funds are not actually spent in the official conduct of his office. He failed to explain that the unused portion of any allowance reverts to the Treasury as unexpended funds."

WILLIAMS said he furnished Bingham an itemized breakdown of his own accounts of allowances and expenditures for office rental in his home State, telephone, telegraph tolls and stamps, and stationery. That totaled $16,894 in his own case, the Senator went on, but he only spent $891.56 of it. The unexpended part remained in the U.S. Treasury and did not and does not accrue to the Senator as compensation.

"There is no excuse for these errors," WILLIAMS wrote to Bingham. "I opened the records of my office for your examination and therefore I know that you had the correct information in your possession; but in writing your story you used only a part of this information and thus, quoting half-truths completely distorted the picture."

WILLIAMS went on to point out he is the author of several laws to correct expense abuses. He urges the requirement of itemized expense accounts by Members on junkets, a law prohibiting free rides on ships, and tightening regulations on junk mail.

He had this parting shot for Bingham:

"I am not trying to claim that there has been no abuse of some of these expense allowances by some Members; but I will state that in my opinion those abuses are the exceptions rather than the rule, and while any abuse should be criticized when discovered, a blanket indictment against any group is never justified. I review this record to show you why I so strongly resent the inferences in your articles that every Member of Congress is a crook and that he is chiseling on his expense account to the tune of $15,000 to $20,000 a year."

GIFTS TO MINORS IN THE DISTRICT OF COLUMBIA

Mr. MANSFIELD. Mr. President, during the call of the calendar yesterday afternoon, S. 3146, a bill to amend the act concerning gifts to minors in the District of Columbia, was amended by the adoption of certain committee amendments.

H.R. 11018, a companion House bill, received from the House yesterday, was then taken up and passed without amendment.

Two of the committee amendments to the Senate bill should have been incorporated in the House bill. Therefore, in order to harmonize the House bill with the Senate bill, I ask unanimous consent that the vote on the passage of H.R. 11018, together with the vote ordering its third reading, be reconsidered and that it be amended by substituting for section 5 the language of the committee amendment in the Senate bill relating to the subject matter of that section, and also be amended further by adding on page 14, after line 23, a subsection, both of which amendments I send to the desk.

The amendments are as follows:

Strike out all after line 12 on page 10, down to and including line 14 on page 11, and in lieu thereof insert the following:

"SEC. 5. (a) A custodian shall be entitled to reasonable compensation for his services and to reimbursement from the custodial property for his reasonable expenses incurred in the performance of his duties: *Provided*, That a custodian may act without compensation for his services.

"(b) Compensation shall be according to:

"(1) Any statute of the District of Columbia applicable to custodians;

"(2) Any statute of the District of Columbia applicable to guardians;

"(3) An order of the court.

"(c) Except as otherwise provided in this Act, a custodian shall not be required to give a bond for the performance of his duties.

"(d) A custodian not compensated for his services shall not be liable for losses to the custodial property unless they result from his bad faith, intentional wrongdoing, or gross negligence or from his failure to maintain the standard of prudence in investing the custodial property provided in this Act."

On page 15, after line 7, insert the following:

"(c) Nothing herein shall be deemed to repeal or modify the Internal Revenue Code of 1954, as amended, and the District of Columbia Income and Franchise Tax Act of 1947, as amended."

The PRESIDENT pro tempore. Without objection, the request is agreed to; and, without objection, the amendments will be engrossed, and the bill read the third time and passed.

NOMINATIONS OF JAMES T. RAMEY AND JOHN G. PALFREY TO BE MEMBERS OF THE ATOMIC ENERGY COMMISSION

Mr. PASTORE. Mr. President, in accordance with section 22 of the Atomic Energy Act of 1954, as amended, the President on August 7, 1962, submitted to the Senate the nomination of James T. Ramey, of Illinois, to be a member of the Atomic Energy Commission, to fill the unexpired term of former Commissioner John S. Graham. This term expires on June 30, 1964. The President on August 7, 1962 also submitted to the Senate the nomination of John G. Palfrey, of New York, for a full term ending June 30, 1967. The nominations have been referred to the Senate section of the Joint Committee on Atomic Energy. As chairman of the Senate section of the Joint Committe, I wish to advise that a public hearing will be held in room AE-1 of the Capitol on Tuesday, August 14, 1962, beginning at 10 a.m., to consider both nominations.

Mr. President, I ask unanimous consent that the background résumé of each of the nominees which was submitted to the Senate along with the nominations be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. PASTORE. Mr. President, I also wish to say how pleased I am with both of these selections by the President. Mr. Ramey has been executive director of the Joint Committee on Atomic Energy for the past 6 years, and prior thereto he served 9 years as an employee of the Atomic Energy Commission.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a list of Mr. Ramey's particular accomplishments as executive director of the Joint Committee on Atomic Energy.

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

ACCOMPLISHMENTS OF JAMES T. RAMEY AS EXECUTIVE DIRECTOR OF JOINT COMMITTEE ON ATOMIC ENERGY

1. Under the general supervision of the chairman, he organized and directed the study and report on NATO nuclear weapons custody problem which was submitted to the President in February 1961. Initiated effort to improve technical means of safety and control of U.S. nuclear weapons. Called attention to important security problems.

2. Initiated series of Joint Committee hearings and reports on hazards of fallout and other radioactive hazards, including radioactive waste disposal, employee radiation hazards, reactor safety, and radiation standards. These hearings and reports—mostly held by Congressman HOLIFIELD's Special Subcommittee on Radiation—have been cited for their objectivity and usefulness, both to the lay public and scientists as textbooks.

3. Initiated series of hearings and reports on basic research and advanced concepts, including series on "Frontiers in Atomic Energy Research" in 1960. Played leading staff role in pushing Rover nuclear rocket program.

4. Initiated studies in 1957 and 1960 on AEC organization and administration of regulatory program. Conducted series of investigations on redtape involved in AEC contract and budgetary administration.

5. Developed and provided staff leadership on Joint Committee version of accelerated power program in 1956. Initiated and directed preparation of staff report on expanded atomic power program in 1959, with assistance of a distinguished panel of consultants.

6. Provided staff leadership in connection with authorization of additional plutonium for small weapons program in 1958–59.

Mr. PASTORE. Mr. President, Mr. Palfrey, who presently is dean of Columbia College, for many years has been closely associated with the atomic energy field. From 1947 to 1950 he was with the Office of the General Counsel of the Atomic Energy Commission. From 1952 to the present he has been associated with Columbia University, first in the school of law, and then as dean of Columbia College. During this time he periodically has served as a consultant to the Joint Committee on Atomic Energy.

I am certain, Mr. President, that both of these men are well qualified to serve on the Atomic Energy Commission, and that in due time their nominations will receive the advice and consent of the Senate.

EXHIBIT 1

JAMES T. RAMEY

Born: December 5, 1914, Eddyville, Ky.

Education: 1933, Nicholas Senn High School, Chicago; 1937, Amherst College, Amherst, Mass.; 1941, Columbia University School of Law, New York City.

Marital status: Married; two children.

Experience: 1956– , executive director, Joint Committee on Atomic Energy, Washington, D.C.; 1952–56, assistant to manager, Chicago Operations Office, Atomic Energy Commission; 1947–52, assistant general counsel, AEC; 1941–47, successive positions from management assistant to a senior attorney, Tennessee Valley Authority.

Teaching experience: 1944–46, assistant professor, University of Tennessee, College of Law; 1943–44, lectures in political science, University of Tennessee, College of Liberal Arts; 1955–56, lecturer, Northwestern University Law School.

Present position: Executive director, Joint Committee on Atomic Energy.

Address: 6817 Hillmead Road, Bethesda, Md.

JOHN GORHAM PALFREY

Born: March 12, 1919, Boston, Mass.

Education: 1936, graduate, Milton Academy; 1940, B.A., Harvard; 1946, LL.B., Harvard; 1948, admitted District of Columbia bar.

Experience: 1947–50, staff officer of General Counsel, AEC; 1950–52, Member Institute of Advanced Study, Princeton, N.J.; 1952–54, lecturer, Columbia School of Law; 1954–56, associate professor; 1956–58, professor. Also member of New York bar.

Present position: Dean, Columbia College (since 1958).

Residence: 1165 Fifth Avenue, New York, N.Y.

Office: Columbia University, New York, N.Y.

BASIC PRINCIPLES IN U.S. SPACE POLICY

Mr. DIRKSEN. Mr. President, Mr. Robert D. Crane, director of the Space Research Institute at Duke University, and a top-ranking specialist in the space field, has prepared a very excellent monograph on some basic principles in U.S. space policy.

This is a somewhat neglected field; and I am sure his views will prove timely, important, and of great interest to many people. I believe this article merits the widest possible diffusion, and for that reason I ask consent that it be made a part of my remarks.

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

U.S. SPACE LEGAL POLICY—SOME BASIC PRINCIPLES

(Condensed from the articles, "Law and Strategy in Space," Orbis, a quarterly journal of world affairs, July 1962, and "Soviet Attitude Toward International Space Law," American Journal of International Law, July 1962)

(By Robert D. Crane, director, Space Research Institute, Duke University)

The United States has been forced to give increasing weight to military and political considerations in the formulation of space policy. These considerations, however, do not necessarily require opposition to the development of international space law. On the contrary, U.S. initiative in formulating space law can serve not only to promote scientific research and economic progress and to facilitate the growth of a free and peaceful world order, but to implement on a higher moral level American military and

political strategies. This initiative would provide the United States with greater freedom to employ necessary military defense and deterrent measures in outer space and would help the free, democratic countries to secure victory in the current war of ideology which is a primary goal of their military and political policies. The development of international space law oriented toward these strategic goals can help the United States to deal with the Communists on a higher moral level by making it politically more acceptable to counter military threats with military measures and by reducing the necessity of using military means to counter threats which are essentially ideological, political and economic.

MILITARY DETERRENCE

The realization that neither side can, in the old sense of the term, win a modern war and that there may be small consolation even in prevailing in such a war has resulted in the development of deterrence as the principal aim of U.S. military policy. The development of space law can contribute to this military mission, first, by providing a political atmosphere more conducive to the implementation of U.S. deterrence strategies, and, second, by helping to add another order of magnitude to the deterrence mix.

The United States can provide a political atmosphere more conducive to military deterrence strategies principally by taking the initiative in developing a realistic conception of "peaceful purposes" or "peaceful uses." The dedication of outer space activities and of space research to peaceful uses has always been the basic criterion of American space policy.[1] But the United States has failed to fit the concept of "peaceful uses" into the context of international law. As a result, it has encountered difficulty in gaining for these space activities broad support of the statesmen of the world.

The need for the development of international law to determine the legality of new types of activity such as space reconnaissance and various types of military deterrence results from the fact that in the age of the atom and space such concepts as war and peace, as well as the distinction between offensive and defensive actions, between active and passive weapons, and between aggression and self-defense, have become blurred. Objective standards to determine the difference between these increasingly relative concepts have become largely outmoded or inapplicable.

The Soviets have capitalized on this situation, which is made to order for the propagandist, and have tried to make the space defensive systems of the United States politically untenable by asserting that these systems are incompatible with a policy of peaceful purposes. The Soviets appeal to the desires of the world for peace and to the hopes of the world that in outer space an area devoted exclusively to peaceful purposes can be created. They strengthen their appeal by threatening war against all who would oppose peace,[2] and by interpreting the meaning of peace so that all Soviet actions fall within its scope and all adverse actions fall outside. The Communists have taken advantage of the lack of objective standards to assert that all military uses of outer space are ipso facto contrary to peaceful purposes. This serves to create a burden of proof against the United States so that the latter is under a constant obligation to prove its peaceful intentions. The fact that all Soviet space vehicles are sponsored by military organizations and are thus military, and the fact that Soviet rockets were used in the fall of 1961 in systems testing of nuclear weapons at altitudes in excess of 100 miles, are simply ignored.

The most effective way to eliminate the distorted views of U.S. space activities prevalent in much of the world would be to take the initiative in developing space legal principles to determine the legality of activities which are neither clearly peaceful nor clearly aggressive, but in a third area in between. The result of such initiative would very probably be either the recognition that the term "peaceful uses," particularly as developed in the various United Nations space resolutions, permits adequate provision for defensive measures, such as space reconnaissance, or the recognition that peaceful purposes as a meaningful term in international space discussions must be replaced by a broader term to encompass activities which have as their purpose the preservation of the peace.

Initiative in developing international space law to gain understanding and support for the true nature of U.S. space policies would also help to overcome extremist reactions even in the United States either against or for military space policies. Many consider that emphasis on military interests must inevitably result in a spiraling arms race which will prove self-defeating and will forever preclude the development of international space law. In this regard we should clearly recognize that every major proposal the Soviets have made to develop international space law has been part of a process of bargaining for strategic advantage, and that the future of space law development therefore may depend on the creation of sufficient American strength in space to remove the advantages which the Soviets can expect to gain from a continued state of military competition and lawlessness.[3] It is very likely that the Soviets must first conclude that they can no longer afford the enormous expenditures necessary to keep abreast of the United States in space before they will agree to the gradual disarmament of the principal military weapon, namely, their policy of maximum secrecy, and to the effective disarmament, space regulation, and extensive space cooperation which could then result.

Others consider that lack of emphasis on military interests and, in fact, even the use of the term "peaceful" inhibits the maintenance of national security to a dangerous degree. This argument stems from concern that the future allocation of funds and resources may not give sufficient emphasis to the development of space defense systems for the acquisition (in the communications sense of the word), tracking, identification, neutralization, capture, and destruction of hostile Soviet space vehicles; to the related problems of rendezvous, maneuver, reentry, and man-in-space; to the rapid development of solid-fuel rockets and super boosters, including those with nuclear power units, to achieve velocities and sustained power many times greater than required for scientific research or for projects designed to serve directly the economic benefits of man; and to the most rapid possible development of new generations of defense systems, such as those based on beam-directed energy weapons, which might render ICBM's obsolete. Despite much misunderstanding, the arguments for long-range space-military planning and development in support of the objective of national security through effective space-military deterrence need not be at all incompatible with the space policy objective of scientific and economic development. These arguments for long-range space-military planning and development may be valid insofar as they are necessary to support the objective of national security through effective military deterrence. These arguments do not require the incorporation of space control and space offense into U.S. space policy.

A campaign to develop international space law could help to make it clear that the two space policy objectives of military deterrence and economic development are not mutually exclusive, and that it is possible to prevent planning for space policy and space strategy from becoming bipolarized. Such a campaign would point out that the United States relies neither on what President Kennedy terms the "diffuse desire to do good" nor on the sterility of merely "talking tough."

IDEOLOGICAL DETERRENCE

Initiative in the development of international space law can provide a better political atmosphere for deterrence strategies and also add another order of magnitude to the deterrence mix. Policies of deterrence have evolved slowly from the strategy of "massive retaliation," which is widely regarded as inadequate, to counterforce strategies, which have many drawbacks, and finally to strategies of balanced deterrence and of the deterrence mix, both of which also have their limitations. Probably the principal defect both of balanced deterrence and of the deterrence mix, however, is their failure to deter what seems to be the predominant form of future military conflict, namely, local wars of attrition, particularly those that start as revolutionary uprisings. Since there seems to be no completely effective strategic military deterrent to local war, the only way to deter its outbreak is to convince the enemy that he cannot hope to win. In the modern age success in local war, and therefore the gains to be obtained, seems to be determined as much by superior ideological support by the peoples of the world, particularly those in the theater of military operations, as by superior firepower. President Kennedy recently stated:

"We all know that it is wholly misleading to call this the nuclear age (because during the past few years we have become increasingly involved in) another type of warfare—new in its intensity, ancient in its origin—war by guerrillas, subversives, insurgents, assassins—war by ambush instead of by combat, by infiltration instead of by aggression—seeking victory by eroding and exhausting the enemy instead of by engaging him."[4]

The deterrent powers in the modern world include therefore not only military force but also superiority in ideology and in the political and economic building blocks out of which ideology is made.

The ideological deterrent not only serves to deter local war but can also play a part in deterring strategic nuclear war.

This is made clear by the recent Soviet article entitled "The 'Absolute Weapon' and the Problem of Security," which states:

"In conditions of nuclear rocket warfare, the first to attack would usually be the aggressor. In the final analysis, the outcome of a nuclear war would depend on such decisive factors as the superiority of the social and economic system, the political soundness of the state, the morale and political under-

[1] The documentation of U.S. space policy may be found in "International Negotiations Regarding the Use of Outer Space, 1957–60," prepared for the Senate Committee on Aeronautical and Space Sciences by the Historical Office, Bureau of Public Affairs, Department of State, and published in S. Doc. No. 26, 87th Cong., 1st sess., Mar. 1961.

[2] See the chapter on "Political Goals and Implications" in the study "Soviet Space Programs: Organization, Plans, Goals, and International Implications," a report for the Committee on Aeronautical and Space Sciences, U.S. Senate, 87th Cong. 2d sess., May 31, 1962.

[3] A detailed account of Soviet space legal strategy may be found in the author's study entitled "Soviet Attitude Toward International Space Law," prepared for the Committee on Aeronautical and Space Sciences, U.S. Senate, and published in the American Journal of International Law, July 1962.

[4] John F. Kennedy, commencement address, West Point, June 6, 1962.

standing of the masses, their organization and unity, the prestige of national leadership. In these respects the superiority of socialism over capitalism is beyond any doubt; this gives Communists grounds for maintaining that a third world war would be the doom of imperialism and would therefore be the last.[5]

It therefore becomes necessary to develop a strong ideological deterrent to convince the Communists that they cannot win local, guerrilla-type wars either before or after a third world war.

This new ideological deterrence is not merely one more element of the deterrent mix, but rather a higher stage in the evolution of strategic deterrence itself. Ideological deterrence, in fact, may be the ultimate stage in this evolution because it goes beyond military deterrence to a psychological and economic offensive aimed at making the benefits of political and economic freedom available to all the peoples of the world. If workable disarmament can ever be achieved, this ideological deterrence will also assure the free societies a vital means of defense in a disarmed world.

GENERAL PRINCIPLES OF SPACE LAW

One of the most efficacious steps in building ideological deterrence and achieving ultimate victory in the ideological conflict would be to embark on a carefully prepared and politically integrated campaign to develop international space law.

The most basic requirement is the development of general principles of space law to overcome the passivity which has characterized much of American space legal thinking in the past.[6] This emphasis on general principles would strengthen the function and impact of law in international relations and would overcome the Communist ideological offensive and its embodiment in the campaign of peaceful coexistence.

A basic guide for the selection of these general principles was given by the Chairman of the Policy Planning Council of the U.S. State Department, Walt W. Rostow, who summed up the problem of modern history and, incidentally, the guiding principles of space law, in the following statement:

"We are engaged in an historic test of strength—not merely military strength but of our capacity to understand and to deal with the forces at work in the world about us. The ultimate question at issue is whether this small planet is to be organized on the principles of the Communist Bloc or on the principles of voluntary cooperation among independent nation states, dedicated to human freedom.[7]

The general principles of space law should include therefore not only self-defense and preservation of the peace, but such basic principles as freedom, legality, and cooperation. The essence of the principle of freedom, particularly in the field of space exploration, is freedom for diversity, because freedom for diversity and respect for the interests of every participant is at the heart of international space cooperation. In March 1962, President Kennedy stated:

"A cooperative Soviet-American effort in space science and space exploration would emphasize the interests that unite us instead of the conflicts that divide us and would remind us on both sides that knowledge, not hate, is the passkey to the future—that knowledge transcends national antagonisms—that it speaks a universal language—that it is the possession, not of a single class, a single nation or a single ideology, but of all mankind. The pursuit of knowledge itself implies a world where men are free to follow out the logic of their own ideas. It implies a world where nations are free to solve their own problems and to realize their own ideals. No one can doubt that the wave of the future is not the conquest of the world by a single dogmatic creed, but the liberation of the diverse energies of free nations and freemen. No one can doubt that cooperation in the pursuit of knowledge must lead to freedom of the mind and of the soul." [8]

The principle of freedom for diversity has broad philosophical connotations which make it basic to all other space legal principles.

A related space legal principle would be the principle of impartial settlement of disputes, or third-party adjudication. Acceptance of third-party adjudication would support one of the oldest, one of the most fundamental, and one of the most widespread of all legal principles. In a period of ideological war, rejection of such a principle would be rejection of law itself. Once the principle of impartial adjudication is accepted, there remain the problems of selecting the proper tribunal[9] and drafting a set of principles to guide the tribunal in its work. One of the primary sources on which we could rely in order to develop the support of the peoples of the world for the decisions of the tribunal, and one which the Soviets themselves could not very well reject, would be the general principles of law accepted by the peoples of the world, particularly as evidenced in their domestic legal systems.[10]

This source of international law can be made available by establishing through legal research what the leading legal systems of the world have to say, for example, about the elements and function of sovereignty or the legality of slander and of incitement to harm. By establishing a consensus within the domestic or municipal context, one derives the general principles of law recognized by the nations of the world and, by analogy, can then determine the rules governing sovereignty and illegal propaganda in international law. By conducting the research on a worldwide basis, it may be possible to secure the support of the majority of the world's countries, which can then consider the new international law to be of their own making, and in the process the scope and variety of law which is available to support the welfare of the free world can be enlarged.[11]

Another basic space legal principle might be the principle of peaceful cooperation. This would establish the right of the developing countries to share in the benefits of space science, and would recognize a corresponding moral duty on the part of the nations possessing space capabilities to make the benefits of these capabilities available on a nondiscriminatory basis to all the peoples of the world. We should emphasize that these benefits include not only those of direct use, such as global communications and weather prediction (and possibly control), but also the indirect benefits which will result from improved engineering and managerial know-how, from metallurgical technology and medical research, and from basic advances in physics and chemistry, which give rise to branches of industry entirely unrelated to space.

This principle of peaceful cooperation in sharing benefits of space progress derives from the Christian social teaching that economic prosperity is to be measured not so much by the sum total of goods as by the distribution of these goods according to norms of justice.[12]

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[5] N. Talenskiy, "The 'Absolute Weapon' and the Problem of Security," International Affairs, April 1962, pp. 25–26. Dr. Talenskiy is a doctor of military sciences and one of the most knowledgeable Soviet commentators on space political strategy. This thesis may be compared with similar statements by the Chinese Communists. See Alice Langley Hsieh, "Communist China's Strategy in the Nuclear Era" (Englewood Cliffs, N.J.: Prentice-Hall, for the Rand Corp., 1962).

[6] In formulating general principles of space law it is necessary to realize that the development of detailed understandings to facilitate virtually automatic decisions on existing legal rights is possible only on a limited functional basis and that the development of space law does not exclude but rather presupposes the preparation of political solutions to expedite, not the clarification of legal issues, but actual change, whenever necessary, in the applicable law.

[7] Walt W. Rostow, Department of State Newsletter, April 1962, p. 6.

[8] John F. Kennedy, Charter Day address, University of California, Berkeley, Mar. 23, 1962.

[9] One might consider a court established especially for space matters. Although the Soviets have accepted the compulsory jurisdiction of the ICJ in several international organization: l treaties (WHO in 1946, WMO in 1947, UNESCO in 1954, and IAEA in 1956), they have indicated that the proportion of judges in the ICJ from Communist countries (2 out of 15) must be increased before they can accept its jurisdiction on a more general basis.

[10] One of the elements of the recent revolution in Soviet international legal theory is the acceptance of domestic legislation as a source of international legal norms and principles. The Soviets have begun to emphasize this source in an attempt to transform international law into an instrument of Communist world revolution more rapidly than might be possible by the growth of custom and treaty law alone. Although the Soviets' support of this new source of international law emphasizes the contribution of the domestic law of the Soviet Union, the Communists cannot reject the laws and principles of the legal systems in other countries without at the same time affronting their self-respect. See Crane, op. cit., note 3 above.

[11] The methodology of such an approach to the development of international law is described in the new book by Prof. Arthur Larson, "When Nations Disagree" (Baton Rouge: Louisiana State University Press, 1961). Professor Larson, formerly head of the U.S. Information Agency and now Director of the World Rule of Law Center at Duke University, shows the potentialities and promise of the general principles approach in relation to seven major concepts having specific application to the problem of peace and war: sovereignty within the law; the limits on the right of self-defense, as applied to the problem of aggression, and the necessity of independent third-party judgment on the necessity for and reasonableness of the use of force in self-defense; the circumstances under which one party can terminate an agreement; liability for illegal harm, including use of words to harm, as in propaganda; protection of acquired rights, with its application to international investment in satellite communications; the duty to consult before affecting the rights of others, which has developed particularly in international river law; and the principle of third-party determination of disputes, with implications for the subject of judicial independence and of recognition of international judicial processes. All of these problems have direct application to space activities, and some of them are the subject of books which have been or are being prepared at the World Rule of Law Center.

[12] "Mater et Magistra," Encyclical of Pope John XXIII on "Christianity and Social Progress," 1961, par. 74. See also pars. 157–184 on "Requirements of Justice as Between Nations Differing in Economic Development." The relevance of economic ethics to our global strategy was cogently summarized by the Methodist elder, Rev. William J. Cook, at the Conference on Christian Ethics and Nuclear Warfare held in Washington, D.C.,

Support of this principle would testify to the belief of free societies that lasting stability, lasting security and lasting peace are to be found only within change; it would prove that the changes now taking place in the social and economic life of the world's peoples result not from the automatic operation of Marxist economic laws as interpreted by the Communist Party of the Soviet Union, but from new technologies and the moral initiative of free men. Such a principle would make it clear to the peoples and governments in the underdeveloped areas of the world that the maintenance of their economic and political independence against outside interference will come not from their acceptance of the monolithic Communist system of peaceful coexistence, but from the freedom of diversity and from peaceful cooperation of all peoples and states under law.

COMMUNIST ALTERNATIVES

The efforts of the peoples of the free democratic countries to develop a world of freedom under law has been accompanied by a Soviet attempt to develop space law, and international law generally, into a strategic instrument of world revolution. The Soviets are attempting to exploit the political potential of space law by emphasizing the great importance of space-research and space-related activities to the peoples of the world, especially to those in the underdeveloped countries, and by attempting to integrate the development of a legal framework for these activities into the overall Communist scheme of global conquest.

The Communists stress the direct value of communication satellites as a powerful global mass communication medium which will "bring even the remotest peoples close to one another," and "could very well serve in the fight against illiteracy in underdeveloped countries assisting humanity in combating the situation where some countries exploit the lack of know-how of others." [13] The Communists recognize the direct value of weather satellites particularly in view of the agricultural needs of the underdeveloped countries in areas of insufficient or unreliable rainfall and state:

"If the benefit mankind could gain from improved weather forecasts were to be measured in terms of money, it would run to an annual saving of thousands of millions of rubles. This sum is so large that it could more than compensate for all the money spent on space research." [14]

The Soviets emphasize not only the direct benefits of space activities but the indirect benefits as well,[15] and contend that these benefits will be made available to the world as a result of the triumph of Soviet space science. This in turn "is a remarkable expression of the advantages of the Soviet Socialist system, a result of the great achievements of our people in the development of the economy, science, technology, culture, and education.[16] For the peoples of the world, Soviet space rockets are not only a means of exploring the cosmos, they are first of all indisputable proof of the vitality of socialism. Soviet rocketry shows what the workingman will do under communism." [17]

The Soviets are appealing to what has been termed "the revolution of rising expectations," and are trying to control this revolution by asserting that it was made possible by and can be successfully concluded only under communism.

More significantly, the Soviets are trying to ideologize their space success by asserting that the politico-legal framework for the revolutionary advances in the welfare of mankind resulting from space activities must be integrated into and therefore support the Communist policies of world revolution.

This strategic interest of the Communists in space law can be properly understood only within the context of recent developments in general Soviet international legal theory. These developments stem from the injection of nuclear armaments and modern delivery systems into Communist world strategy, together with shifts in the balance of world political and economic power, which have caused the Soviets to turn increasingly from a defensive to an offensive strategy, and to do so not only in the economic and political fields, but in the field of international law. In fact, the past 5 years have witnessed the most radical revolution in Soviet international legal thory since the Russian Revolution.[18] The problem for the Communists is no longer, as it was just a few years ago, whether or not one should rely on international law as an instrument of foreign policy. The value of international law is now beyond question. Nor is the problem basically even what elements of traditional international law can serve the political requirements of the moment. The problem for the Communists now is whether and to what extent they can create and rely on an entirely new Communist international law.

Despite the economic and political resurgence of Europe, the failures of Communist China, and the seeming rejection of communism by most of the newly independent countries, the Communists consider that the longrun forces of history have shifted the balance of world power far enough in their favor to enable them to begin to replace in its entirety traditional international law, designed to serve capitalist interests, with a new Communist international law, designed to serve the interests of Communist world revolution. The transformation of the function of international law from static defense to dynamic offense has been pressed with particular vigor in the space field, because the Soviets have considered that the balance of space power is strongly weighted in their favor and that accordingly the possibilities here of developing Communist law are very great.

The mechanism by which the Communists hope to transform international law in general and space law in particular into an instrument of world revolution is the doctrine of peaceful coexistence. This doctrine was once a primarily defensive doctrine which prescribed the coexistence of hostile powers in an unstable period of peace. Since the Communist summit conference in November 1960, and particularly since the issuance of the new program of the Communist Party of the Soviet Union in July 1961, and its acceptance shortly thereafter at the 22d Party Congress, however, the doctrine of peaceful coexistence has become a highly complex and very precise ideological program intended not only to forestall a military response to the Communists' political and economic strategies, but to legalize their policies of world revolution.

The Communists are trying to develop Communist law as an integral part of the social and political consciousness of mankind and to create thereby a new reality in the minds of men. In the words of Premier Khrushchev:

"Ideological activity deals with the consciousness of man and with his psychology; it acts upon his thoughts and emotions. It is necessary, comrades, to emphasize particularly that the peaceful coexistence of states with different social systems has never signified and will never signify the peaceful coexistence of the different ideologies, Socialist and capitalist. In the field of ideology, a class struggle, a struggle for people's minds and hearts has been and will be waged.[19] The time is not far away when Marxism-Leninism will possess the minds of a majority of the world's population.[20]

To accomplish these purposes the Communists have elevated peaceful coexistence to an all-encompassing doctrine and term of art which contains not only the famous five principles announced in 1954, but all the other principles of international law as component and reconstituted parts.

This all-inclusive nature of peaceful coexistence was expressed last year by the Chairman of the Scientific Research Commission on Space Law and corresponding member of the Soviet Academy of Sciences, Yevgeniy Korovin, who ranks among the leading Communist spokesmen on international law. In an address to the advisory council of the University of Moscow Law School, Professor Korovin stated that the entire program and method of teaching and studying international law in the Soviet Union should be revised and integrated into the ideological system of peaceful coexistence, because: "Premier Khrushchev, in his address at the Conference of Communist and Workers Parties [in November 1960] stated that as representatives of the most advanced ideology we should not occupy a defensive position. Premier Khrushchev emphasized that the Soviet Union and the Socialist countries now hold the initiative in the international arena, whereas the imperialist states and their governments are on the blind defensive. One asks, however, to what extent our scholarly work shows this initiative and evidences an offensive attack. We usually merely explain the position of the enemy, and then begin to correct and criticize it. Would it not be more correct to proceed from our own concepts, from the democratic principles of international law, and then, having proclaimed their binding character and universality, to show that any theories hostile to them constitute a violation of the generally recognized and therefore generally binding principles of international law."

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in June 1961. Reverend Cook concluded that if we are faced with the mutual destruction of the United States and the U.S.S.R. "it will probably be the result of a prior moral failure to develop morally acceptable and politically relevant instruments and resources of policy."

[13] Verbatim record of the Sixth Meeting of the United Nations Committee on the Peaceful Uses of Outer Space, Mar. 23, 1962 (A/AC, 105/PV.6), p. 35.

[14] G. I. Pokrovskiy, "Space Exploration and International Relations, a Discussion," International Affairs, June 1961, p. 62. The Bulgarian representative to the U.N. Space Committee indicated that his country was interested in space meteorology because of its potential to change the climate of the entire Near East and save Bulgaria from desolation and sadness. Verbatim record of the Seventh Meeting of the United Nations Committee on the Peaceful Uses of Outer Space," Mar. 26, 1962 (A/AC. 105/PV. 7), pp. 26–27.

[15] See, for example, N. Vavarov and K. Mikhaylov, "What Is the Economic Significance of Space Exploration," Zhenshchiny Mira "Women of the World," August 1961, and "The Conquest of Space and Economics," Ekonomicheskaya Gazeta, Apr. 14, 1961.

[16] Pravda, Moscow, Aug. 22, 1960.

[17] G. I. Pokrovskiy, "Modern Science and the Conquest of Space," the Marxist Review, October 1960, p. 41.

[18] Elements of this revolution are explained in the section on "Peaceful Coexistence and International Space Cooperation" in the author's study "Soviet Attitude Toward International Space Law," note 3 above.

[19] Nikita Khrushchev, opening address to the All-Union Conference on Questions of Ideological Work, called by the central committee to discuss the results of the 22d Party Congress, Pravda, Moscow, Dec. 26, 1961.

[20] Nikita N. Khrushchev, "For New Victories of the World Communist Movement," Kommunist, January 1961 (No. 1).

From this Professor Korovin concludes:

"Without exaggeration one can designate all contemporary generally recognized international law, as it exists today, as a code of peaceful coexistence. From this it follows that everything which is incompatible with the principle of peaceful coexistence does not exist juridically in international relations. Conversely, all the old and new principles which contribute to the development and consolidation of peaceful coexistence can with complete justification lay claim to legal validity.[21]

In an edited version published at the same time in the principal Soviet journal on international affairs and distributed around the world in several languages, Professor Korovin omitted the above background explanation and stated:

"Contemporary international law may be defined as the international code of peaceful coexistence. One does not have to be a qualified lawyer to understand the elementary truth that no prescription or rule of international law can now be considered as being generally recognized—that is binding upon all states—if it is rejected by a larger part of mankind, i.e., by the countries of socialism and the neutral states."[22]

Although peaceful coexistence is all inclusive in that it controls all relations of Communist states and parties throughout the world with their class enemies, peaceful coexistence is itself controlled by a still higher principle known as proletarian internationalism, which can best be summarized in the phrase "coordinated world revolution." The supreme principle of proletarian internationalism determines the meaning of peaceful coexistence because it controls all relations among the states within the Communist bloc (through the new international legal doctrine known as socialist internationalism) and all relations among Communist parties everywhere in the world.[23]

The content of proletarian internationalism is controlled, now as always, by the Communist Party of the Soviet Union. The international legal significance of this critical fact was brought out by Professor Korovin in his above-quoted address:

"The Socialist countries are states which are led and directed by the Communist and workers' parties. It naturally and necessarily follows therefore that the inspirers and organizers of the new stage in the progressive movement of mankind, and particularly in international relations and in international law, are the Communist Parties—the advance guard of the working class. These Communist and workers' parties in the person of their representatives (81 parties were represented at the Moscow Conference in November 1960) unanimously declared that the vanguard of the world Communist movement was and remains the Communist Party of the Soviet Union. Furthermore, they noted the principle of the great significance of the Communist Party of the Soviet Union in the progressive development of democratic principles of international law."[24]

The potential significance of this new doctrine of peaceful coexistence in the development of space law was clearly indicated at the meeting of the U.N. Committee on the Peaceful Uses of Outer Space in March 1962. In reference to the resolution on international cooperation in the peaceful uses of outer space adopted on December 20, 1961, the Soviet representative to the U.N. Space Committee stated that the General Assembly's unanimous adoption of the principle that international law, including the U.N. Charter, applies to outer space and celestial bodies "signif[ies] in our view, that the activities of the states in outer space research should be conducted in keeping with the recognized principles of peaceful coexistence, sovereignty, equality, nonaggression, and noninterference in domestic affairs. These important principles and provisions should be studied and should become a basis for the work of the juridical subcommittee."[25]

ANSWERS TO COMMUNIST ALTERNATIVES

The failure of the doctrine of "peaceful coexistence" to express the desires and needs of the world's peoples is evident from the most cursory analysis of its elements, particularly those listed by the Soviet representative of the U.N. Space Committee.

The first element is coexistence itself. Its essence is the attempt to maintain a rigid bipolarity in the world designed to eliminate all opposition to the strategists of the Soviet Communist Party. This bipolarity serves to maintain monolithic unity within the bloc,[26] and to deny the possibility of diversity outside it.[27] According to the Communists:

"Peaceful coexistence is a dialectical process which unites the sharpest class warfare between socialism and capitalism with the cooperation of states of two opposing systems in the name of preservation of peace."[28]

And again:

"Peaceful coexistence is inconceivable without international legality [as the Communists conceive it], for peaceful coexistence is international law in action. An essential task of the science of international law is the struggle against any deviations whatsoever from the Leninist doctrine of peaceful coexistence, the struggle against manifestations of bourgeois ideology [including traditional international law], revisionism [i.e. Titoism, especially in its opposition to bipolarity], dogmatism and sectarianism [i.e., Chinese communism and personal animosity], as well as against the harmful consequences of the cult of the individual.[29]

The attraction of the Communists' position derives from their insistence that this combination of monolithic unity and bipolarity is the best and, in fact, the only means for the peoples of the world to achieve and strengthen both freedom and peace. The answer to this argument seems obvious to those who have been educated in free societies. The only longrun solution to the maintenance of peace is not the reform of human nature by pressing it into the Communist mold or into any other exclusive system, but rather the release of human nature from the bonds of hunger and ignorance so that both nations and the individuals within them can develop in accordance with their self-determined needs and aspirations. For this, monolithic unity and bipolarity will not serve nearly so well as the right to diversity, which is the very essence of freedom. For this, too, there must be a realization that the problems of the world result not from the existence of capitalism, as the Soviets would have us believe, but from the materialist orientation of the world, of which both communism and the unworthy elements of capitalism are the only unfortunate and temporary manifestations.

With the advent of the space age, the superior science and technology initially made possible by the capitalist system of competition will enable man, for the first time, to eliminate hunger and ignorance everywhere, and thereby to promote throughout the world the conditions necessary for freedom of mind and spirit and for the kind of moral progress which alone can make for peace. It is this freedom for moral progress, and the personal nature of this freedom, which ultimately distinguishes free democracy from communism. Whether on a global or national level, whether in the secular order or in religion, liberty belongs to the individual or it does not exist at all. Without this liberty there can never be lasting peace among men.[30]

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[21] Yevgeniy A. Korovin, "The Declaration of the Conference of Representatives of Communist and Workers Parties and the Tasks of the Science of International Law," Vestnik Moskovskogo Universiteta, August 1961, pp. 64, 66, and 71.

[22] Yevgeniy Korovin, "International Law Today," International Affairs, July 1961, p. 19.

[23] The most recent authoritative announcement on the subsidiary function of peaceful coexistence stated: "The principle of peaceful coexistence presents the most subtle and most effective expression of the party principle of proletarian internationalism. Peaceful coexistence of states with different regimes is not the abondonment of the class struggle in the world arena, but the selection of such deployment areas for this struggle as are best suited for the interests of all mankind." I. Inozemtsev, "Peaceful Coexistence—The Most Important Contemporary Problem," Pravda, Jan. 17, 1962, p. 5.

[24] Korovin, op. cit., note 16 above, pp. 70–71.

[25] Platon D. Morozov, "Verbatim Record of the Third Meeting of the Committee on the Peaceful Uses of Outer Space," Mar. 20, 1962 (A/AC. 105/PV. 3), pp. 23–25.

[26] A recent article on proletarian internationalism in the leading Soviet law journal states: "Cooperation of Socialist states has as one of its principal purposes the securing of peaceful coexistence. To achieve this worthy goal it is necessary to continue the battle to strengthen fraternal cooperation of the Socialist countries against any attempts whatever to weaken their monolithic unity [monolitnoye yedinstvo]." N. V. Zakharova, "Bilateral Treaties of Friendship, Cooperation and Mutual Aid Among Socialist States," Sovetskoye Gosudarstvo i Pravo, February 1962, p. 90.

[27] According to this element of peaceful coexistence, there are only two forces operative in the world—communism and anticommunism. The final acceptance of neutralism at the 20th Party Congress in 1956 resulted from the defensive concept of peaceful coexistence, which dominated prior to 1960. Under the new "peaceful coexistence," neutralism is only a temporary expedient which is to be replaced by a "world socialist system." See Rodolfo Mosca, "The 'New Ways' of Communism," Orbis, April 1962, p. 69.

[28] Inozemtsev, loc. cit., note 18 above, p. 5.

[29] Yevgeniy Korovin, F. I. Kozhevnikov, and G. P. Zadorozhnyy, "Peaceful Coexistence and International Law," Izvestia, Apr. 18, 1962, p. 5. The basic errors of the cult of the individual in the field of international law are noted in Crane, op. cit., note 3 above. The Soviet view of international scientific cooperation within the framework of peaceful coexistence is best expressed by the following opinion published recently in the leading Soviet law journal: "In capitalist countries the creativity of the leading scholars and scientists is cynically appropriated by capitalist monopolies. In these countries one cannot speak of giving disinterestedly to another state the results of this or that scientific research." A. I. Poltorak, "Legal Forms of Cultural and Scientific Cooperation of Socialist Countries," Sovetskoye Gosudarstvo i Pravo, October 1961, p. 162. Further: "Contemporary international law, which regulates the relations both of socialist and capitalist states, does not require the establishment among such states of relations of broad and full cooperation and fraternal mutual relations, because by virtue of the very nature of capitalist states such relations are impossible," Zakharova, loc. cit., note 26 above, p. 83.

[30] "Without liberty there is no peace, but rather a violent imposition of things, an unstable order, not accepted by the human mind." Amleto Cardinal Cicognani, Papal Secretary of State, address to the National Press Club, Washington, D.C., Dec. 4, 1961.

Recognition of the universal right of all individuals, peoples and states to the freedom of diversity would destroy the artificial concept of bipolarity inherent in peaceful coexistence, would fragment the Communist bloc, relativize Communist ideology, and provide one of the essential elements of permanent peace and progress.

The second and third elements of peaceful coexistence which the Soviet representative to the U.N. Space Committee considered most critical are "sovereignty" and "equality." These words have many doctrinal functions in Soviet international legal theory. In the context of the debates in the U.N. Space Committee, their principal function is to require acceptance of Soviet veto power over international space cooperation so that the Soviet Union may "rightly play the leading part in the international efforts in space research" in the interests of "consolidating peace." [31]

The principle of equality, if it is to have any meaning, requires not veto power, as the Soviets insist, but equal rights both in accepting proposals and in rejecting them. This elemental truth is particularly true in the context of international space cooperation and stems from the fact that every country of the world has an equal right with others to benefit from space science. If the countries of the world desire to use the benefits of space science in a particular way, then the exercise of veto power by any single state to prevent the other states from obtaining these particular benefits would be an imposition of the will of one state upon the other states and the denial of equality for all of them.

If one state claims that the adoption of a particular program would infringe upon its existing rights, the solution is not resort to veto power but to some dispute-settling mechanism. The Soviets contend that the only dispute-settling mechanism capable of guaranteeing national sovereignty is diplomatic negotiation. Prof. John N. Hazard has cogently pointed out the basic fallacy of this argument as follows:

"It is no answer to argue that disputed matters should be resolved by diplomatic negotiation, for these negotiations necessarily favor the stronger state. The result is violation of the sovereignty we are all seeking to protect, for diplomatic negotiations make possible in many cases dictation of the stronger over the weaker. Protection of sovereignty requires that each party to a dispute be treated equally without dictation of an inequitable result by the stronger." [32]

The only dispute-settling mechanism which can guarantee both sovereignty and equality is the impartial decision of judicial bodies, i.e., third-party adjudication.

The fourth element of peaceful coexistence emphasized by the Soviet representative to the U.N. Space Committee is the principle of nonaggression. The term "aggression" is used by the Soviets to stigmatize any military, political, or economic action or alleged preparation for such action which is adverse to Soviet strategic interests. Perhaps the best example of this tactic is the Soviet assertion that the principle of nonaggression requires the demilitarization of outer space.

The Soviets use the concept of "demilitarization" of space primarily to gain ground superiority for the U.S.S.R. by removing U.S. oversea bases and U.S. continental-based ICBM's. Ever since the Soviets launched their first artificial satellite, and particularly since they proved their ICBM capability by launching luniks, they have wanted to trade this Soviet superiority in space for U.S. superiority in more conventional nonspace strategic delivery systems, consisting in U.S. bombers and IRBM's stationed overseas within range of the Soviet Union. The Soviets say this may be accomplished by U.S. agreement to the dismantlement of all of its oversea bases, which would eliminate the U.S. strategic delivery systems located on these bases, and by U.S.S.R. agreement to the demilitarization of outer space, which would eliminate the Soviet strategic delivery system by rendering illegal the passage of Soviet ICBM's through outer space.

According to the Soviet international legal scholars:

"The integration of the problems of prohibiting the use of outer space for military purposes and the prohibition of oversea bases is completely correct from the military/political point of view as well as from the position of international law. From the military/political point of view such a position is correct because it guarantees the security of all interested states belonging to two diverse social-economic systems. From the international law point of view such a position is in accordance with law and justice for it is based on the principles of peaceful coexistence and corresponds fully with these principles, and in particular it corresponds with the principle of sovereign equality and reciprocal advantage of states, which is a principle of peaceful coexistence." [33]

The most critical factor in this "equality," which all Soviet propagandists scrupulously ignore, is the powerful land army of the Soviet Union, which could overrun Western Europe if it were not protected by the deterrence force of American air and missile bases. Instead of advocating equality, which already exists, the Soviets are, in fact, advocating the abolition of equality, so that their land armies and still existing strategic delivery systems, or the threat of their use, could influence the relatively defenseless allies of the United States to accept and even support Soviet actions in furthering the interests of world communism.

More recently, the growth of American ICBM capability has caused the U.S.S.R. to suggest that the elimination of the Soviet ICBM's by means of space demilitarization must be met by the removal not only of U.S. oversea bases with their conventional strategic delivery capability, but primarily by removal of U.S. ICBM's and their nuclear warheads as well. This policy is reinforced for bargaining purposes by Soviet refusal to respond to U.S. proposals to ban the stationing in orbit or in space of weapons of mass destruction without at the same time declaring illegal mutual ICBM deterrence power. This Soviet refusal represents merely a second generation of the traditional policy of equality which demands the coupling of space demilitarization with demilitarization on earth. Now, however, the Soviet bargaining is directed at the use of their superior bombs in orbit and similar space potential to eliminate both U.S. oversea bases and U.S. ICBM's.

The Soviets use the concept of space demilitarization not only to gain ground superiority by removing U.S. oversea bases and continental-based ICBM's, but to gain space superiority by removing U.S. defensive systems in outer space. The Soviets have attempted to remove these space systems, particularly the U.S. reconnaissance satellites, by asserting that they are contrary to "peaceful purposes" and are, in fact, inevitably aggressive in nature.

At the same time the Soviets consider that any actions by the Soviet Union against these satellites would be exclusively defensive in nature.[34] The Soviets have labeled as "aggressive" even U.S. nuclear testing in outer space, at a time when the Soviets had just completed secret nuclear testing in outer space themselves.

In answer to this fourth element of peaceful coexistence, as outlined by the Soviet representative to the U.N. Space Committee, one may point out that Communist opposition to effective inspection reduces Soviet use of the term "nonaggression" to a propaganda weapon designed to render politically untenable the defensive and deterrence measures of the West and at the same time to assure that similar or identical Soviet capabilities both on the ground and in outer space may remain undiminished. Confusion of terminology may be reduced by Western initiative in developing international law to clarify the status of activities which at present are in a kind of limbo. The result might be the creation of a new legal concept of activities designed to preserve the peace.

The fifth element of peaceful coexistence which the Soviet representative to the U.N. Space Committee considered important is the principle of noninterference in domestic affairs. This principle has two functions: First, to defend the isolation and monolithic unity of the Communist bloc against capitalist aggression, and, second, to accomplish indirectly outside of the Communist bloc exactly what it ostensibly prohibits.

The Communist term of art noninterference in domestic affairs, when used in this second sense, is similar to the Communist doctrine of self-determination, and functions to prevent interference with Communist-directed revolution in underdeveloped countries, and to prevent the free-democratic states from assisting the underdeveloped peoples to accomplish their own revolution in pursuit to their own best interests. This latter aspect of the Communist strategy is perhaps best evidenced by the Pravda comment that, as a result of increasing American foreign aid and investment, American technical aid and fraternity with Africa is unparalleled in scope and hypocrisy.[35]

The true nature of the Communist principle of noninterference could best be tested by U.S. initiative in the development of the space legal principle of peaceful cooperation. The Communists alleged fear of capitalist imperialism could best be countered by U.S. initiative in developing peoples capitalism in space, to demonstrate that capitalist free enterprise, as it has developed in the United States, can use space science and space technology to help revolutionize the daily lives of the underdeveloped peoples of the world. This would demonstrate as nothing else could the superiority of free

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[31] At the Moscow Space Policy Symposium in May 1961, the future-weapons specialist, Gen. Georgii I. Pokrovskiy, stated: "Soviet scientists, engineers, and workers who have created the most advanced rocketry in the world have secured for their country the leading place in space studies. Hence it is natural and inevitable that the Soviet Union should rightly play the leading part in the international efforts in space research. This role in no way infringes the interests or prestige of other states. On the contrary, this should be one of the forms of disinterested scientific and technical mutual assistance in consolidating peace and international cooperation." G. I. Pokrovskiy, "Space Exploration and International Relations, A Discussion." International Affairs, June 1961, p. 62.

[32] John N. Hazard, "Comments at the Meeting of the Committee on Juridical Aspects of Peaceful Coexistence." Report of the 49th Conference of the International Law Association, Hamburg, 1960, pp. 341–342.

[33] M. Lazarev, address to the Second Annual Meeting of the Soviet Association of International Law, Sovetskiy Yezhegodnik Mezhdunarodnogo Prava 1959, Moscow, 1960, p. 409.

[34] See the section entitled "Reconnaissance and Anti-Satellite Warfare" in the author's article "Soviet Attitude Toward International Space Law," note 3 above.

[35] Pravda, Apr. 6, 1962, p. 5.

enterprise in bringing forth the best efforts of individual men and in making the results available in equal measures to the greatest number of people throughout the world.[36]

American initiative in the development of international space law should serve first of all to make clear to ourselves and to free men everywhere the requirements and limits of effective military defense and disarmament. This objective is of particular importance because both military defense and arms limitations are necessary to the continued security of free societies. In addition, the United States should take the initiative in developing space legal principles to strengthen freedom, legality, and cooperation. This would make clear the basic superiority of peaceful cooperation under law as contrasted with peaceful coexistence as an ordering principle of international relations; would serve as an efficacious step in building the ideological deterrence necessary to support the military defense of the free world; and would serve as a powerful aid to the ultimate victory of free democracy.

THE TRADE EXPANSION BILL—STATEMENT BY DAVID KENDALL

Mr. DIRKSEN. Mr. President, Mr. David Kendall, who at one time was on the White House staff, under President Eisenhower, appeared before the Senate Finance Committee and made what I thought was a well reasoned, constructive, and timely statement in regard to the trade expansion bill. I believe his statement will be of great interest, in view of that measure pending in the committee. Therefore, I ask unanimous consent that the statement be printed at this point in the RECORD, in connection with my remarks.

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

STATEMENT BY DAVID W. KENDALL BEFORE THE SENATE FINANCE COMMITTEE AUGUST 6, 1962

Mr. Chairman, your consideration and that of the members of the Finance Committee in giving me this time is appreciated very much. I am David Kendall, a member of the law firm of Cummings & Sellers, and am here representing and making a statement on behalf of our clients, a majority of the corn starch industry, General Time Corp., and the Book Manufacturers' Institute.

First of all, despite obvious differences in background, all of these people believe deeply in extension of U.S. trade throughout the world, they believe in the obvious facts of greater ease of communication and commerce in the world in which we live today, and they believe, above all, in maintenance of U.S. leadership of the free world and its peoples.

Secondly, in order to preserve the high economic plane and standards of this country, they recognize obvious difficulties in the achievement of this aim of freer intercourse and less restricted trade.

Thus, on the one hand they had hoped that legislation to broaden the executive power with regard to tariff and customs and to give the President the elasticity which is so necessary in prompt and intelligent trade and tariff negotiations, would be forthcoming at the earliest possible date. This was their hope in the light of fast-moving events in the world today.

On the other hand, however, they have been cautioning care and foresightedness in the drafting of legislation and measures in this regard.

Also, over and above the foregoing balancing factors, this committee must be aware that the climate of consideration of this legislation is far different in August than it was in March and June. Enough problems within the nations of the Common Market have already developed to indicate less than the rosy atmosphere promised by some of the more vigorous of the proponents. The Cotton Textile Agreement has been discovered to be no agreement and not even much of an arrangement. The status of the United Kingdom and the participation of her Commonwealth have not been resolved.

The headlines of yesterday, indicating solution of the difficulties of Great Britain and her Commonwealth at Brussels, when measured against those in today's papers announcing another apparently final failure of negotiation, do not lead toward confidence that all is well.

All in all, there is a rising tide of sentiment doubting the necessity of haste. The heretofore few suggestions that the United States await a clearer atmosphere in Europe and throughout the world, while more carefully fashioning the legislation desired, have now become more widespread—almost to the proportion of insistent demand.

Against this entire background, however, we have come to the conclusion that the desirability of moving toward freer trade overweighs reasons for delay, provided the sort of careful amendments which are here suggested can be achieved. By way of illustration of what we believe is necessary and how we believe it may be accomplished, we call your attention to the following:

The business of tariff and customs duties cannot be carried on in a vacuum. Many other facets of trade, of the economy, and of political factors must be kept in mind.

To name a few which had been thought of utmost importance are the differences amongst nations in central banking policies; with regard to taxation—both Federal and otherwise—as the same is used to varying degrees to foster domestic trade and industry, to raise revenues or to actually erect protective walls which we do by duty, and of course the differences in commercial laws, our own antitrust and monopoly statutes as opposed to lack of control and indeed the fostering of cartels in our sister ally nations.

All of these historic and present facts influence our approach to lowering or raising tariff walls. And these differences, enough in themselves, are minimal when compared to differences in wages, even after allowance for greater productivity in the algebraic equation which some think to be important.

Hence, it was the source of great disappointment—indeed surprise—to some of American industry which feels, as I have just expressed it, that we should move forward positively in the field of freer trade, when H.R. 9900 was examined as it was sent to the Congress.

In all fairness, too, a great deal of the confusion and lack of planning can be laid at the door of American industry as a whole. For haste in desiring exports and equally unthinking protectionist antidotes have not led to either helpful discussion, wise language, or other than complete confusion.

That there is good reason for all of these hopes and beliefs and fears, and for the consequent concern over the complete lack of catholic consideration of tariff together with the other equally important aspects of international economic understanding is probably better understood by the members of this committee than by any other group anywhere.

It is axiomatic that the United States, with her gigantic burden of fiscal responsibility in the maintenance of defense for the free world, with her almost equally heavy assumed expenditure for less developed peoples of the neutral world, and with her positive high burden of domestic Federal responsibility, can ill afford to risk any dislocation of the economy, of the tax base, of tax sources at this particular moment of history.

There has been real disappointment that, in the interests of expedition of the passage of legislation, what seems to us too little time has been given to a careful consideration of the pitfalls which might result.

Without going into the history of activity before the Ways and Means Committee and in the House of Representatives in attempting to bring about a more careful and lawyer-like solution to the twin problems of necessity for the legislation and care in design, almost everyone agrees that H.R. 11970, now before this committee, is a somewhat better bill and contains more thoughtful provisions than H.R. 9900. At the same time it should be pointed out that the legislation still leaves a great deal to be desired.

1. It lacks, in its delegation to the President of the constitutional power of the Congress to tax and to regulate commerce, appropriate and well-planned guidelines.

2. It does not provide for true reciprocity.

3. It overlooks the time-honored and well-understood machinery of both peril-point and escape clause.

4. It ties down the United States to most-favored-nation responsibilities without concomitantly requiring them of others.

5. It still contains adjustment measures open to real doubt.

We strongly believe that many, if not all, of the objections outlined above can be overcome by the rather simple expedient of reinstating updated versions of the foregoing omissions.

The apparent necessity to plan tariff in a vacuum, with its attendant imponderable problems, can, we believe, be overcome to a large extent by thoughtful adoption of such safeguards.

It is believed that traditional and well-charted guidelines of former law will almost automatically take care of differentials in wages, tax structures and aims, banking practices and all the gamut of putting different domestic commercial policies and traditions into a common denominator, more easily handled and certainly more readily understood.

On behalf of those widely divergent portions of American industry which we represent, and others, a small group has been working earnestly and, I hope, intelligently, certainly broadly, trying to piece together various amendments of substance and of form, to the end that the real objective—twin objectives if you will—of the people who believe in U.S. leadership based upon economic strength as well as political wisdom, may be attained.

Before the committee is a group of amendments introduced by Senator BUSH, of Connecticut, who is also the ranking member of the Joint Economic Committee, and a group of other Senators, including Senator BENNETT.

Mechanically and legislatively, these amendments are designed to be interlaced throughout H.R. 11970; are severable to permit elasticity in discussion, persuasion in adoption; are aimed at distinct objectives of the legislation; and have the tremendous advantage of being considered not from the

[36] Communist fears of free enterprise in space development were indicated by the Communist statement during the meetings of the U.N. Space Committee in March 1962: "In setting up a world telecommunication system by means of artificial earth satellites it is imperative to insure that the programs should be in harmony with the principles of peaceful coexistence and that the operation of such a system should not become a subject of private business or a resource of private profits." Verbatim Record of the Fourth Meeting of the United Nations Committee on the Peaceful Uses of Outer Space, Mar. 21, 1962 (A/AC. 105/PV. 4), p. 32.

standpoint of any single industry or area of the United States, but approaching the problem in its entirety.

They are particularly urged upon you for your consideration.

They answer many of the constitutional questions which have arisen from the delegation to the President of the power of Congress to tax and to regulate commerce. They propose a clear statement of the principles by which the President is to be guided in the use of the delegated power and require findings of fact by him in his use of such power and thorough publication of such findings and the moves based thereon.

This, to the end that the people, to whom the President is ultimately responsible, and the Congress, to whom he should be directly responsible in such cases of delegation, will be kept fully and clearly advised.

The amendments in their entirety restore some of what are believed to be the necessary traditional principles of selective tariff reduction, which will avoid the threatening of serious injury to workers, to agriculture, and to domestic industries.

They are designed especially to prevent the impairment of growth industries.

And these amendments, so threaded throughout the present bill, also would reestablish certain basic negotiating principles which have been the cornerstone of enlightened, though somewhat shaded, American trade policy since the days of Cordell Hull and Arthur Vandenberg.

Basic negotiating principles insure true reciprocity. The maintenance of the integrity of duty concessions by the Common Market, equal treatment by beneficiaries of concessions as required by the principle of most favored nation, and carefully thought-out safeguards and guidelines will insure to American exporters, all American industries, and the American economy, gradual and well-planned tariff accommodation. Such is the framework of this approach to the tariff and customs portion of guaranteeing American leadership in the whole structure of foreign trade and economy.

As your consideration deepens, as you think through individually and collectively the many amendments which will be pointed toward this or that imagined or real improvement of the bill before you, it is hoped that the clear purpose of the Bush amendments will be appreciated for their singleness of purpose as well as their wisdom of choice.

By incorporating these amendments in the bill as passed by the other House, speed and effectiveness can be achieved.

Better than that, the Bush amendments are so written and arranged as to achieve a balance of the present with the past, of modern expediency tempered with bedrock experience, using escape and peril mechanisms improved by trial and error.

In conclusion, I would like to say one more thing. It is based on the philosophy of government itself, but is just as applicable to tariff problems or international trade as it is to domestic policy.

I have long felt that we should not pit, in our political philosophy, conservatism against liberalism.

Rather should we think and plan in the context of fundamentalism versus expediency—constitutionalism versus convenience—basic thinking versus opportunism.

The application here is clear. Before taking steps which will have repercussions not only in Bonn and Brussels, but Tokyo and all South America—not only in 1962 and 1963, but for many years to come, in Detroit as well as Des Moines, in Wilmington as well as Winchester—not only here, but abroad and affecting the firm base of U.S. strength economically, politically and spiritually, we had better use a little fundamentalism—look a little bit to constitutional principles.

ACCOMPLISHMENTS OF THE POLICY COMMITTEES

Mr. DIRKSEN. Mr. President, the other day, when the legislative appropriation bill was before the Senate, the Senator from Wisconsin [Mr. PROXMIRE] made some comment in regard to an item of increase for the policy committees of both the Democratic and the Republican sides. I helped to author that increase, because I thought it was necessary. I am even more secure than ever in my conviction on that point in view of the type of staff work which has been done; and I submit, for printing in the RECORD in connection with my remarks, a statement showing the reports in great variety which have been made by the staff of the minority policy committee and the other work which has been undertaken.

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

MINORITY POLICY COMMITTEE—PROJECTS, REPORTS, STUDIES, PREPARED FOR USE OF REPUBLICAN CONFERENCE SINCE APRIL 1, 1962

Policy statement, May 8, 1962: Republican Conference endorsement of amendment to Smith Act (H.R. 3247).

Report to all Republican Senators, June 13, 1962: Federal Government in general, finance and taxation, Federal personnel, Congress.

Medicare: Comparison of major health care insurance proposals for the aging, 1962, April 19, 1962 (a study and comparison chart for all Republican Senators).

Report on devices other than tariffs and duties being used by foreign nations to discriminate against imported products, June 26, 1962.

Background information on national stockpiling program (completed, pending distribution).

Loans and grants to States under Area Redevelopment Administration as of June 18, 1962, June 27, 1962.

Policy committee statement, May 1, 1962: Opposition to financing provisions of the Standby Public Works Acceleration Act of 1962.

Policy statement urging Congress to adopt legislation providing adequate benefits to American troops serving in areas overseas where conflict is possible, May 22, 1962.

Report of research material available in policy committee, June 25, 1962.

Big Government: A statistical survey of the dimensions of the Federal Government today, July 1962.

Study of Presidential requests for money and delegation of power; a continuing report.

Conference statement endorsing legislation containing the principle that future Directors of the FBI should be Presidential nominees, by and with the advice and consent of the Senate.

The following supplemental services have been performed for the 36 members of the conference:

1. Analysis and distribution of record votes.
2. Calendar monitor: Analysis report on each bill.
3. Official biography of each Republican Senator.
4. Official minutes of policy meetings.
5. Preparation of agenda, policy meetings.
6. Specialized research library.
7. Distribution to press, TV, and radio of official policy statements.
8. Analysis and preparation for discussion by policy committee of Republican positions on spending legislation.
9. Liaison with senatorial staffs.

One hundred and ninety-two special studies and reports have been made for the 36 members of the conference in the 4 months since April 1, 1962. In addition, a weekly memo describes the issues involved in current legislation and Executive actions.

JAPANESE GOVERNORS EXPRESS THANKS

Mr. BOGGS. Mr. President, on May 21, 1962, the U.S. Senate was honored by a visit of distinguished Governors of the Japanese Prefectures. This visit to the Senate and to the U.S. Capitol was in conjunction with an exchange visit with American Governors.

I have today received a very warm letter from the distinguished leader of the Prefectural Governors visiting the United States, expressing hearty thanks for the kind reception they received during their tour of our country. I am sure all of us are happy that our distinguished friends enjoyed their visit with us; and we are most appreciative of this kind letter of thanks.

For the information of all, I ask unanimous consent to have the letter printed at this point in the RECORD.

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

NATIONAL GOVERNORS' ASSOCIATION,
Tokyo, Japan, July 26, 1962.

Hon. CALEB BOGGS,
Washington, D.C.

DEAR SIR: Allow me to express our hearty thanks for the kind reception given to our group of Prefectural Governors of Japan during our inspection tour of the United States in May of this year.

We are very grateful indeed for your cordial welcome shown us by you and by the Government and the people of the various places we visited.

We were deeply impressed by the friendship and understanding shown to us by you and in all of the other places of your country where we visited. I am sure these deep impressions will remain in our hearts for a long time as pleasant memories filled with gratitude.

It is our hope to convey the sincerity of your Government and people to the Government and the people of Japan to further strengthen the ties of friendship between our two countries.

We are convinced that the mutual visits made by the Governors of Japan and the United States have been truly pleasant and profitable. We earnestly hope that these mutual visits will be continued in future, and that the friendship and understanding of the two countries of Japan and the United States will be deepened.

Having completed the inspection tour of North and South American countries we safely returned to Japan one after another on or around June 15, 1962. This is due to the thoughtful consideration of you and all those concerned and we must thank you once again for all your trouble and kindness.

On behalf of the party of undermentioned Prefectural Governors visiting the United States I wish to express our sincere grati-

tude and respect to you and pray for your health.

I am, dear sir,

Yours sincerely,

IWATARO UCHIYAMA,
Governor of Kanagawa Prefecture and the Leader of a Party of Prefectural Governors Visiting the United States.

TOKICHI ABIKO,
Governor of Yamagata Prefecture.

MIKINE KUWAHARA,
Governor of Aichi Prefecture.

HITOSHI SHIBATA,
Governor of Chiba Prefecture.

SUNAO IKEDA,
Governor of Saga Prefecture.

CHOEMON TANABE,
Governor of Shimane Prefecture.

WATARU MIYAUCHI,
Executive Secretary of the National Governors' Association.

TRIBUTE TO PVT. ROBERT H. PUCKETT OF D.C. POLICE IDENTIFICATION BUREAU

Mr. BEALL. Mr. President, in today's newspapers is the report of the capture of the man who allegedly stabbed a congressional secretary as she knelt in prayer in a Capitol Hill church. According to the report, the man captured has confessed to numerous other cases of assault and rape. Apparently, this man is a dangerous criminal, and his capture is a distinct credit to the Washington Police Department.

Special tribute is due Pvt. Robert H. Puckett, of the Police Identification Bureau, who, I understand, is a resident of my State of Maryland. The dangerous criminal was tracked down through the efforts of a special 50-man detective squad established to investigate a series of crimes which occurred in the Nation's Capital about the time of the horrible stabbing in the Capitol Hill church. It was a team effort, and good organization work. However, I feel that the exceptional work of Private Puckett should receive special praise, for it was the meticulous work of Private Puckett which made the capture possible.

Private Puckett, who worked with the Federal Bureau of Investigation for 5 years before coming to the police department, spent many weary hours trying to match weak thumbprints left at the scenes of two previous crimes with juvenile fingerprint records, and finally his efforts were crowned with success. He found that these thumbprints matched the prints of a man who had a long criminal record going back to juvenile days. The rest of the story was routine.

It is the careful work of these "behind-the-scene" technicians which solves so many otherwise unsolvable crimes, and I feel that we are all grateful to Pvt. Robert H. Puckett and his coworkers in the Washington Metropolitan Police Department, of which I am proud.

DEVELOPMENT OF RANGE RESOURCES

Mr. METCALF. Mr. President, last year the majority leader, Senator MANSFIELD, and I appeared before the Appropriations Committee and called for a national inventory of our grazing lands as the basis for a program to foster range development. We pointed out that proper management of our hundreds of millions of acres of rangeland is important for watershed protection, livestock and mineral production, recreation, and fish and game. We stated that to plan and develop these resources we must know what we have.

The chairman of the committee, Senator HAYDEN, concurred, and directed the Departments of Agriculture and Interior to submit jointly a program "with specific objectives covering such phases as protection of the range from misuse, providing better vegetative cover, water management, and related measures from which to develop an improved range management program which will bring about the full productive potential of these lands."

On July 18 of this year, Secretaries Freeman and Udall submitted the initial product of the Nation's first public land range appraisal. One part is an illustrated report of trial programs conducted in Colorado, Montana, and Oregon. The other is a prospectus on the need for a much more comprehensive range appraisal program.

This initial report, filed by the two departments, will be a landmark contribution to the management of land resources.

On July 25, 1962, I introduced Senate Resolution 367, authorizing the printing as a Senate document of this important study.

Yesterday, in Bozeman, Mont., Mr. Karl Landstrom discussed this pilot survey as part of his participation in a panel on soil and water conservation research at Montana State College.

Mr. Landstrom, who is Director of the Bureau of Land Management, pointed out to the panelists:

> Public lands and their resources represent a great inheritance—supporting wealth, health, and national progress.

He assured his listeners:

> The Federal Government is well aware of the critical condition of many of these properties.

Mr. Landstrom prefaced his outline of a nine-point program for range planning and development with the estimate that 10,000 acres of rehabilitated public range would support a $270,000 ranch investment, add a means of livelihood to two families and maintain 12 jobs in the dependent community. He said:

> We think that there is an excellent cost-benefit ratio.

I ask unanimous consent that Mr. Landstrom's statement be printed in the RECORD.

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

LAND AND WATER CONSERVATION RESEARCH NEEDS FOR PUBLIC LAND ADMINISTRATION

(Remarks of Karl S. Landstrom, Director, Bureau of Land Management, U.S. Department of the Interior, in panel discussion on soil and water conservation research at Conference of Directors of Western Agricultural Experiment Stations, Montana State College, Bozeman, Mont., August 8, 1962.)

Today's panel discussion gives me an opportunity to bring to your attention the needs for research in land and water conservation as we view them from the standpoint of public land administration.

The findings of research, I am sure, are essential to the effective conduct of public land management in the interests of the people of our country. On the other hand, there are times when action should not be postponed to await further research.

This is a particularly significant time to bring the research needs of public lands before you who are western experiment station directors. On July 2, there was celebrated the centennial of the grants of public lands which gave rise to the land-grant system of higher education. The Hatch Act of 1887, providing for the establishment of agricultural experiment stations, was a logical extension of the original land-grant college idea.

This topic of land and water conservation research is large and complex. I must abbreviate in some way to keep within manageable bounds. So therefore I should like to bring to you in outline form the land and water conservation problems of major concern to our agency. Then I shall attempt to relate these problems to the needs and opportunities for research of interest to the experiment stations.

Within the relatively recent past, many people have thought that the public lands and resources outside the national forests, national parks, and other specific reservations were inferior, with relatively little value or utility.

Time and careful study have shown that their potential is very large. This potential can be developed—by improvement, conservation, and wise use under an effective program of land and resource management.

I need not tell you—since you are all westerners—that public lands and their resources represent a great inheritance—supporting wealth, health, and national progress. But the full destiny of this heritage cannot be attained if neglect or waste is allowed to continue.

The Federal Government is well aware of the critical condition of many of these properties—land, water, minerals, forests, range, recreation, wildlife, and other resources. The urgent need is recognized for developing and conserving all of these resources—not only to use them now, but also to maintain them for the benefit of future generations.

This concern is shared in specific terms and with perhaps greater emphasis by the Department of the Interior and by its component directly charged with a major share of the administration of public lands and resources: the Bureau of Land Management.

While accomplishments thus far have been impressive, they are well below present needs and the potential of future development, improvement, and conservation of these resources.

About one-third of usable land in Federal grazing districts is in poor or bad condition. Poisonous range weeds contaminate many areas that once produced rich forage and vegetation for livestock and wildlife. Millions of gallons of water are lost every year. Tons of topsoil are transported daily through erosion by wind and water. Thousands of acres of forests and woodlands—devastated by fires, insects, and other depredations—need rehabilitation and reforestation.

These facts have been known by some people for a long time, and many people have contributed commendably toward their alleviation. But the facts seemingly have not impressed enough people at the right places or the right time.

Some of these facts were verified only recently. They were verified in a trial program of public land range appraisal just completed by the Bureau of Land Management and the Forest Service. The report,

prepared at the request of the Senate Committee on Appropriations, shows results such as the following in the three areas sampled:

Colorado (San Luis Valley): Vegetation conditions were largely fair or poor. The pattern held true through all major vegetation types with the exception of the meadows.

Soil stability conditions were fair on about one-half the area. Most of the remaining acreage was good or poor—in about equal proportions. Soil stability was good on one-half or more of the meadow, conifer, and broadleaf type acreage. However, nearly all of the grassland and half shrub types displayed fair or poor soil stability. Excellent vegetation and soil stability conditions were found only in large cattle allotments. Summer ranges showed a greater proportion in poor or very poor condition than spring-fall or winter ranges. Very poor conditions were confined entirely to summer allotments.

Ranges in poor or very poor vegetation condition and others in a downward trend made up 40 percent of the total acreage.

Existing range improvements represent an investment averaging $1.15 per acre of Federal lands suitable for domestic livestock grazing. Needed improvements will cost an average of $2.45 per acre.

In the past, stock trails, access roads, and fences received the most emphasis. Range seeding, plant control, and water runoff measures are now considered to need more emphasis.

The average current capacity was 64 animal unit months per section of suitable range. Average potential capacity was estimated at 71 animal unit months per section.

Montana (Beaverhead and Madison Counties): Vegetation and soil stability conditions were rated good or fair on 90 percent or more of the range sampled. Meadow and conifer types had higher proportions in good condition than did other major types. Grasslands and meadows were the only types having an excellent vegetation rating, but all major types had a small proportion displaying excellent soil stability conditions.

The large allotments and summer ranges had a higher proportion in the poorer condition classes than did the small allotments and spring-fall ranges.

Ranges in poor or very poor vegetation condition and other ranges with a downward trend made up 34 percent of the total acreage.

Existing improvements represent an investment averaging $2.50 per acre of suitable rangeland. Needed improvements will cost an average of $5.65 per acre.

In the past, most of the improvement dollars were spent on fencing and sagebrush control. These practices will continue to receive the most emphasis, but large investments are also needed for stock water development, construction of roads and trails, and for allotment boundary marking.

Fences received most of the past investment dollars on cattle allotments, while most of the funds expended on sheep allotments were for sagebrush control. In the future, plant control as well as fencing will be emphasized.

The average current capacity was estimated at 194 animal unit months per section of suitable range. Upon attaining potential capacity an average of 278 animal unit months per section will be available for grazing.

Oregon (Lakeview area): Most of the vegetation was in the less desirable condition classes. Soil stability conditions were somewhat better, a large proportion being in fair or good categories.

Poor or very poor vegetation conditions predominated in all major types with the exception of the conifer. This type, although having a large proportion in poor condition, also had a sizable proportion in fair and good condition and a small amount in the excellent class.

The conifer type, with one-half of its acreage displaying good or excellent soil stability, was in the best condition in that respect. However, all of the major types in the Oregon area showed a preponderance of fair or better soil stability.

Ranges in poor or very poor vegetation condition and others with a downward trend made up 70 percent of the total acreage.

Existing improvements represent an investment averaging 35 cents per acre of suitable rangeland. Needed improvements will average 65 cents per acre. The report states, however, that these estimates appear unrealistically low.

In the past, fencing received the most emphasis. Fencing will continue, but other improvement needs including seeding, plant control, stock water development, and roads and trails will receive increasing emphasis.

The average current capacity was 44 animal unit months per section. Upon reaching potential capacity, an average of 60 animal unit months per section will be available for grazing.

Let us not pass over these estimates too lightly. We estimate that 10,000 acres of rehabilitated public range would support a $270,000 ranch investment, add a means of livelihood to two families and maintain 12 jobs in the dependent community. We think that there is an excellent cost-benefit ratio.

And it goes without saying, of course, that the work contemplated in all of these range areas will benefit wildlife, outdoor recreation, watershed protection, and other elements of value to the people.

These and related findings have pointed to the values that would flow from an intensified program of public land range appraisal by our Bureau and the Forest Service. A prospectus for this work has just been submitted to the Congress by the two Departments.

This, of course, is only one phase of our many public land management responsibilities.

There are many other jobs to be done. Orderly, progressive accomplishment depends upon an adequate and effective program for all phases of public lands and resources.

To insure future benefits, we believe that a nine-point program is required:

1. Public-land laws responsive to conditions which now exist.
2. Survey or resurvey of a large portion of the public lands, under the rectangular system.
3. Improvement of the land tenure pattern in many areas.
4. Substantial reduction in annual resource losses from fire, insects, unauthorized use, waste, and other hazards.
5. Restoration of vast areas of public lands to full productive capacity.
6. Expanded soil and water conservation.
7. Sizable capital investments for outdoor recreation sites and facilities.
8. Other improvements and extensions of access roads, structures, and facilities on public lands.
9. The determination of service fees, user charges, and appraisals for sale of public lands and resources within the concept of fair market value, except as modified for special considerations in the public interest.

A program to provide direction and guidance in accomplishing these objectives has just been released by the Department. Copies may be had upon request.

What, then, are the research implications of these needs and this program? I am sure that they are very large.

As former researcher and collaborator with experiment station personnel, I realize the impracticability of answering this question definitively in all its details at any one place or any one time.

Fortunately for all of us, the field of range research has just been surveyed by a joint committee of the American Society of Range Management and the National Research Council. I for one concur with the committee when it stated that range research is complex and that the problems needing research are wide and varied.

I shall therefore try to convey the outlines of some specific research problems as some of our technicians have suggested them to me.

Our technicians still don't know, for example, the ecological indications for choices between range improvement by management alone as opposed to direct investment in seeding, spraying, or other improvement practices.

This problem is not as simple as it seems at first.

Time is a crucial element.

Our technicians need to know how long it takes to rehabilitate a range from a given ecological condition by each alternative method. Comparisons of time and costs of achieving a desired level of improvement can yield an answer, but first they need to know how ranges respond and how long it takes.

No single level of ecological condition will suffice, as the "break-even point" between methods varies as prices and costs vary.

Our technicians need to know a great deal more about alternative methods for the control of mesquite, creosote bush, and other desert shrubs in the Southwest. They need to know much more about brush species throughout the Western States. They need studies on the invasion or reinvasion of so-called "undesirable" species. They need more effective chemical and mechanical weed control measures.

An especially pressing problem is the reinvasion of wheatgrass seedings by sagebrush and rabbit brush. One of the needs mentioned to me is an economic comparison of the costs and returns of alternative methods of preventing the invasion of seedings by brush.

Increased emphasis is being given to wildlife management on the public lands. Our technicians report a void in the available knowledge concerning habitat manipulation. Suggested topic of research is the rehabilitation of depleted game ranges, including revegetation which adapted species on the lower ranges and protection from hazards such as overgrazing and insects.

Others are the influence of game use on plantings of forage plants and forest trees, and provisions for control of use, and the effect of brush control by chemical and other means on wildlife habitat.

Still another is the effect of livestock fences on game production, especially the influences on migration and population.

Our technicians also say that they would like to learn of methods of evaluating benefits from removal of undesirable species from watersheds in the Southwest and California. They are concerned with the relationship between plant cover, grazing use intensity, infiltration rates, runoff, and sedimentation; also the effect of fire on watersheds, including changes in plant cover, runoff, and sedimentation and means of rehabilitating various types of sites.

Another question is the relation of rodents and rabbits to rangeland production. I am told that little has been developed concerning the basic ecology of these animals in relation to predators and land management practices.

Under the heading of range economics were listed such standard topics as the evaluation of on-site and off-site benefits from improvement work, such as brush, woodland or tree manipulation on watersheds; and benefit-cost analysis of watershed improvement projects.

It occurs to me that these needs for economic analysis, rather than appearing at the end, probably should have appeared

at the beginning. The opportunities for social science research in relation to public lands seem to be almost unlimited.

Our Bureau and the Forest Service have just received a report of research on the economic relationship of grazing fees to the incomes of western ranches. We sincerely appreciate the efforts of the agricultural experiment stations personnel who cooperated with the Economic Research Service on this project.

Our forestry program is also vitally concerned with research and the development of new program approaches and methods. All programs are undergoing major changes: Purposes are adjusting to the needs of an industry which is in turn adjusting to changing resources and markets; scarcity also is forcing a great refinement in our controls, understandings and methods of managing the forests.

A great deal of silvicultural research tailored to western Oregon conditions is needed. For example, research in timber growth acceleration is needed.

Methods for second growth management also need development or improvement. For example, what is the best type of road network for thinning second growth? As the problems and methods become more complex it is inevitable that the margin of return per dollar spent will shrink. Therefore, it is important that economic and cost factors be incorporated in this research and development effort.

The question of dissemination of research results has been raised.

My observation is that it is not difficult to translate research findings into action programs in our Bureau. The personnel acquainted with a particular cooperative research project normally follow the work closely. When they receive the reports, they tend to disseminate the information. The professional societies perform yeoman service in this regard.

At the same time, I am sure that there is room for improving communications. We have a duty to communicate to interested researchers our research needs. We ask that research agencies bring the results of research to our attention.

By working compatibly in this manner, I believe we can do our part to help meet the conservation crisis of the 1960's.

HERBERT HOOVER AT 88: A LEGITIMATE AMERICAN LIBERAL

Mr. MUNDT. Mr. President, all good Americans unite in congratulating former President Herbert Hoover on the occasion of his 88th birthday. This great American is destined to go down in history as one of America's outstanding public servants and one of our country's greatest Presidents. Even at 88, he continues to be active in his country's service to which he has already devoted over 48 years of his adult life.

Perceptive George Sokolsky is one of the current observers of the American scene who has correctly appraised Herbert Hoover for the true American liberal that he is. I ask unanimous consent that his column in today's Washington Post be printed in the body of the RECORD at the conclusion of my remarks.

In saying "Happy birthday, President Hoover," I wish to associate myself with George Sokolsky's praise of President Hoover. Unlike today's "20th century Tories" who interpret "liberalism" to mean the concentration of political and economic power in the hands of the central state in a direct throwback to the concepts of yesteryear's reactionaries, Hoover has always been an advocate of expanded freedoms and opportunities for the individual citizen. In other words, the Hoover brand of liberalism—true American liberalism, if you please—puts its faith in the individual citizen instead of in the central state. Hoover believes in the people rather than in the politician as the element in our American life which should be protected, preserved, and promoted.

No other American President since Teddy Roosevelt has been more progressive in his thinking and his programs than Herbert Hoover when the record is examined on the basis of American liberalism and American progress.

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

HERBERT HOOVER AT 88

(By George E. Sokolsky)

It is now 48 years that Herbert Hoover has devoted all the hours of his life to public service. It is the record of a man whose acceptance of public responsibility has been almost priestly in character. He has asked for no return, for no thanks, for no recognition for services done.

Not all of Herbert Hoover's efforts have been successful; but they have all been motivated by selfless recognition that each man is his brother's servant.

It is not surprising that reaching the great age of 88, Herbert Hoover should be an honored and beloved man. Even those who bore him enmity for the depression of 1929 have long come to recognize that in Herbert Hoover, as President, we had not a politician who twisted and turned with the tides of popularity, but one who was guided by the foundation principles of our civilization, by the natural law and by the Constitution of the United States.

Herbert Hoover has never been a radical or a reactionary. In the 19th century, he would have been regarded as a moderate liberal, of the order of John Stuart Mill; in the 20th century, he would be called a conservative.

The 19th century liberal believed in the expansion of individual human rights and benefits. He put an end to child labor, he gained the vote for an increasing number of persons; he attacked the concept that women were chattel; he fought against slavery and abolished it in most places. His slogan was equality of opportunity for all of mankind.

But the 19th century liberal differed from the 20th century liberal in one basic essential: the 19th century liberal believed that by the expansion of the liberties of the individual, by increased access to education, by equality of economic opportunity, the individual would contribute his share to the perfection of society.

The 20th century liberal has found this process too slow. He has turned to Government as the vehicle of achieving all good. He has expanded the powers and activities of Government. He has reduced the possibility for equality of opportunity by burdening the individual with taxes which, in America, are bringing the economy to a standstill.

In his anxiety to solve all human problems speedily, the 20th century liberal has lost the meaning of the family system. He has substituted for parental solicitudes a pseudoscientific sociological intervention in the family and a psychiatric supervision of morals. The evil results of this are statistical in increased divorces, broken homes and juvenile criminality.

In 1962, dissatisfaction with the product of 20th century liberalism is widespread. Young people do not like the world in which they find themselves. Many become Communists; others declare themselves to be various types of conservatives (some without definition); still others have joined various extremist rightist radical movements. Others, like the beatniks, turn to sexual escapism as a way of life.

These are manifestations of youthful reaction to an unsatisfactory way of life.

In this changing and confusing world, Herbert Hoover stands as a monumental moral force, the solid representative in our land of the basic principles of 19th century liberalism. He has brought into the 20th century the Quaker ideal of the goodness of man in the love of God. This concept is not humanistic; it is deistic, for man cannot stand alone in a changing world.

Herbert Hoover's life is a Horatio Alger story. The orphaned son of a blacksmith and a seamstress, he became a great engineer, the feeder of the human race, Secretary of Commerce and President of the United States. He heads the Boys Clubs of America, perhaps to help give other boys what he missed as a boy. He is the author of many important historical volumes and is now engaged in a great work on international relations.

COOPERATIVE EXPANSION IN THE EDUCATIONAL SYSTEM

Mr. MORSE. Mr. President, in the July 25, 1962, issue of the Portland Oregonian there is an article setting forth the objectives of the Oregon State Board of Higher Education which will guide the institutions which make up the State system through the vast growth of responsibilities which can be expected in the years ahead.

The need to provide adequate academic facilities to train our young people is not peculiar to the State of Oregon alone. Rather, it is a condition which must be faced in every State in the decade ahead. I have called attention to the 11-point program of Chancellor Roy E. Lieuallen as set forth in this article because of my belief that these objectives are such as might be reviewed with profit by educational authorities in other States.

Mr. President, I ask unanimous consent that the news article containing Chancellor Lieuallen's draft statement be printed at this point in my remarks.

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

EDUCATORS VIEW PLANS TO EXPAND PROGRAMS

SOUTHERN OREGON COLLEGE, ASHLAND.—The State board of higher education plans to adopt a statement of objectives reflecting the vast growth of college and university responsibilities in recent years.

The proposed statement recognizes among other things the explosion of knowledge, the increasing importance of graduate study and research and the development of cooperation among institutions and between them and other education agencies.

The board received a draft of the statement at its meeting here Tuesday and heard endorsements from several institutional presidents. It expects to study the statement further at its next meeting in September.

MILLAR EXPLAINS CHANGE

Portland State College President Branford P. Millar noted that when Oregon's unified higher education system began operations in the early 1930's it had a restrictive role in avoiding duplication of educational programs.

Today, Dr. Millar said, there is instead a sense of cooperative expansion in the system.

Chancellor Roy E. Lieuallen, the board's executive officer, discussed these 11 objectives in the statements:

1. To provide higher education opportunities "for as many as can profit therefrom," and maintain admission standards, tuition charges and scholarships accordingly;

2. To provide a general education for all students throughout the 4 undergraduate years instead of just in lower division programs, in response to the world's increasing complexity and rate of change;

3. To be selective in allocating undergraduate and graduate professional education among the State institutions;

4. To continue the rapid expansion of graduate study opportunities;

5. To make significant contributions to the advancement of knowledge through encouraging and developing scholarship and research;

6. To maintain a favorable climate of free inquiry and learning;

7. To make available to Oregon citizens the results of research, various services and such resources as libraries and museums;

8. To develop a comprehensive program of self-study to assure efficient and effective programs and to provide a basis for future planning;

9. To provide Oregon's citizens with opportunities, both formal and informal, for continuing education throughout life;

10. To coordinate the system's education program in such respects as avoiding unneeded duplication, encouraging cooperation between institutions, recognizing regional needs, and the institution's varying roles and encouraging as much institutional autonomy as needed;

11. To develop cooperative ties with public schools, community colleges and private colleges and universities.

The statement also includes thumbnail sketches of each institution's role in the system. The University of Oregon, for example, will remain the citadel for liberal arts, while Oregon State University, though offering some liberal arts, will be oriented primarily toward the sciences.

Portland State College's primary role will be to meet the needs of the Portland metropolitan area.

WE ARE SAVING OUR VANISHING SHORELINES

Mr. ENGLE. Mr. President, in the July 24 issue of the Sacramento Bee an excellent editorial appeared under the heading "This Could Be Greatest Heritage We Can Leave." The article contains an encouraging account of the progress that has been made in conservation and recreation programs under the leadership of President Kennedy and Secretary of the Interior Udall.

Last year Congress established under the national park system the Cape Cod National Seashore. Final approval is expected soon on the bill I introduced to authorize the Point Reyes National Seashore in California. And the prospects are excellent for passage this year of the legislation establishing the Padre Island National Seashore Park on the gulf coast. It has been 24 years and an increase of 52 million in population since a portion of our rapidly vanishing ocean shorelines has been set aside for the recreational use of the people.

Approval of the three national seashore projects clearly demonstrates that there is a strong resurgence of interest in the conservation of our country's natural resources. Credit for the projects can be shared by Congress and the administration with the large number of civic organizations who have played an important part in stirring up concern for our disappearing wilderness areas and shorelines.

I commend the editorial to the attention of my colleagues and ask unanimous consent that it be printed in the RECORD.

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

THIS COULD BE GREATEST HERITAGE WE CAN LEAVE

Tens of millions of Americans are vacationing this summer in the wooded mountains and at lakes and seashores and if they find things are a bit crowded in spots it is only a sketchy preview of what conditions will be come the year 2000.

Not only will the population of the United States have doubled by then but it is almost certain people will have more leisure to spend in the recreational areas and better means of transportation to get to them.

This is the principal reason why President John F. Kennedy, Secretary of the Interior Stewart L. Udall and others in the administration are putting forth one of the most concentrated efforts in history to embark the Government on a program designed to meet the recreational needs of the people in the years to come.

The preservation of the primitive mountain areas, the lakes and the seashore may be the greatest heritage the present generation can provide for those to come.

Future generations will make their own civilization, build their own monolithic skyscrapers, pave their own roads, develop their own transportation and write books and music. But once the forests are denuded, the lakes and rivers despoiled and the seashores turned into subdivisions and honky tonks, these great national assets will be lost beyond recovery and restoration.

In Congress, with administration backing, are a bill to create wilderness areas which has been passed in the Senate and is pending in the House, another to establish a land conservation fund for setting aside new lands for recreation and a third providing for an appropriation of $50 million to aid the States in planning recreation areas for the weekender as well as the vacationer. Also, on the way to final approval are measures designating some seashore areas, including Point Reyes in California, as national parks.

All of the proposals should be approved before the zero hour for the preservation of these areas arrives. And those who ride through the forests or enjoy an unspoiled mountain lake or fish on the bank of a river should be concerned in seeing that America is not defaced and that generations to come will have the opportunity to find solitude and recreation.

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

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

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

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

McGRAW-HILL EXPERT DEMOLISHES ARGUMENT THAT BUSINESS HAS LOST CONFIDENCE IN KENNEDY ADMINISTRATION

Mr. PROXMIRE. Mr. President, Douglas Greenwald, manager of the department of economics of the McGraw-Hill Publishing Co., which publishes Business Week and many business trade journals, appeared before our Joint Economic Committee yesterday and demolished the argument that has been used on the floor of the Senate this week that business is losing confidence in the Kennedy administration.

In the course of a very excellent presentation Mr. Greenwald said:

> Our special checkup in late June points up the fact that business in general had not cut back or canceled plans for investment in new facilities in 1962 as a result of the sharp drop in stock prices in May and June or the so-called loss of business confidence. * * * In most cases where investment plans were lower than they were earlier, the reasons given had absolutely nothing to do with a lack of business confidence or the drop in the stock market.

Greenwald went on to point out that in many cases business plans for expansion had improved in recent weeks.

Incidentally, Mr. Greenwald concluded that a tax cut now is unnecessary.

Confidence in the administration of President John F. Kennedy is a great asset of the free world. The inquiry by this topflight business publishing organization should lay fears to rest.

I ask unanimous consent that the statement by Mr. Greenwald be printed in the RECORD at this point.

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

STATEMENT TO THE JOINT ECONOMIC COMMITTEE OF CONGRESS, AUGUST 8, 1962, ON THE STATE OF THE ECONOMY, WITH SPECIAL REFERENCE TO BUSINESS' PLANS FOR NEW PLANTS AND EQUIPMENT

(By Douglas Greenwald)

My assignment is to discuss the current and short-run health of the economy with particular reference to the key area of the economy—private investment in new plants and equipment. My contribution, for the most part, will be based on recent important factual information from McGraw-Hill's surveys of business' anticipations. And results of these surveys indicate that capital investment intentions by business constitute an element of strength in the business outlook.

In my department of the McGraw-Hill Publishing Co. we have made surveys of plans for business' spending on new facilities for 15 years. We also maintain a monthly index of new orders for nonelectrical machinery which reflects the new incoming business of producers of capital equipment, and a quarterly forecast index of machinery orders, which reflects the new incoming business of for four quarters ahead. The indexes cover a relatively small number of large manufacturers of machinery.

We generally survey business on its plans for domestic investment twice a year—in the spring and in the fall. The spring survey is very comprehensive and is geared to longer-range plans; the fall survey covers fewer questions and is geared to short-range plans.

In October 1961 we carried out our fall survey of business' plans for 1962 and 1963 Our comprehensive survey of business' plans for 1962 to 1965 was made during March and early April of this year. At the end of June we carried out a special checkup of plans.

The McGraw-Hill checkup of spending plans showed that business, in general, is planning to invest approximately the same amount in new plants and equipment in 1962 that it reported to us in our comprehensive survey taken earlier this year, and a considerably higher amount than it anticipated

last fall. The table below shows the results of the three McGraw-Hill surveys and actual 1961 capital expenditures as reported by the U.S. Department of Commerce.

Business plans for capital spending in 1962

[In billions]

Industry	1961 actual [1]	1962 planned—		
		As of October 1961	As of March and early April 1962	As of end of June
All manufacturing	$13.67	$14.59	$15.41	$15.30
Mining	.98	.99	1.09	1.08
Railroads	.67	.64	.85	.87
Other transportation and communications	5.07	5.03	5.50	5.50
Electric and gas utilities	5.52	5.87	5.74	5.82
Commercial	8.46	8.72	9.39	9.39
All business	34.37	35.84	37.98	37.96

[1] U.S. Department of Commerce.

Our fall 1961 survey indicated that business had plans to invest $35.84 billion in 1962, an increase of about 4 percent over 1961. Over the past several years our fall surveys of business' plans have always provided the correct direction of change in investment as well as fairly reliable indications of the degree of change.

The McGraw-Hill comprehensive survey of business' plans for new plants and equipment taken early this spring indicated that business firms had raised their investment sights significantly from the fall. Planned investment for 1962 was $37.98 billion, up 10.5 percent over 1961. During the years that we have been making these spring surveys, they have proved remarkably accurate in indicating the trend of over-all investment for the year ahead, except in 1950, when all plans were altered by the Korean war. During the last decade, the average error between the McGraw-Hill survey's planned percentage change and the Department of Commerce's percentage change for actual data is only 3.5 percent. We do not conclude from this experience, however, that we have a sure-fire forecasting device. We claim nothing for the results of our surveys except that they report present plans. We heavily emphasize the proposition that our surveys are not promises of what is actually going to happen.

Our special checkup in late June showed that business planned to spend $37.96 billion on new plants and equipment this year, up 10.4 percent over 1961. This checkup was based on plans of a substantial cross section of business, accounting for 35 percent of total capital investment. For the most part the results reflect the plans of large companies. This recheck provided no indication of what small companies were doing about their investment. To begin with, investment plans of small companies were not up as much for 1962 as those of larger companies. The downward movement of the stock market in May and June may have had some impact on their investment plans. However, small companies account for a relatively small percentage of total capital investment.

Our checkup pointed up the fact that business in general had not cut back or canceled plans for investment in new facilities in 1962 as a result of the sharp drop in stock prices in May and June or the so-called loss of business confidence.

Manufacturing industries overall planned to invest $15.3 billion this year, down about $110 million from plans reported to us in the spring. Steel, machinery, electrical machinery, stone, clay and glass and miscellaneous manufacturing industries plan to invest less in 1962 than they did earlier. However, transportation equipment—aircraft, railroads, and shipbuilding—fabricated metal products and instruments, chemicals, rubber, and food industries plan to increase their capital expenditures this year more than planned originally.

Among nonmanufacturing industries, railroads and utilities planned slightly higher capital investment for 1962 than they did earlier, while the mining industry cut its plans.

About 80 percent of the companies that answered in our recheck indicated they had made no change in their 1962 plans for new plants and equipment. The remaining 20 percent indicated some changes in their planning. But this group was split right down the middle, with half increasing plans and half cutting them.

Among the companies indicating investment cut-backs, only a very few cited economic conditions as the reason. In most cases where investment plans were lower than they were earlier, the reasons given had absolutely nothing to do with a lack of business confidence or the drop in the stock market. Instead, technological delays and construction delays were the reasons given.

We should point out that in past years of high and rising business activity a large number of companies increased investment plans during the year. This has not been the case so far in 1962.

This recheck was taken before stock market prices began to recover, before margin requirements were reduced from 70 to 50 percent and before Revenue Procedure 62–21, with its more realistic depreciation guidelines regarding lives of machinery and equipment, became effective. It is conceivable that these three factors, along with the 7 percent tax credit for new machinery and equipment purchases, which Congress may soon make a part of the Nation's law, could result in higher capital expenditures at the end of this year than are now anticipated by companies and by business economists in general. However, it is my opinion that their impact on capital spending may be slow in coming.

We have some factual evidence on this point. In our spring survey, we asked the question: "If the administration's program of tax incentives for investment were enacted, how much would this increase your capital expenditures in 1962?" Business as a whole indicated that it would raise its 1962 plans by only 1 percent, or about $300 million. Nine out of every ten companies replying indicated that they would not use such a program at all in 1962.

The fact that American business is going ahead with its investment plans for 1962 was not a surprise to us. It confirmed our belief that business' plans for new plants and equipment, once made for the year ahead, are generally carried out. In the past, wars, recessions, and booms have led to significant changes in investment plans. But in my view, we are not likely to be in any of these three situations this year.

Also, it makes good sense for businessmen to go right ahead with their modernization programs in 1962. Business firms reported to us in our recent checkup that this year's capital investment programs are stressing modernization, with the hope that these cost-cutting projects will result in better profit margins. In our earlier survey this year, manufacturers reported that they planned to devote 70 percent of their 1962 investment dollar to modernization. The reason for their concern is obvious. About 40 percent of U.S. plant and equipment dates back to before 1951, and nearly 25 percent goes back to World War II or even before that. These significant statistics were also revealed by our spring survey.

Only a very small percentage of investment is going for new capacity this year. Most of this is going for capacity for new products which are an important part of the payoff of industry's tremendous expenditures on research and development during the last decade. Little investment is going for additional capacity for existing products.

Based on the McGraw-Hill measures of manufacturing operating rate, we estimate that manufacturers, on the average, are currently utilizing 84 percent of their capacity, whereas they prefer to operate at about 90 percent. Therefore, it is true that industry has a modest amount of excess capacity at present. And the gap between the operating rate and the preferred rate may widen if manufacturing output were not to continue to expand during the rest of the year.

As this committee well knows, my Department compiles the only direct measure of manufacturing capacity. Only a few months ago I testified on the McGraw-Hill measures of capacity before the Subcommittee on Economic Statistics of the Joint Economic Committee. In its report on "Measures of Productive Capacity," the committee recommended and I quote, "an exploration of the McGraw-Hill techniques would offer an excellent opportunity for a joint public-private project in which McGraw-Hill, the pioneer of this technique, might work in cooperation with a suitable government agency." We at McGraw-Hill are giving this project serious consideration.

Another piece of evidence that confirms our belief that investment will continue to expand throughout the rest of this year is provided by the quarterly McGraw-Hill Nonelectrical Machinery New Orders Forecast Index. For today's hearings, I have had computed, earlier than usual, a preliminary estimate of our forecast index for the four quarters ahead. Although this index does not provide a precise gage of the future level of new orders, it provides an indication of relative changes in the confidence of machinery manufacturers.

Capital goods manufacturers now expect to book a far bigger dollar volume of new orders in the current quarter than they ever did before. They anticipate that new orders will subsequently fall off and that the decline will continue into the first quarter of 1963. They forecast that the second quarter of 1963 will see a slight pickup in their new orders.

The group of machinery manufacturers reporting forecasts to us in our current quarterly survey are slightly less optimistic about prospects for new orders for the last two quarters of 1962 than they were 3 months ago. One reason for decreasing optimism about the immediate future among this particular group of companies is the fact that their actual incoming new orders in June dropped by about 10 percent. But despite this sharp drop for 1 month, their anticipations for the last half of 1962 are only off about 2 percent from what they were back in April. And most of the returns for this calculation arrived in my office before the new procedure for depreciating machinery became effective.

Corporations now have a high enough rate of cash flow to finance a considerably higher level of investment than is now planned for 1962. Our comprehensive survey taken early this year showed that businessmen anticipated increasing their volume of cash flow,

composed of retained earnings and depreciation, at a faster rate than their investment in new plants and equipment. At that time they expected to increase cash flow by 14 percent and investment by only 10.5 percent.

It is my belief that the McGraw-Hill data on plant and equipment expenditures indicate that this key segment of the economy will continue to expand this year. If plans hold up for the year as a whole, then the quarterly rate of capital expenditures may be expected to reach $39 billion in the fourth quarter compared with a rate of about $37 billion in the second quarter.

I now turn briefly to other major areas of the economy: Inventories, consumer spending, housing, the net export balance, and Government spending:

Inventories are currently being built up at a much more moderate pace than earlier this year. In the first quarter, business was accumulating inventories at an annual rate of about $6.7 billion. In the second quarter the rate dropped to about $3.5 billion. In the current quarter, it probably is still lower. The rate of addition to inventory will continue to slow down during the rest of the year. However, considering the relatively low inventory-to-sales ratios, it is unlikely that business will reverse its policy soon and let its inventories run off. However, a declining rate of inventory addition means that the negative impact on our Nation's total dollar volume of business has already taken place.

Consumer expenditures, which are by far the largest sector of the total business picture, are dependent on many psychological factors. I will leave the discussion of this sector to George Katona, except to note that as long as personal income rises, and at this time we cannot see any reason to expect it to turn down before year end, consumer spending on goods and services may be expected to follow the same general path.

Housing is booming. Private starts in the second quarter were exceedingly high at an annual rate of nearly 1.5 million units, despite a drop in June. And because of the lag between a start and put in place construction, we can look for the dollar volume of new housing construction to break through previous record highs.

The net export balance is just about holding its own. Exports have been holding up very well, while imports have not increased significantly. We do not expect to see a significant change from the current rate of surplus of exports over imports during the rest of the year. Thus the net export situation will have a neutral effect on the economy in the months ahead.

This year's Federal budget guarantees a modest rise in Federal spending right through the end of the fiscal year, June 30, 1963. However, the increase during the current fiscal year will be considerably smaller than the big gain registered during fiscal 1962. Meanwhile, State and local spending on highways, schools and other projects is due for a large increase over the coming months. States and cities are taking advantage of relatively easier money markets to issue a record volume of construction bonds.

In conclusion, the pluses and minuses of the various sectors of the economy add up favorably for the rest of the year. There is nothing now in sight which clearly indicates that in the next few months there will be a marked change in the direction of the economy.

FIRM AND ALOOF POLICY TOWARD RED CHINA VINDICATED

Mr. PROXMIRE. Mr. President, the evidence that the free world is beginning to win, is increasing daily in East Berlin, Cuba, and throughout the Communist world, where failure is becoming more and more constant.

Red China is perhaps the best example, Mr. President, and yesterday on the front page of the New York Times, the brilliant correspondent Tad Szulc spelled out, as he put it, the "apathy, dejection, and demoralization in the midst of economic disaster of the Chinese people under Communist China."

The most heartening part of the Szulc report is this passage:

> In the opinion of the officials surveying the situation, China's internal difficulties justify the continuance of a U.S. policy of firmness and aloofness.

In view of the further report that Red China, in spite of the terrible hunger of its people, is diverting grain shipments to Cuba for "political reasons," and, most importantly, that revolutions come from just this kind of popular desperation, this policy of firmness and aloofness makes abundant sense.

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

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

CHINESE FOUND APATHETIC AS ECONOMY DETERIORATES

(By Tad Szulc)

WASHINGTON, August 7.—The mood in Communist China is one of "apathy, dejection and demoralization" in the midst of economic disaster, U.S. Government experts on Chinese affairs reported today.

In the most up-to-date available assessment of the situation on the Chinese mainland, these officials said that the Chinese economy continued to deteriorate.

Moreover, the officials indicated, there was no immediate sign of a leveling off, even if this year's grain crop is slightly improved.

The official stressed that affairs in China might be worse than was realized abroad. The delay in communications and the absence of reliable statistics to guide the Peiping regime as well as foreign observers were believed responsible for "the assessment lag."

In the opinion of the American experts, there probably is no starvation in China. However, they believe that food shortages have lowered the life expectancy in many regions.

POPULATION GROWTH HALTED

The officials said that the Chinese population, now estimated at 700 million might have ceased to grow in some parts of the country and might be decreasing.

They expressed the view that the psychological and political impact of the failure of the 1958 "great leap forward" might be more serious than the economic hardships.

Because the Chinese people had been led to expect so much, officials said, the letdown has caused "apathy, dejection, demoralization, despondency and despair."

They said the impact of this despondency on the national production was "tremendous." The incentive of allowing farmers to cultivate small private plots is producing only limited results, they said, because "runaway inflation" in some areas and the absence of purchasable goods gives the people "nothing in return."

As a symbol of China's economic failure, the U.S. exports cited the regime's policy of forcing people to return from the cities to the countryside. These young people originally had been moved into the urban centers to participate in the industrial expansion.

Despite the hardships, it is believed here that there is "no mood of rebellion" in China. Officials said that the population, though it would welcome a change of regime was "cowed" by the military and security apparatus.

However, the U.S. experts said, "it is conceivable" that the Communist regime may fall in time. These officials expressed the belief that a change might be "evolutionary" rather than revolutionary. The key to the whole situation, the officials said, is how much punishment the Chinese people can take despite their traditional stoicism.

FIRM POLICY BACKED

In the opinion of the officials surveying the situation, China's internal difficulties justify the continuance of a U.S. policy of firmness and aloofness.

These officials indicated that it was useful to keep open the contacts between the United States and Communist China through the periodic meetings of the Ambassadors of the two countries in Warsaw. These conversations have been going on for 8 years.

The estimate by American officials of the differences between Communist China and the Soviet Union is that, although the two powers recoiled from an open break, relations "are apt to stay bad."

NATIONAL INTERESTS CLASH

Basically, the problem between Moscow and Peiping was regarded as one of conflicting national interest. The widely publicized ideological differences were believed to be merely the trappings for the dispute.

The experts noted that under agreement, as well as under the 1961 Soviet-Chinese trade 1962 protocol negotiated several months ago after long and obvious difficulties, China was required to export to the Soviet Union much more than it would receive in Soviet shipments. The Soviet Union is extracting these payments, officials said, to settle outstanding debts.

Communist China's foreign-exchange position is deteriorating badly and it needs all its exportable products for sales on world markets. However, statistics made available today in London disclosed that last year China had to ship $185 million worth of goods to the Soviet Union over the level of its imports.

Officials here commented that this imbalance demonstrated the degree to which Moscow was pushing its Chinese associate.

Communist China desperately needs foreign exchange to purchase grain abroad to make up in part its food deficits. Last year China bought grain in Australia, Canada, and France. Officials here said that Peiping foreign-exchange position was so bad that its world credit was being impaired.

However, the belief here is that, despite food and currency shortages, China will continue to divert grain shipments to Albania and Cuba because of political reasons.

Last year, the Chinese diverted some of their Canadian and French purchases to Albania following Albania's break with the Soviet Union. The interruption of trade and aid programs from the European Soviet bloc to Albania placed China in the position of the principal food supplier to Albania.

Also in 1961, China shipped 100,000 tons of rice to Cuba in exchange for sugar. The Chinese political interest in maintaining an economic presence in Cuba and possibly widening Peiping's ideological influence in Latin America were seen as the reason for sacrificing precious rice reserves in helping the equally chaotic Cuban economy.

ADMINISTRATION TURN TO HIGH INTEREST RATES DEPLORABLE

Mr. PROXMIRE. Mr. President, in one of the most significant economic newspaper accounts in a long time, the New York Times reported that the ad-

ministration appears to be intent on a policy of tight money now and at least in the near future.

In writing this article, Paul Heffernan documents it in spades. He shows how the administration is not only following a policy of hiking short-term interest rates, but long-term interest rates also. He shows that the Treasury, as well as the Federal Reserve, is pursuing this policy by "financing far more long-term debt than any other postwar administration effectuated in a comparable period."

Mr. President, the excuse for following this policy that is sure to exert a drag on the economy and slow down employment is that it is necessary to protect our balance of payments. Yet not a single study has been made, despite constant urging of our Joint Economic Committee, to establish that the level of our interest rates significantly affects our balance of payments. Indeed, both Chairman Martin, of the Federal Reserve Board, and Mr. Roosa, of the Treasury, the two men most responsible for our monetary policy, have indicated in statements and writing, which I have frequently cited on the floor and elsewhere, that the effect of interest rates on the balance of payments is secondary and not of serious significance.

Mr. President, I ask unanimous consent that the article by Mr. Heffernan be printed in the RECORD at this point.

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

KENNEDY REVISES HIS FISCAL GOALS

(By Paul Heffernan)

Financial specialists eager to make true readings of the economic mind of President Kennedy are beginning to sense that their Rosetta stone may be found in the bond market.

There has been no deviation in the generalizations about economic affairs that President Kennedy has made since he took office in 1961. At that time he was concerned about unemployment. Still, he disavowed any idea of devaluing the U.S. dollar and he pledged that any growth-promotion enterprises of his administration would not cause serious inflation. These White House commitments stand today.

But there are significant changes in emphasis. And the shifts in the Presidential accent are perhaps registered most emphatically in the bond market, where changes in the interest rate—that is, the earning power of savings—are communicated at once to the going value of bonds and other fixed-income debt investments.

Basic interest rates in the United States today are not tending lower, despite the pause in business and the persistence of the 5,300,000 unemployment float that attended the Kennedy inauguration. If anything, interest rates seem fated to hold at levels measurably above those of World War II or to work even higher.

EFFECT OF REFUNDING

The interest of the Kennedy administration in a steady or even higher interest structure—both at short and long term—was attested last week by the outcome of a $8,800 million financing operation, most of which was intended to refund maturing debt, and the rest to raise about $1 billion in new money.

All of the money could have been raised readily at short term at a cost of 3½ percent, as was $6,750 million on 1-year certificates of indebtedness. Still, the Treasury saw fit to borrow $1,695 million of the total on bonds due in 6½ years at a cost of 4 percent, and $316,524,000 on bonds due in 30 years at a cost of nearly 4¼ percent.

The reason for the long-term borrowings at rates closely approaching the highest incurred by the Treasury in the postwar period is perhaps best summed up in the declaration made by the Federal Reserve Bank of New York last February in its annual report.

"As an objective of monetary policy," the influential Second District Reserve institution said, "the defense of the international value of the dollar has come to occupy a position alongside of the goal of stable economic growth."

"OPERATION NUDGE" NOTED

In retrospect, it is hard to realize that only a brief year before the New York Reserve Bank made this declaration, the Reserve System had made an ineffectual effort to nudge the long-term interest rate downward. This effort, it was widely suspected, was in deference to White House advisers who held that business enterprise stands to be stimulated by an abundance of cheap money and to be discouraged by any rise in the wages of saving above a token minimum.

It is likewise hard to realize that in the brief period since the futile trial of "Operation Nudge" in early 1961, the Kennedy administration has contrived the sale, through advance refunding or otherwise—of more than $7,500 million of long-term debt.

This is far more long-term financing than any other postwar administration effectuated in a comparable period. In the 16 years since the end of the war, the Treasury has effectuated long-term financing totaling $20 billion. More than one-third of this was done in the 19 months of the Kennedy administration.

A close reading of the language of the Presidential declarations will confirm the shift in emphasis that has been taking place since the 1961 inaugural.

THE 1961 POLICY STATEMENT

In February of 1961, for example, the President spoke this way about monetary policy and the economic situation:

"We have the problem of whether the only way we can prevent an increase in the cost of living is to have 5½ million people unemployed and have a substantial percentage of our capacity unused. The question is whether we can maintain a reasonable purchasing power and the cost of doing business with full employment. * * * I'm not satisfied to have the cost of living remain constant only by having the economy restrained. * * * We have no intention of devaluing the dollar.

"In all of the programs that we have put forward we will pay due care to the problem of preventing any stimulation of the economy resulting in an excessive increase in the cost of living."

This 1961 language, with its reference to "reasonable" purchasing power and an "excessive" increase in the cost of living, was not reassuring to disciples of monetary rectitude.

NONINFLATIONARY EXPANSION

Any inflationary overtones of the 1961 diction were muted significantly, however, in the President's annual economic report, submitted about a year later. He said in January 1962:

"We must seek full recovery without endangering the price stability of the past 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. * * * Monetary and related policies can be used to assure a flow of investment funds which will transform the economy's present capacity to save into future capacity to produce. Monetary and debt management policies must continue to protect the balance of international payments against outflows of short-term capital."

President Kennedy's Yale commencement speech last June, again disclaimed inflation, but saw fit, nevertheless, to classify as a "complexity" the conflicting current theories as to the usefulness of low and high interest rates in achieving domestic and international financial stability.

Of all the Presidential statements about money, the most reassuring to the fiduciary institutions that hold the savings of the American public in Treasury securities and other fixed-income investments was that that he gave at his July 24 press conference.

ROLE OF THE DOLLAR

The significant statement was not so much the President's renewed disavowal of any intention of devaluing the U.S. dollar as was his insistence that the U.S. dollar must stay on as the world's chief reserve currency. He said:

"If the United States refused to cash in dollars for gold, then everyone would go to the gold standard * * *. We would all be dependent upon the available supply of gold, which is quite limited. Obviously it isn't enough to finance the great movements of trade today and it [a U.S. refusal to pay out gold to foreign holders of U.S. dollars] would be the most backward step that the United States has taken since the end of the Second World War."

The implication of this latest Presidential commitment is that the U.S. dollar, if it is to continue to do the work of gold throughout the world, must be maintained "as good as gold."

This must be reassuring to foreign interests holding dollar balances. It must be reassuring, too, to pension funds and life insurance companies here who, as custodians of the public's savings, keep most of the funds invested in fixed-income securities.

Economic indicators

WEEK ENDED AUG. 4, 1962

	Last week	Prior week	1961
Commodity index	80.6	80.3	84.7
Money in circulation (thousand dollars)	33,811,000	33,901,000	32,450,000
Commercial, industrial, and agricultural loans (thousand dollars)	34,368,000	34,434,000	32,488,000
Steel operating rate (percent)	51.5	48	62.2
Steel production (tons)	1,504,000	1,398,000	1,818,000
Motor vehicle production	136,914	161,812	45,469
Daily oil production (barrels)	7,262,560	7,264,810	6,945,210
Freight carloadings	567,131	558,246	591,301
Electric power output (thousand kilowatt-hours)	16,635,000	16,759,000	16,061,000
Business failures	269	286	319

Statistics for commercial-industrial-agricultural loans, carloadings, steel, oil, electric power and business failures are for the preceding week and latest available.

Economic indicators—Continued

MONTHLY COMPARISONS

	June [1]	Prior month	1961
Employed	69,539,000	67,931,000	68,706,000
Unemployed	4,463,000	3,905,000	5,580,000
Industrial production	117.8	117.5	110.4
Personal income [2]	$440,400,000	$439,700,000	$416,400,000
Money supply [2]	$143,400,000	$143,400,000	$140,900,000
Consumers' price index	105.3	105.2	104.0
Construction contracts [2]	$3,899,598	$4,008,718	$3,602,176
Manufacturers' inventories [2]	$56,910,000	$56,810,000	$53,363,000
Imports [2]	$1,345,800	$1,385,000	$1,180,900
	May [1]	**Prior month**	**1961**
Exports [2]	$1,774,700	$1,794,600	$1,577,000

[1] Figures shown are subject to revision by source. [2] Omitted.

Commodity index, based on 1957-59=100, and the consumers' price index, based on 1957-59=100, are compiled by the Bureau of Labor Statistics. Industrial production is Federal Reserve Board's adjusted index of 1957=100. Manufacturers' inventories and personal income, at annual rate, are reported by the F. W. Dodge Corp. Imports and exports as well as employment are compiled by the Bureau of Census of the Department of Commerce. Money supply is total currency outside banks and demand deposits adjusted as reported by Federal Reserve Board. Business failures compiled by Dun & Bradstreet, Inc.

THE GOVERNMENT COPYRIGHT RACKET

Mr. PROXMIRE. Mr. President, the principles of copyrighting undoubtedly are a mystery to most citizens. Yet copyrighting plays an important role in the rights, privileges, and practices of publishing printed and other material. One of the functions of the copyright is to protect the rights of the author of the material. Permission to copy or reproduce a work must be given by the author of a copyrighted work, or by his agent. In that sense, the copyright is primarily restrictive. It restricts the ease and extent to which printed matter or other material may be copied. Hence the term "copyright."

Under the 1909 copyright law of the United States, which is still in effect, one category of published material is specifically withheld from copyrighting. It is publications of the U.S. Government. The law states (17 U.S.C. sec. 8):

> No copyright shall subsist * * * in any publication of the U.S. Government, or any reprint, in whole or in part.

In spite of this provision of law, there has been a growing tendency in recent years to copyright publications of the Government, publications paid for by the Government, or publications prepared by officials of the Government using information or material available to them in official capacities. I view this trend with some concern. A great many important publications prepared "of, by, and for" the U.S. Government have been copyrighted. The official Army military history of World War II, the history of the Atomic Energy Commission, and a huge number of publications prepared at Government expense by consultant organizations like the Rand Corp. are among these. Most recently, the official illustrated guide to the White House has been issued under copyright.

What the copyright does is limit the use that can be made of a publication. Permission to copy is restricted. It must be requested from, and granted by, the holder of the copyright. Interestingly enough, the copyright holder is not listed as "U.S. Government" as such, in these cases. Rather, a Government official, or the firm that published the book (at Government expense) or an organization composed of Government officials by virtue of their positions, holds the copyright. In each case, however, all the restrictions and safeguards intended to protect private authors apply.

Because of my concern about this matter, I recently wrote to the Register of Copyrights asking him to comment on these questions. In his reply to me, he indicated that the questions are significant, and that a careful study and review of the law is now underway. I would strongly hope that any copyright revision that is undertaken will very carefully consider the implications of permitting a variety of official or semi-official publications to qualify for copyright. The answer to the question may not be a simple one. Where the rights of private individuals are affected, certainly any reform of the present law should be careful and cautious. But it is quite plain to this Senator that the present practice of freely granting copyrights to a broad range of publications of the Government, or financed by the Government, should be curtailed.

An article in the August 11, 1962, Saturday Review discusses this subject in some detail. I ask unanimous consent that it be printed at this point in the RECORD.

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

PROFITS FROM PUBLIC PAPERS: THE GOVERNMENT COPYRIGHT RACKET

(By Herbert Brucker)

(NOTE.—This article by Mr. Brucker appeared in the Saturday Review, August 11, 1962. Mr. Brucker is the editor of the Hartford Courant and chairman of the Freedom of Information Committee of the American Society of Newspaper Editors.)

It was November 19, 1863. An official procession, with President Lincoln on a horse too small for him, struggled out from Gettysburg toward the cemetery where lay the thousands who had died in the 3-day battle in July. When after 2 hours Edward Everett had finished his polished oration, the President arose, put on his spectacles, and looked down at a single sheet of paper in his hand. Fifteen thousand persons, or as many of them as could get near enough, for the first time heard the words: "Four score and seven years ago our fathers brought forth. * * *" The unexpectedly brief speech, varyingly received at the time, in due course took its hallowed place in the literature belonging to the Nation and, indeed, to the whole world.

Suppose it had been 1963 instead of 1863. Soon there would have appeared a book reproducing the Gettysburg Address among the papers, speeches, and statements of the President. And it would be marked up front, "Copyright 1963, by A. Lincoln."

Copyright? Doesn't that give an individual exclusive right to what is written? It does. How then can a public paper that belongs to the Nation become the private property of the man who happens to be President at the moment? It's impossible.

It should be impossible, that is. The 1909 copyright law still in effect today specifically says (17 U.S.C. sec. 8): "No copyright shall subsist * * * in any publication of the U.S. Government, or any reprint, in whole or in part. * * *" But despite what the law says, public papers are being copyrighted every day, in ever-increasing numbers. And nobody seems to care.

If you don't believe it, go down to your library or bookstore and take a look at a book published last January. Its title is "To Turn the Tide," and its author is John F. Kennedy. The subtitle reads: "A selection from President Kennedy's public statements from his election through the 1961 adjournment of Congress, setting forth the goals of his first legislative year." Two pages later you will find the notice, "Copyright 1962 by John F. Kennedy," and the statement, "No part of this book may be used or reproduced in any manner whatsoever without written permission except in the case of brief quotations embodied in critical articles and reviews."

That public papers should thus be transmuted into private property, which may be sold or withheld from the public at will, seems a contradiction in terms. Nevertheless it is being done, eagerly and widely, not only by Presidents but by officials and functionaries all the way down through the ranks of the bureaucratic hierarchy.

Please don't blame President Kennedy. The chances are that he did not even know it was being done in his name. He did not know about it, that is, until there appeared in the Washington Post of last January 3 an advertisement addressed to the President that asked: "What's the point of placing any type of restriction on the quotability of the public statements of a President of the United States?" Sure enough next day, from temporary White House quarters at Palm Beach, there came the report that this copyright on a book of the President's public papers "was a mistake that is being corrected in future editions."

How could such a mistake be made? Because violation of the law has grown so fast and so far that even the expert staff of the President seemed to have been unaware that there was anything inappropriate, let alone illegal, in thus quietly turning public papers into a source of private revenue. Book publishers take out a copyright as a matter of course. Naturally—since they benefit if their collections of public papers can have the same protection as private creations. And often the matter is made fuzzy because original and copyrightable material has been added. The Kennedy book, for example, has background comments by the editor and a foreword by Carl Sandburg.

The relevant point, however, is the copyrighting of what is plainly public property. And probably this practice would have gone on unnoticed to this day had it not been challenged by an individual who squawked, and who keeps right on squawking. He is M. B. Schnapper, editor of Public Affairs Press

in Washington, a publishing house that issues pamphlets and books on contemporary social, economic, and political affairs. Understandably, Mr. Schnapper wants to make use of public papers when appropriate. And he has every right to do so, just as does any other citizen.

It was Mr. Schnapper who put the ad in the Washington Post that smoked out the error in copyrighting the Kennedy papers. He has been at this kind of thing for years, and by now his cry in the bureaucratic wilderness has been heard by a number of individuals who have taken alarm at what is going on.

There are two principal reasons for the burgeoning practice of putting a private copyright on the taxpayers' property. The first and most obvious one is the possibility of making money. And there is ample evidence that individuals in government service have in fact made money by acquiring property rights in, and then selling, the products of their official duties.

The other reason is that a copyright provides a means of censorship: "No part of this book may be used or reproduced * * *." As Maj. Gen. C. G. Dodge, the Army's Chief of Information, wrote Mr. Schnapper earlier this year, "The (Army historical) works were copyrighted at that time to prevent quoting of material out of content." In other words, if we in officialdom don't like the use you make of this public property that's yours as much as anyone else's we'll stop you.

Happily, General Dodge added that it would henceforth be the Army's policy that military histories issued in the name of the American people would no longer be copyrighted. But the incident serves as a reminder of the increasing tendency of people in government to regard the information they produce in the name of the public, and at the public's expense, as having somehow mysteriously become something other than public property. If it is valuable, it can be sold. Or if the records are better concealed—Billie Sol Estes is but the latest brilliant star in an expanding universe of government boners—then a copyright is one means of concealing them.

This practice of suppressing news generated by the Government accounts for the contemporary battle for freedom of information, or the right to know. It is the ancient battle for freedom of the press in modern trappings. For of what use is it to be free to print anything you like, if you can't get anything to print?

To answer that the copyright holder will remedy this by publishing is to miss the point. There shouldn't be any copyright. In fact, what is startling about the whole development is that the Government people who copyright public documents, when reminded that the law forbids the practice, tend to hold that they are right and the law wrong. The Office of Copyright in the Library of Congress actually has in the legislative works a report urging a change in the copyright law, one provision of which gets the camel's nose well under the tent. There should be, it says, "exceptions in unusual cases."

This turn of mind is a fairly recent development. The first time anyone dreamed that such a thing as the prohibition of Government copyright might be necessary was at the turn of the century. At that time one Representative James D. Richardson, a prominent Democrat from Tennessee, put together the addresses of the Presidents, including, of all things, Washington's Farewell Address and the Gettysburg Address. Yet, though the printing plates of his "Messages and Papers of the Presidents" had even been manufactured at public expense, Representative Richardson had the work published under his own copyright—and then took in $11,320 in royalties.

So unusual was this kind of thing—at that time—that there was a row in Congress. In the end there was a Senate investigation. The report said:

"Your committee thinks that copyright should not have issued in behalf of the messages, and that the law as it stands is sufficient to deny copyright to any and every work once issued as a Government publication. If the services of any author or compiler employed by the Government require him to be compensated, payment should be made in money, frankly and properly appropriated for that purpose, and the resulting book or other publication in whole and as to any part should be always at the free use of the people, and this, without doubt, was what Congress intended."

So virtue triumphed. But copies of the messages survive to this day, and researchers who find what they seek in the book may well be frightened about quoting because of the copyright. So it is with President Kennedy's "To Turn the Tide." The copyright is there, in print. Even if there are subsequent editions without it, the original notice that this is private property is in the libraries to warn the scholars of the future against using what it is their clear right to quote.

Another trouble is that, though the law specifies that there shall be no copyright on any "publication of the U.S. Government," it does not say what such publication is. Therefore the first need in any revision of the copyright law is a broad and precise definition that will prevent what the existing silence of the law encourages aggressive public servants to try to get away with.

Fortunately the issue has come to a head in a suit brought in 1958 by Mr. Schnapper and his Public Affairs Press against Adm. Hyman G. Rickover. Admiral Rickover, of course, is one of the outstanding public servants of our time. Without him we would have no atomic submarines. But that does not change the fact that he, too, has taken statements that he made as a public officer and thrown the mantle of private copyright over them.

The suit is not yet adjudicated. It went up through the ranks to the Supreme Court, and was sent back for more thorough review. The Supreme Court found that there were involved "matters of serious public concern" and "delicate problems" whose solution "is bound to have far-reaching import." The Court held further that the original judgment had been based not on the "adequate and full-bodied record" demanded by the complexities involved, but on a record "woefully lacking." Hence the trip back to the lower courts.

Pending the outcome, some facts are known. The Public Affairs Press asked Mr. Rickover for copies of some speeches he had made in his official capacity. Among them were speeches that had been publicly distributed in the usual manner as press releases from the Department of Defense or Atomic Energy Commission. Later on, however, when the admiral took out the copyright, he submitted verbatim copies of these speeches without indication that they had originally been official press releases, and without the insignia of the DOD or AEC on them. Admiral Rickover then warned the Public Affairs Press against quoting from these speeches in any way. Whether there is a connection or not, the admiral had 3 months earlier sold his copyrighted speeches to another book publisher.

The matter is not one of black and white because all of us wear two hats, whether we are in Government or a private job. Suppose, for example, that Admiral Rickover were a poet. Suppose he had been so moved by an early cruise on an atomic submarine that he had sat down, even on Government time and in the Government's submarine, to compose a poem on the experience. Presumably this personal creation would be his private property despite the circumstances of its composition.

However, isn't such a poem or other personal literary or scientific work, especially if done out of hours or on subjects not connected with the official's job, quite different from a speech or other public document issued as official Government business?

Perhaps until the suit against Rickover is adjudicated, we have no right to an opinion about it. But it does seem on the face of it that official papers by Government servants are ipso facto in the public domain. There is no more reason why such material should become the private property of the Government official who wrote it as part of his job than that Representative Richardson should copyright Washington's or Lincoln's addresses. We might as well allow an enterprising individual to take out an original copyright on Shakespeare or Mozart.

Mr. PROXMIRE. I also ask unanimous consent that a letter to me from Mr. Albert Kaminstein, the Register of Copyrights, be printed in the RECORD at this point.

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

COPYRIGHT OFFICE,
THE LIBRARY OF CONGRESS,
Washington, D.C., June 1, 1962.

The Honorable WILLIAM PROXMIRE,
U.S. Senate, Washington, D.C.

DEAR SENATOR PROXMIRE: I was glad to have the opportunity to discuss with Mr. Sieverts, on May 29, the problems involved in the prohibition in the copyright law against the copyrighting of Government publications, referred to in your letter of May 17.

This is one of the many subjects covered in a series of studies conducted by the Copyright Office and printed by the Senate Judiciary Committee preparatory to a general revision of the copyright law. It was also dealt with in our report on general revision which was submitted to Congress on July 10, 1961, and printed by the House Judiciary Committee. Copies of the pertinent study and the report have been given to Mr. Sieverts.

As we see it, there are three areas involved in the problems relating to Government publications, with a variety of fact situations in each area:

1. Where a work is produced by a Government officer who claims copyright on the ground that the work was outside the scope of his official duties and was produced in his private capacity. This is essentially the situation in the pending suit by Public Affairs Associates against Admiral Rickover.

2. Where a work is produced for the Government by a Government officer pursuant to his official duties. This is what we have understood is meant by the present prohibition against copyright in Government publications.

3. Where a work is produced by a private person or organization under a contract with or grant from the Government. This has been an area of rapidly expanding importance.

We have considered that in revising the law, two questions concerning the present prohibition need to be resolved: (1) What should constitute "Government publications" to which the prohibition applies, and (2) whether provisions should be made to permit exceptions from the prohibition.

The operation of the present law and the problems it presents were reviewed in the study and summarized in the report referred to above, and the report makes recommendations for the provisions in a new law.

We shall be glad to discuss this further with you and Mr. Sieverts. We also hope

to have an opportunity to discuss the program for revision of the copyright law with you in the future.

Sincerely yours,

ABRAHAM L. KAMINSTEIN,
Register of Copyrights.

Mr. PROXMIRE. I also ask unanimous consent that an editorial from the July 11, 1962, Record-Herald, of Wausau, Wis., on this subject be printed in the RECORD at this point, along with a statement signed by more than 20 leading writers, editors, and publishers, challenging the legality of governmental copyrighting.

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

[From the Wausau (Wis.) Record-Herald, July 11, 1962]

UNCLE SAM ABUSES COPYRIGHT

Government can assume new powers in many ways, some of them comparatively minor and seemingly insignificant, but yet with harmful implications for the future. Such a case is the copyrighting of the new White House guidebook, which is called the Official Guide to the White House.

The book was written by the White House curator, copies are to be sold by employes of the National Park Service, and income will go for refurbishing the White House. The copyright owner is the White House Historical Association.

Because it is copyrighted, the material about the White House is restricted and cannot be used or reproduced without permission of the copyrighter.

Editor and Publisher magazine asks two good questions about the case: "If it (the historical society) is an official body of the Government or of the White House then the law expressly prohibits such copyright. If it is a private organization, then what right does the Government have to grant a restrictive copyright on material that belongs to the people at large?"

It is traditional in free America that Government institutions belong to the people, because this is a government of, by and for the people. Facts about official Washington, including the White House, therefore belong to all the people and Uncle Sam has no right, we would think, to assign exclusive use of facts about the White House to anyone.

[From New York Times, July 9, 1962]

LEGALITY OF GOVERNMENTAL COPYRIGHTING CHALLENGED BY LEADING EDITORS AND SCHOLARS

We the undersigned view with apprehension the rapidly growing tendency to place copyright restrictions on the contents of Government publications and documents.

The situation seems alarming in that such restrictions now apply to literally hundreds of official works despite the fact that section 8 of the copyright law expressly stipulates that "No copyright shall subsist in any publication of the U.S. Government, or any reprint, in whole or in part thereof * * *." (Details and lists are set forth in the Washington Post, March 12–16, 1962, and "Constraint by Copyright," by M. B. Schnapper.)

Also disregarded is the fact that Government curtailment of freedom of press via copyrighting is contrary to the guarantees of the Constitution's first amendment. This amendment is rendered meaningless when Government officials employ or authorize copyright procedures as a means of placing restrictions on information amassed to promote "the general welfare and secure the blessings of liberty to ourselves and our posterity."

Anyone who has the legal right to copyright has the legal right to restrict and censor. In recently justifying copyright restrictions on a score of official military histories Gen. C. G. Dodge stated, "The works were copyrighted * * * to prevent quoting of material out of context." Another Army officer has explained that copyrighting has been employed in order to prevent "sensationalizing." These are disturbing admissions. Any attempt to control the manner and extent to which Government information can be quoted by the press or by the public is censorship.

The original and continuing purpose of the prohibitions in section 8 of the copyright law is, of course, to assure maximum availability and dissemination of informational material prepared by or for the Government at the expense of the public.

The right of Government officials to copyright that which is private is not at issue in this connection—except in the sense that this essential right is bound to be greatly vitiated if a clear line isn't drawn between what is personal and what is official.

The situation that troubles us is particularly serious in that the Federal Government is today the major source of information in practically every field of endeavor. Significantly, although $12 billion is currently being expended on Federal research only a negligible portion of unclassified findings is being made accessible to the public through noncopyrighted media. (Unfortunately it is popularly assumed that copyrighted works are available to the public. Strictly speaking, a copyright, a legalized form of monopoly, can be obtained by merely registering two typed copies of a work.)

In view of the improprieties and dangers noted herein the undersigned herewith urge the executive and legislative branches of the Federal Government to take appropriate corrective action.

Among those who have agreed with the above statement: Robert U. Brown, editor of Editor and Publisher; Graham DuShane, editor of Science, weekly publication of the American Association for the Advancement of Science; Herbert Brucker, editor of the Hartford Courant and former chairman of the Freedom of Information Committee of the American Society of Newspaper Editors; Edward Bernays, New York publicist; M. B. Schnapper, editor of Public Affairs Press and author of "Constraint by Copyright"; E. Wilder Spaulding, historian and former editor of State Department publications; Wesley Maurer, chairman, Journalism Department of University of Michigan; Walter Gellhorn, professor of law, Columbia University and author of "Civil Liberties Under Attack"; R. B. Downs, dean, library administration, University of Illinois; former president of the American Library Association; Harold Fey, editor of Christian Century; Virginius Dabney, editor of Richmond Times-Dispatch; E. C. Pulliam, publisher of Indianapolis Star; David Williams, research director of Americans for Democratic Action; Bernard S. White, Washington attorney; V. M. Newton, editor of Tampa Tribune and chairman of the Freedom of Information Committee of Sigma Delta Chi; Lowell B. Mason, former member, Federal Trade Commission; William F. Buckley, Jr., editor of National Review; Ruben Levin, editor of Labor; Daniel A. Poling, editor of Christian Herald; Roger Baldwin, founder of the American Civil Liberties Union; Fred Siebert, dean of journalism, Michigan State University and author of "The Rights and Privileges of the Press"; John Stempel, chairman, Journalism Department of Indiana University; Ralph Ellsworth, director of libraries, University of Colorado.

Others opposed to copyrighting of official material by Government agencies and officials: Bernard Perry, director of Indiana University Press; James S. Pope, executive editor of the Louisville Courier-Journal; William Bridgewater, editor-in-chief of Columbia University Press; Gerald W. Johnson, historian; Gerard Piel, publisher of the Scientific American; Sylvan Gotshal, New York attorney; Quincy Howe, journalist; B. M. Huebsch, editor of Viking Press and treasurer of the American Civil Liberties Union; James Bracken, editor of the Spokesman Review; Thorsten Sellin, editor of the Annals of the American Academy of Political and Social Science; L. B. Heilprin, council on Library Resources; J. Edward Murray, editor of the Arizona Republic; Harold Cross, late counsel for the American Society of Newspaper Editors.

COLUMBIAN SQUIRES ACTIVE IN NEW YORK

Mr. KEATING. Mr. President, 37 years ago the Reverend Brother Barnabas, F.S.C., organized a Junior Order of the Knights of Columbus, the Columbian Squires. Since that time, this international fraternity of Catholic high-school boys has grown in both size and stature all across this country and in many other parts of the world. The purposes of this organization are spiritual, cultural, social, and also involve dedicated service on all sorts of civic projects of benefit to the community in which each circle is located.

Today in the United States there are 25,000 Columbian Squires with 41 State groups and 700 local groups. My own State of New York has approximately 13 percent of the total membership, about 20 percent of the total number of circles of the order. New York State, in fact, has the largest State membership and the greatest total number of local Columbian Squire groups.

Recently, Mr. President, Robert W. J. Wysocki of Brooklyn was elected to the highest position in the New York State Circle, State chief squire. This is an achievement and an honor of which I am sure his family and circle are very proud. I, too, am proud of this young New Yorker and am happy to call attention to his fine organization and to the high position which Mr. Wysocki has achieved.

THE SUBTLE SCIENCE OF PACKAGING

Mrs. NEUBERGER. Mr. President, my education evidently has been neglected, because I have not before seen a magazine which I understand is in rather general circulation. The name of the magazine is "Mad."

There is an item in the current issue of this magazine which I wish to bring to the attention of my colleagues, even though I am not able to include in the RECORD the interesting sketches on the subject matter, which I think would be of special interest.

I quote from the magazine:

THE SUBTLE SCIENCE OF PACKAGING

In grandmother's day, neither the manufacturer of consumer products, nor the storekeeper who sold them gave much thought to the packages. Thus was born a new species in industry's growing menagerie of experts—the package designer. Many items were not even packaged at all, but were dipped, shoveled, or doled out by hand from barrels, bags, boxes, bins, and like that.

Today's supermarket shopper zooms up crowded aisles piled high with hundreds of competing products—and has to choose

from among them. For years, these fellows had been assigned lowly tasks like drawing dotted lines along which to tear, or figuring out how big to make the window in a box of macaroni.

And when it came to brand names, grandma could always rely upon her friendly neighborhood merchant to advise her from his own experience.

And so, in order to sell their wares, manufacturers now know that it isn't enough to merely put their products on the shelves * * * they know they've got to catch the eye of the shopper. But practically overnight, they moved from the bullpen to the executive suite as the packaging revolution got into full swing.

Then comes a most illuminating series of cartoons which illustrate the various points the article makes.

Once the package designers got together, they figured out that if people were too lazy to open bottles and preferred to squeeze, they would prefer having the squeezing done for them even more, so they developed the spray can. Then the manufacturers made a "mint" with the little item of the aerosol can, because only half of the contents are product and the rest is air.

Mr. President, I ask unanimous consent that the remainder of the captions for these cartoons may be printed in the RECORD.

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

THE NEW SECRET INGREDIENT: AIR

It figured that if people were too lazy to open bottles, and preferred to squeeze, they would prefer having the squeezing done for them even more. Thus, the spray can.

The manufacturers have made a mint with this little item because half the contents of a spray can is plain old air.

The user never knows how much goo is left until just before a heavy date, when he presses the trusty old button and gets nothing but an empty sigh.

Air is an important ingredient in "whipped" products, too, enabling the manufacturer of a "whipped" pound of butter to market a bigger lump of the stuff than his competitor.

You can see where this trend will lead. If one outfit can offer "36 more pats per pound" then a competitor can offer "50 more pats" by whipping his margarine more—and so on.

MECHANICAL PACKAGES

We all love those handy little tubes of stuff that pop up to do their work with a twist of the knob—and their manufacturers love them, too, because most of the space inside the tube is taken up with inexpensive machinery.

INDIVIDUALLY WRAPPED FOR FLAVOR AND FRESHNESS PACKAGES

Doesn't it make you happy to see your cookies all snug in their own little wrappers sealed in outer wrappers which are in turn covered by an allover liner wrapper which is surrounded by a nice box?

Try saving all those wrappers some time. You'll find you're buying an awful lot of paper at cookie prices these days.

FROZEN NOTHING

The advent of frozen foods gave processors a new gimmick. A handful of limp, scraggly spinach is frozen in a block of ice to fill out the package. When it's thawed, there's a handful of spinach, and a big puddle of expensive water.

THE INCREDIBLE SHRINKING CANDY BAR

As if afflicted by some mysterious tropical disease, the American candy bar shrinks almost imperceptibly in size year by year. At this rate, people will soon be popping them in their mouths like pills, downing them in one gulp.

One of the favorite camouflage devices now being used by candy magnates is the tray package. This little gimmick enables the manufacturer to shrink the candy itself while maintaining the illusion of the same sized outer wrapper.

BIGGER LOOKING PACKAGE DESIGNS

A packaging man at a big breakfast food company, in a burst of enthusiasm over his new status, came up with the idea that they could overcome the competition by giving more cereal in a bigger box for the same money. After they got rid of that nut, the company adopted half his idea: They put the same cereal in a bigger package.

Soon all the cereal companies were putting out boxes that were higher and wider—but shallower from front to rear.

In fact, cereal boxes are getting so high and so wide and so shallow, that we might soon see cereals in envelopes.

DISPOSABLE PACKAGES

Then there's the "no-deposit-no-return" school of packaging, which in close cooperation with the trash-hauling interests, tries to see to it that no child is emotionally scarred by the humiliating experience of having to cash in the "Old Man's" empty beer bottles to get lunch money.

Besides beer—milk, soft drinks and other beverages now come in "throwaway" containers * * * making it a cinch to spot the family that subsists largely on a liquid diet.

THE HANDY "TAKE-HOME" PACK

The principle behind this cunningly devised package is that the cans or bottles are so tightly packed, you can't get one loose * * * so you've got to take all of them, or none.

The first "handy take-home's" contained six of something or another, but lately there have been "12-packs" appearing on the market. And there's no limit.

"SQUEEZE" AND "SQUIRT" PACKAGES

Packagers learned a long time ago that we are a nation of lid-losers and top-droppers, so they came up with the self-dispensing package.

Pretty soon the whole country was "poofing" and "puffing" to its heart's delight.

One trouble with squeeze containers is that they sometimes clog and develop lung trouble. Once squeezed, they stay squoze, unable to inhale enough air to become squeezable again. This phenomenon has accounted for a lot of unnecessary cursing in recent years.

TEST BAN NEGOTIATIONS

Mr. HART. Mr. President, I call attention to two consecutive articles on the front page of this morning's Washington Post and Times-Herald. The first headlines the fact that our Secretary of State, the Honorable Dean Rusk, "Nudges Reds on Test Ban Talks; Urges Soviets to Study New U.S. Proposal." The article goes on to say:

This move by the United States was part of a general policy of encouraging the Soviets to keep open the prospects for agreement on major East-West differences.

And the second article, immediately following is headlined: "Rockefeller, Dirksen Assail Kennedy for Concessions at Test Ban Talks; New Proposal Called Dangerous."

Mr. President, at the very moment that we are trying to persuade the Soviets to keep an open mind with respect to our proposals, so that some constructive start may be made toward halting nuclear testing, our position is assailed from within our own country.

Would these critics argue that we should make no "concessions" in negotiation, even when new data indicate that the facts of the situation may have changed—if they have changed?

We used to have a point of view around here that "politics stops at the water's edge." I would like to suggest, in all seriousness, that the very moment when our representatives are in Geneva, trying to urge the Soviets to give a fair hearing to our proposals, is hardly the moment to hurl broadsides against our Nation's position.

Mr. President, we have adequate and orderly procedures for both political parties and all interested citizens to make their views known in any decisions that might be made at Geneva. If, by any miracle, a treaty should be negotiated there, it could only go into effect with the advice and consent of the Senate. Hopefully, while the negotiations are going on, and are indeed at a delicate stage, the utterances of party leaders might be tempered by a realization of the need for our speaking as "one nation, indivisible" in our negotiations.

SATELLITE COMMUNICATIONS

Mr. KEFAUVER. Mr. President, we are all familiar with the recent course of events on the Senate floor during the debate on H.R. 11040, the communications satellite bill. The past debate on this bill has sometimes centered about procedural matters and has not always been addressed directly to the merits of the bill.

Presently the bill is before the Foreign Relations Committee. During the short time allotted to it under a unanimous-consent agreement, the committee has been inquiring into the important questions of foreign policy raised by this bill. Because of the status of the bill before the committee, I shall not make any comments on the international implications of the bill at this time. I think that several of my colleagues and I may want to discuss these matters at some length after the bill has been reported back to the Senate.

What I would like to do today is to take this opportunity during a period of relative calm to review the important issues other than those involving foreign policy questions which I feel are involved in this debate. Some Senators have other objections to the bill or to parts thereof.

BILL ENDANGERS NATIONAL INTEREST

There is universal agreement that the U.S. position of preeminence in space and in satellite communications must be maintained. We must have the best possible satellite communications system at the earliest possible date.

The President of the United States has proposed a bill which would create a private corporation to own and operate the U.S. portion of a worldwide communications system using space satellites. Those of us in the Senate who are

opposing the President's bill believe that it represents a step in the wrong direction—that it is an ill-advised approach to an important problem vitally affecting our national interest.

It is our belief that this bill, if enacted into law, would endanger U.S. progress toward the most rapid development of a truly global satellite communications system.

To make matters worse, the philosophy embodied in this bill violates the principles of free competitive enterprise which have been the foundation of our Nation's economic and political strength.

THE GIGANTIC GIVEAWAY

The first point which I would like to make is that the administration's bill proposes the most gigantic giveaway in the history of this country. It would turn over to a governmentally created private monopoly the benefits of hundreds of millions of dollars of taxpayers' money which have been invested in the development of space and satellite communications technology.

Proponents of this bill have argued that it is not uncommon for the benefits of Government-financed research and development to be turned over to private enterprise. As examples, they cite the cases of atomic energy, jet aircraft, and even agricultural research. These situations are far from analogous. In each previous instance the benefits of Government investment have been made available to competing firms and in a way that could encourage the development of competition.

The bill before us, on the other hand, proposes the creation of a single private monopolistic entity which would be the beneficiary of this huge taxpayer investment. Clearly this situation is without precedent in the history of our Nation.

ANTITRUST EXEMPTION

The private monopoly which this bill would create is likewise unique in our history. This bill proposes to allow all existing and future communications common carriers to join together and participate in the ownership of a private satellite corporation. Without the special legislative immunity provided by this bill, such action by the communications carriers would be in clear violation of the antitrust laws. In fact, when the FCC originally requested the communications carriers to get together and suggest a plan for the ownership and operation of our satellite communications system, the Justice Department advised that the representatives of these carriers could not even come together to discuss the matter without violating the antitrust laws.

Here we see one of the primary purposes of this bill. It is intended to provide the exemption from the antitrust laws which the communications carriers must have before they can undertake this joint venture.

SEPARATION OF COMPETING FORMS

Another fact which we should keep constantly in mind is that this bill represents a departure from our wise and time-tested policy of not allowing common carriers in the fields of transportation or communications to own or control competing carriers. For example, the railroads are prevented from owning airlines or the trucking lines. Similarly, the airlines are prohibited from owning the railroads. The barge lines have not been allowed to own or control the railroads nor have the railroads or airlines been allowed to control barge lines. We have also found it desirable to keep separate the ownership and control of telephone and telegraph communications.

This philosophy of separate ownership of competing forms of transportation and communications is founded on the belief that the economy and the public will benefit from a maximum degree of competition in these fields. We expect this competition to provide rapid development and early introduction of the newest developments in all fields.

CONFLICT OF INTEREST

The bill before us would turn over our satellite communications system to the very companies which now operate our existing communications facilities. The new facilities will be competitive with the older communications facilities. In many instances a satellite communications system will make existing facilities obsolete. We cannot afford to turn over control of this wonderful new development to companies with huge investments in existing facilities which may soon be rendered obsolete. This would create an inevitable conflict of interest with respect to the full development of the satellite system.

The problem goes deeper because virtually all of the communications carriers of any size have their own manufacturing subsidiaries or divisions. There would be a natural tendency for the carriers to use their representation in the satellite corporation to influence its procurement policy. They would, of course, favor themselves and thereby restrict competition in the supplying of goods and services for the satellite system.

NO REIMBURSEMENT TO GOVERNMENT

The private monopoly which this bill would create would receive free of charge the benefits of millions of taxpayer dollars and would be under no obligation to reimburse the Government for any of this. The only requirement is that the corporation repay NASA for the cost of launching the corporation's satellites into orbit.

NEED FOR PREFERENTIAL RATES

This bill does not even provide that the Government and its agencies are to receive preferential rates for the use of the satellite system. There is adequate precedent in the field of communications for insuring preferential rates to the Government. Certainly the Government and the taxpayers are entitled to some special consideration from this proposed private monopoly in return for the huge subsidy the corporation would receive.

PROBLEM FOR USIA

The testimony of Mr. Edward R. Murrow, head of USIA, that his agency might not be able to afford to use the facilities of the private corporation at commercial rates is dramatic evidence of the problem involved.

OWNERSHIP

On the question of ownership of the proposed private corporation, there are some points which need to be clarified. The proponents of this bill and the press have frequently stated that the bill provides for 50 percent ownership by the public and 50 percent ownership by the communications carriers. This is a half truth which can be very misleading.

The bill provides that 50 percent of the voting stock of the corporation shall be reserved for the carriers but makes no reference to the distribution of nonvoting securities, bonds, debentures, or other securities of the corporation. There is nothing in the bill to indicate what part of the financing is to be through the use of voting stock.

A.T. & T. DOMINANCE

It is entirely possible that the corporation could be financed largely through nonvoting securities, bonds or debentures. If this procedure were followed, and there are good reasons to suspect that it will be, the carriers could easily end up with far more than 50 percent of the corporation's securities. As a matter of fact, the way the bill is worded, it would be entirely possible to finance the corporation in such a way that A.T. & T. alone can own 99 percent of the total of all securities issued by the corporation.

The proponents of this bill have suggested that the public interest is to be protected through the medium of stock ownership by the public at large. The bill simply does not provide any safeguards to insure that this result will follow. If public participation is important, the bill should be drafted in such a way as to insure that protection.

FURTHER INADEQUACIES

The shocking inadequacy of this bill and the absence of real protection of the public interest is evident on every important issue. The administration has stated that the American taxpayers who have made the system possible should have an opportunity to buy stock in the proposed private satellite corporation. Compare this statement with the language of the bill. The bill provides only that the shares of voting stock initially offered shall be sold in such a way as to encourage the widest distribution to the American public. No reference is made to subsequent offers of voting stock or to any other form of securities.

It would be perfectly lawful under this bill to have a small initial offer of voting stock in which the public could share, then use subsequent offerings for all major financing. The subsequent offerings could go directly to large corporations, banks, insurance companies, and the like, with the general public excluded completely.

PROBABLE METHOD OF FINANCING

Let me point out why it appears likely that the corporation will be financed to a significant extent through the use of securities other than voting stock.

In the first place, the carriers do not have to buy any minimum amount of voting stock in order to have their right to elect their six directors. In the second place, all nonvoting securities, bonds,

debentures, and so forth, which a communications carrier may buy are eligible for inclusion in the carrier's rate base.

THE DOUBLE RETURN

By purchasing securities other than voting stock, the carriers lose nothing in regard to their rights to elect directors and at the same time can earn a double return on their investment. Any nonvoting securities, bonds, or debentures would naturally pay either interest or dividends to the holder. At the same time, through their eligibility for inclusion in the carrier's rate base, they would provide the carrier an additional increment on which it would be allowed to earn the going rate allowed by the FCC, or the appropriate State regulatory commission.

I have not yet had it explained to me why the communications carriers should be entitled to earn a double return at the expense of the taxpayers and the consuming public. Indeed, it is a puzzle why a carrier should be allowed to include any of the satellite corporation's securities in its own rate base at all. If A.T. & T. wants to buy stock in General Motors, it is entitled to under the law, but its investment in General Motors stock does not become a part of its rate base. Why should stock ownership in a private satellite corporation entitle A.T. & T. or the other communications carriers to any special privileges which are not available to any other purchasers of the satellite securities?

THE TYPE OF SYSTEM

Experiments are currently underway with low-orbit and high-orbit—synchronous—satellites. An operational system using either type is still at least a few years away. It is generally agreed, however, that the high system is ultimately the most desirable and most economical.

In order that we may have the necessary flexibility to take advantage of the best system, I believe the President should have certain powers not presently included in the bill. He should have the authority to determine which system will be put into operation in the first instance and the authority to require adoption of a high system at some future date even if a low system is adopted first.

NO SPACE LAW

At the present time there is no general body of international law which governs outer space. This fact alone creates many serious problems which the legislation before us leaves unanswered. There are inherent dangers in any attempt by one nation to appropriate for its own use or for commercial purposes any new development of this sort. We do not even know as yet what position the United States might take if other nations were to protest our use of outer space for commercial purposes through a privately owned corporation operating for profit. Similarly, we do not know what possible liabilities the U.S. Government might incur as a result of sanctioning American monopoly satellites in outer space.

It would be far wiser to keep these satellites as American-flag satellites until this uncertainty has been removed.

PARTICIPATION OF PRIVATE ENTERPRISE

Those of us who are opposing the administration's bill believe that ownership and control of the satellite system should remain in Government hands for the benefit of all the people. We understand fully the importance of cooperation between Government and business in this important area. The record shows that we have repeatedly stated our belief that the facilities of the satellite communications system might appropriately be operated by private enterprise under contract or lease arrangements with the Government. This arrangement has worked successfully before and is currently working with success in important areas. There is no reason why it should not work with success and to the satisfaction of both the Government and private business in the field of satellite communications.

QUESTION OF GOVERNMENT EFFICIENCY

Statements have been made on the floor and elsewhere concerning the comparative efficiency of government and private enterprise. I think it is very important to remember that efficient, capable operation is not a characteristic reserved for private corporations while being unattainable by the Government. Private enterprise, like the Government, has a record containing both successes and failures, but the strength and freedom of our country attest to the fact that both business and Government are capable of doing fine jobs.

For those who find it a popular pastime to berate Government efficiency and operation, I would like to point out that it was not the Federal Government which built the Edsel—it was the Ford Motor Co. It was not the Government which built the 880-990 jet aircraft; it was the General Dynamics Corp. I only cite these examples in the hope that they will help us all maintain a proper perspective.

CONCLUSION

Mr. President, I have attempted to point out some of the major issues which will confront the Senate during its debate on H.R. 11040. It is my belief that this is a bad bill, that it is poorly drafted, and that its passage would do irreparable harm to the national interest of the United States.

CONVEYANCE OF CERTAIN PROPERTY IN THE CITY OF SAN DIEGO, CALIF.

The Senate resumed the consideration of the bill (S. 1108) authorizing the conveyance of certain property in the city of San Diego to the regents of the University of California.

The PRESIDING OFFICER (Mrs. NEUBERGER in the chair). The hour of 12:30 p.m. having arrived, under its order of yesterday, the Senate will now proceed to the consideration of S. 1108, which the Clerk will state by title.

The LEGISLATIVE CLERK. A bill (S. 1108) authorizing the conveyance of certain property in the city of San Diego to the regents of the University of California.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oregon [Mr. MORSE], on which there is a limitation of debate of 30 minutes, the time to be equally divided.

Mr. KUCHEL. Madam President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KUCHEL. I assume that 15 minutes will be under the control of the senior Senator from Oregon.

The PRESIDING OFFICER. The Senator is correct.

Mr. KUCHEL. Under whose control will the other 15 minutes be?

The PRESIDING OFFICER. The time will be under the control of the majority leader, if he is opposed to the bill.

Mr. MANSFIELD. Madam President, I ask unanimous consent that the time allotted to me be allotted to the two Senators from California.

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

ANNOUNCEMENT OF THE SHOWING OF FILMS TAKEN IN RUSSIA

Mr. ELLENDER. Madam President, will the Senator yield a minute and a half to me?

Mr. KUCHEL. Madam President, I am glad to yield 2 minutes to the distinguished Senator from Louisiana.

Mr. ELLENDER. Madam President, on Tuesday, August 14, at the New Senate Office Building auditorium, there will be a showing of five reels of motion pictures which I took in Russia. There will be two showings on Tuesday, one beginning at 12:30 p.m., and the other at 3:30 p.m. Then on the following Monday, August 20, there will be a showing beginning at 7:30 p.m. I invite not only Senators and Senate staffs, but all Representatives and their staffs as well as anyone else who desires to see the pictures to be present at any one of those showings. The pictures were taken by me on trips that I have made to Russia and include areas of Asia and Siberia that have been seen by very few Western observers. Life in 13 of the 15 so-called republics in the Soviet Union will be shown.

I am today mailing an announcement of these showings to all Senators and Representatives and ask unanimous consent that a copy of the announcement be printed in the RECORD at this point.

I thank the Senator for yielding.

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

SENATOR ELLENDER'S PICTORIAL "INSIDE RUSSIA"

Senator ALLEN J. ELLENDER will present a series of narrated films, made by him during his visits through the Soviet Union, in the auditorium of the New Senate Office Building, Tuesday, August 14, at 12:30–2:00 p.m. and 3:30–5:00 p.m.; and Monday, August 20, at 7:30–9:00 p.m.

You, and any of your friends you think might be interested, are cordially invited to attend. Two of the 15-minute films will feature Asiatic and Siberian Russia, areas which have rarely been seen by any representatives of the West.

THE VALUE OF CULTURAL EXCHANGE

Mr. JAVITS. Madam President, will the Senator yield 1 minute to me?

Mr. KUCHEL. I yield 1 minute to the Senator from New York.

Mr. JAVITS. Madam President, considerable benefits have come to our country through our cultural exchange program which has enhanced America's image in oversea countries and helped promote good relations with them. Many of the artists we have sent to Latin America, Europe, Asia, and the Middle East have met with great success whenever they have performed and their reports should be encouragement for Congress to take action at this session on legislation now pending for a nationwide program of assistance to the visual and performing arts.

I ask unanimous consent to print in the RECORD excerpts from a report sent to me of the 15-week Latin American concert tour recently concluded by Paul Winter Jazz Sextet.

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

MONTEVIDEO, URUGUAY.

As a write this we are finishing the 15th week of our State Department tour of Latin America, and we are now beginning the northward trek home up the east coast of South America. We have to date played in Haiti, Mexico, Central America, Panama, Colombia, Ecuador, Peru, Bolivia, Chile, Argentina, and Paraguay. We next spend a month in Brazil, and we return to the United States on July 20.

Our tour is an experiment in cultural exchange, this being the first time a student jazz group has ever been sent out. It is also the longest tour ever set up, covering 23 countries in 6 months. We feel, from our experiences, and from what we've been told by Foreign Service officials in 16 countries so far, that this tour has been one of the most successful in the 8-year history of our cultural exchange.

We have played some 85 concerts thus far, to predominantly student audiences. Only three of these were not standing-room-only. The response and enthusiasm for our concerts and seminars everywhere has been overwhelming, and we have drawn record-breaking crowds in many places where name artists have flopped. This we feel is a credit to the popularity of jazz, and even more to the great curiosity students have about other students.

In many cases where audiences have come with hostile attitudes we have been able to turn them completely around with our music, and Spanish. (Four of us learned Spanish for the tour, and we announce all concerts in Spanish.)

Accompanying us on the tour, as manager, is Gene Lees, noted jazz critic and former editor of Down Beat magazine. He has conducted, in Spanish, many university and television lectures, and he moderates our student seminars. A top-rate journalist of 15 years' experience, he has done a superb job of handling discussions on many different and difficult subjects, especially politics, which inevitably comes up. Most of these seminars have proved to be very valuable, to all parties concerned.

We have made contact with many Latin musicians, and adapted much of their music to jazz. Our second record album for Columbia Records, which we are recording in August, will include many of these arrangements.

Upon our return, we hope to crystallize plans we discussed with Sargeant Shriver for sending jazz musicians with the Peace Corps to teach and play jazz in different countries.

And since the new American-Soviet cultural agreement has arranged for the first American jazz group to play in Russia, we hope to be able to go ourselves in several months in an exchange of student groups. We think that groups like ours can show peoples of other countries a great deal about America, in addition to jazz. All the members of our sextet, besides being good musicians, have majored in other fields of study. And the group is perfectly integrated, with three Negroes and three Caucasians.

As we work our way through Latin America we have become increasingly concerned, and alarmed, about the future of democracy in all the Western Hemisphere. Time and time again we're told by responsible observers that the victory of communism in Latin America is inevitable. True or not, we can see for ourselves that things are not good. Many of these same people have also said that cultural exchange is one of the best hopes we've got, and that among all the culture the United States has to export jazz is far and away the best for the most extensive and consistent results. Our tour has proved this, following many others like Helen Hayes, etc.

Jazz can reach everyone—it can be appreciated, if not understood completely, by people of every level of education and society. It is also the only art form native to the United States, and the only one we have that no other country can export.

As a musical analogy of individualism and freedom, and as our one native art, jazz has become a very significant cultural asset for the United States. We are very optimistic about the future growth of jazz as a most successful good will ambassador.

We appreciate greatly your interest in this, and the help you gave us to create this tour and be given the opportunity to demonstrate the effectiveness of jazz in the student world. We are sincerely hopeful for your continued interest in this kind of cultural exchange.

Yours respectfully,

PAUL WINTER.

CONVEYANCE OF CERTAIN PROPERTY IN THE CITY OF SAN DIEGO, CALIF.

The Senate resumed the consideration of the bill (S. 1108) authorizing the conveyance of certain property in the city of San Diego to the regents of the University of California.

The PRESIDING OFFICER. The Senator from California is recognized.

Mr. ENGLE. Madam President, I desire to speak briefly on the pending question a little later. I reserve my time.

The PRESIDING OFFICER. What is the will of the Senate?

Mr. MORSE. Madam President——

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. MORSE. Madam President, I think I digest and summarize the bill which is before the Senate accurately when I say that it proposes to make available to the University of California now, in the year 1962, instead of 1966, approximately 554 acres of land, without any cost to the University of California.

I should like to state the salient factual points I would like Senators to keep in mind, because the bill in its present form is a clear violation of the Morse formula, for which, as Senators know and as I said in the debate last evening, I have battled on the floor of the Senate since 1946. I have made no exceptions to it. I intend to make no exceptions to it, because if I ever make an exception to it, the formula will be destroyed.

The application of the formula has saved the taxpayers of our country well over $600 million—possibly several hundred million dollars beyond that—in the form of requests for the giving away of property that would have been made to the Senate had not the Morse formula been the policy of the Senate as I have applied it.

I point out that the 554 acres in question is not excess to the Government at the present time. The property has not been declared surplus at the present time. It is not excess to the Navy at the present time.

What the Senators from California are seeking to do is to have determined now, in the year 1962, a grant of the property to the University of California on the ground that they hope they might get it in 1966 for nothing. I point out that there is provided a legal procedure, which I discussed last night—Senators will find it in the CONGRESSIONAL RECORD—for getting property for nothing for educational, public health, or civil defense purposes.

What the Senators from California are seeking to do, in effect, is to strike from the law in regard to a particular piece of property any possible need by 1966 for the use of such property for public health or for civil defense purposes. In other words, they are seeking to telescope the whole procedure, and have fixed and determined now a disposition of that property to the University of California without any Senator knowing what the conditions may be in 1966.

Let me state the procedure that would be followed under the operation of the law as it is on the books. The property would remain in the possession and entitlement of the U.S. Government until 1966.

The Senators from California say, "Oh, it was given to the U.S. Government in the first place."

Certainly it was. But I point out that San Diego, Calif., was very desirous of obtaining that marine area in San Diego at the time. It is the old story of chambers of commerce, cities, States, and counties always willing to offer to the Federal Government for nothing a location for a Federal operation because they know it is in their economic benefit to do so. They know it would bring in personnel. They know it would bring dollars into the cash registers of the businesses of that community.

But when the property was given to the taxpayers of the United States, it was in fee simple, without a single condition attached to the transfer. This is just so much money in the Treasury of the United States. What California is now seeking to do is to put its hand in the Treasury and get for nothing in 1962, in my judgment, what it clearly is not entitled to under the law. In order to get the land California must have special legislation passed by the Congress.

Last night I pointed out that none of us knows what the conditions may be in 1966. Let us assume a hypothetical situation. Who can tell us the hypothetical will not become a reality by 1966? Suppose we have a nuclear attack on the Pacific Coast between now and 1966. Who among us can say that the best use of that property might not be to build beneath the surface of that land a hospital in order to meet the health needs of our country?

Do not forget the law also mentions the third possibility, which is civil defense.

Also, Madam President, let us keep in mind that we do not know what other Government agencies in 1966 may need this property. All I am saying is that the law requires, first, that the property must be declared surplus. This property is not surplus property as of now. Second, other Government agencies have a right to make the decision, when it becomes surplus property, as to whether or not they need it for Federal purposes. None of us knows what Government agencies may need it in 1966.

Lastly, Madam President, there are three purposes for which the property can be given away in 1966 if it is declared surplus property: One is for educational purposes. Then the University of California would qualify, but would not then get it as a matter of right, because it would still be up to the Department of Health, Education, and Welfare to decide whether it should give it away, in 1966, if it is surplus, for educational purposes, for health purposes, or for civil defense purposes.

The law ought to run its course. If we accept this bill as legislation today we will create a dangerous precedent, and we will, in my judgment, open a Pandora's box for similar legislation whenever a Senator feels that he has an opportunity to get for nothing, ahead of schedule, a piece of Federal property for an educational purpose in his State.

As I said last night in a jocular way and repeat now, I am a great supporter of Federal aid to education, but I want it to be on uniform basis, on a basis of equality. I do not want it on a basis of special exceptions.

Madam President, I reserve the remainder of my time.

Mr. ENGLE. I yield 5 minutes to my senior colleague from California.

Mr. KUCHEL. Madam President, the distinguished senior Senator from Oregon inveighs against what he alleges the Senators from California are trying to do. I should like to set out for the record now what the Government of the United States is trying to do. It is trying to effect a transfer of Federal property, which is no longer needed, to a public educational institution which happens to be located in our State, and which needs it. The Navy Department is in favor of the proposed legislation; so is the Department of Health, Education, and Welfare; so is the General Services Administration. The Bureau of the Budget has interposed no objection. All the members of the Armed Services Committee, both Democratic and Republican, have unanimously approved and sent this bill to the Senate.

I suggest that the opposition comes from my good friend from Oregon, and perhaps from him alone. I believe that on occasions the Morse formula has served a useful purpose. The Morse formula would perform a regrettable disservice if it were applied to the proposed legislation now before the Senate.

The senior Senator from Oregon talks about the horrible precedent that would be established. I deny it. I have before me a carefully prepared memorandum, which has been sent to me by the Legislative Reference Service. It indicates a number of instances where the Senator from Oregon failed to offer his so-called formula, or, when he offered it, the Senate, in its wisdom, overruled the position of the Senator from Oregon.

I say that this is one bottle of Morse formula which has gone a little rancid. I suggest that the public interest would be best served by passing the bill in its present form. I say for the record, as I said yesterday, first, the city of San Diego made a gift of the property to the Government of the United States. The Senator from Oregon can criticize that gift and say that there were some evil, selfish motives behind the gift, by reason of suasion or pressure from the local chamber of commerce. I deny it. The fact remains that a gift was made. It was made in good faith, without charge to the Federal Government. The fact remains that the Navy Department, which has utilized that property, is now prepared to turn the property over to the University of California under legislation which provides that title shall vest in the University of California only so long as the University of California utilizes the property for educational purposes.

Under all those circumstances, I hope and I pray that the unanimous decision of the Armed Services Committee, based upon the unanimous recommendations of the agencies in the executive branch of the Government, will be upheld in the Senate when we vote in another 15 minutes.

I ask unanimous consent to have printed in the RECORD at this point a list of bills passed by the Senate without the Morse formula.

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

BILLS APPROVED IN SENATE WITHOUT MORSE FORMULA

EIGHTY-THIRD CONGRESS

S. 122 (Public Law 155): Directing the conveyance of certain property in Rupert, Idaho.

H.R. 163 (Public Law 145): To provide for the conveyance of certain land in Monroe County, Ark., to the State of Arkansas (donation.)

S. 3187 (Public Law 708): Authorizes the United States to quitclaim all its right, title, and interest in and to certain lands in Arizona.

H.R. 8038 (Public Law 652): Authorizes conveyance to the Hot Springs School District and to Garland County for school purposes (35 acres).

EIGHTY-FOURTH CONGRESS

H.R. 727 (Public Law 252): To authorize the conveyance of certain land to the Pecwan Union School District (California) for use as the site for a school.

S. 266 (Public Law 77): Authorizes the Secretary of Interior to transfer certain property to the State of Wyoming for National Guard purposes.

S. 535 (Public Law 261): To provide for the conveyance to North Dakota of the land where Chief Sitting Bull was buried (for historic site).

S. 2822 (Public Law 572): Authorizes Secretary of Interior to transfer 9 acres of land to School District No. 8, Mohave County, Ariz.

EIGHTY-FIFTH CONGRESS

S. 556 (Public Law 85–193): To provide for the conveyance of certain real property of the United States situated in Clark County, Nev., to the State of Nevada for the use of the Nevada State Board of Fish and Game Commissioners.

S. 999 (Public Law 85–205): Authorizes the Secretary of the Interior to convey certain land to North Dakota for the use and benefit of the North Dakota State School of Science.

EIGHTY-SIXTH CONGRESS

H.R. 5270 (Public Law 86–407): Authorizes the Secretary of Interior to convey to the Metropolitan Water District of Salt Lake City, Utah, all right, title, and interest of the United States in certain lands located in Salt Lake County, Utah (without consideration).

Mr. ENGLE. Madam President, I concur completely in the remarks of my distinguished senior colleague from California. I wish to summarize briefly the points on which we rest our case:

First. The Federal Government got this property in 1916 for nothing. Not a plugged nickel did it pay for it.

Second. The Federal Government used the property for 46 years as a rifle range; not as a great plant which contributed to employment or to the tax base. They had to abandon it because of the danger that a marine might be shooting into a schoolhouse or someone's residence.

Third. The property has therefore become surplus to the needs of the Federal Government. The rifle range is being moved out to Camp Pendleton. In the recently passed military construction bill we authorized approximately $5 million for that purpose.

Fourth. In 1966 we can get this property for nothing under existing law through the General Services Administration, because the State of California, for educational purposes, has a priority.

Let me go back through these reasons.

First, the Federal Government got the property for nothing.

Second, they used it for 46 years at no cost, for a rifle range.

Third, it is no longer needed by the Federal Government.

Fourth, in 1966 we can get it for nothing, if we wait.

Madam President, why is this bill necessary? It is necessary because we cannot wait. We need now to plan this great university campus. The State of California has acquired 500 acres of land for this campus, and it needs a commitment as to this area now, in order that the University of California may proceed with its plans to educate approximately 27,500 students.

The Senator from Oregon says that we ought to pay $4 million for the 4 years, or a million dollars a year. We would not have any objection to that, if we had the money, but we are building three university campuses in the State of California, and we are building six junior colleges there.

When Governor Brown became Governor, he was faced with a deficit of more than $250 million. He raised taxes and he balanced his budget. In the preceding fiscal year his surplus was $12 million. What the Senator from Oregon is trying to "soak" the State of California for the piece of land, which was given to the Federal Government and used by the Federal Government for 46 years, would be one-third of the total surplus. We simply do not have the money.

We believe the bill is fair and equitable and right. It dedicates to a public use superior to any in the land, public land of the United States; namely, for a great university in southern California. I hope that the amendment will be voted down.

Mr. MORSE. I say to my good friend from California [Mr. ENGLE] that what I am seeking to do is to prevent California from acquiring some rights to which it is not entitled under existing law. The Senators from California cannot erase facts from the RECORD. I shall cite two or three facts which, in my judgment, are controlling.

The Senators from California speak about the Federal Government having got the land for nothing. The Federal Government has spent $3,100,000 on this property since it acquired it. It is used in connection with Marine operations. The presence of those Marines in that part of California has not been to the economic disadvantage of California.

But the important fact that the RECORD must show is that California is not entitled to this property as of now, and it would not be entitled to the property until 1966. There is no assurance that California would get the property even in 1966 for educational purposes. That is only one of three possible uses to which the property could be devoted in 1966. If HEW, in 1966, found that the public health needs were greater than the educational needs, with respect to the use of the property, HEW would then have a clear legal obligation to see to it that the property was used for health needs.

If in 1966 HEW found that the greatest need for the property was civil defense, then the property would have to be used for civil defense, not for educational purposes.

The Senators from California are seeking by the bill to eliminate any possibility of this property being used in 1966 either for health purposes or for civil defense purposes. That is why I say they are trying to telescope the disposal of this property into 1962, whereas, under the law, the statute would have to run its course until 1966.

There is a fourth possible use which could be made of this property in 1966 which the Senators from California are trying to wipe out now, because the property is not surplus now. It has not been decreed to be surplus now. If it were surplus now, the disposition of the property would be in the hands of the General Services Administration. In 1966 there might be some other department of the Government which could use the property. It might very well be the Air Force; it might very well be the Army; it might very well, in 1966, be the Navy again. It might be any of the Government departments. But what the Senators from California are seeking to have passed is a special piece of legislation which would deny to the Federal Government the opportunity to use the property for its greatest need in 1966, if such a need developed.

Again, I point out to the Senators from California that the gift argument is a fallacious argument, because once property is vested in the taxpayers of the United States in fee simple, without a single condition attached to it, it is dollars in the Treasury of the United States. What the Senators from California seek to do is to get a gift now to which, under the law, California would not be entitled now, unless it got this kind of special giveaway legislation passed by Congress. This is not the first time the senior Senator from Oregon has stood in a very small minority against giveaways in the Senate; but I have seen attitudes change once the Senate understood the giveaways which were involved.

Pointing out that the Department of Defense, the Department of Health, Education, and Welfare, the Bureau of the Budget, and the Department of the Navy have no objection to the passage of the bill causes me to ask: So what? What does that have to do with my responsibility as a Senator to see to it that we apply a precious principle of law in this country, and that is the principle of uniform application of the laws?

The principle being fought for by the proponents of the bill, to get an exception in order to serve the economic needs of California at the present time, does not have any merit with me. I would rather stand for the uniform application of the laws in regard to the surplus property statute. The bill seeks to create an exception in regard to the administration of laws on the books in regard to surplus property.

I close by pointing out that this land is not surplus property as of this moment. It has not been declared surplus property. This property belongs to all the taxpayers of the United States. The Senators from California, in this giveaway bill, want the Senate to give to California now the guarantee that in 1962 California will get this property, no matter what the facts are in 1966 as to the health needs, the civil defense needs, or the needs of some other Government department.

I could not accede to this proposal and then apply the Morse formula to any other Senator in connection with any bill that he might want to offer in the future. I have stated to the Senate, as I have stated to many Senators individually that I will never make an exception to the Morse formula. I defy anyone to find in the RECORD, since 1946, an exception to the Morse formula. I have applied it in my own State as well as in other States. I do not intend to make an exception to it today. That is why I have asked for a yea-and-nay vote on my amendment. I rest my case.

Mr. ENGLE. Madam President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from California has 4 minutes remaining.

Mr. ENGLE. I shall address myself to one proposition; then I shall yield back the remainder of my time.

What is before the Senate is not a giveaway. In 1966 the State of California could get this property for nothing. In 1916 the Federal Government got it from the city of San Diego for nothing. The city of San Diego and the county of San Diego have joined with the State of California in asking for this legislation. The Federal Government has used the property 46 years for nothing as a rifle range. Now the Senator from Oregon says, "Wait 4 years." The State of California has acquired more than 500 acres adjacent to this property to establish a university campus. Not one single department of the Federal Government has expressed any interest in this property—neither the Navy nor any other department. They cannot use it. The fact is that if the Senator from Oregon himself had to pass upon this case now or in 1966, he would favor permitting this property to be used for the purpose of education, which under the law has priority.

All we are seeking to do is to short circuit the time. In 4 years—in 1966—the State of California could get the property for nothing. But we say, "Give it to us now." And we have included restrictions. At any time the property is not used for educational purposes, it will revert to the Federal Government.

We have included further restrictions: We say that there can be no complaints because of noise or hazards from Miramar Air Force Base. Those restrictions also were placed in the bill, and would not apply if we waited until 1966. But we cannot wait; we want to go forward now.

I repeat: The Federal Government got this property for nothing. The Federal Government has used it for 46 years. The property is now surplus to the needs of the Federal Government. In 1966, under existing law, California could get it for nothing. We are asking for it now, because it can be used now in the interest of education, the highest purpose to which public land can be put.

Mr. KUCHEL. Madam President, the equities are entirely in favor of the bill. The Government of the United States is in favor of the bill. The Senate today has an opportunity to do something constructive for public education in America by permitting a great public educational institution, whose faculty is graced by many Nobel Prize winners, whose president is an outstanding American, whose graduates perform spectacular service for the Federal Government, an opportunity to provide for some 27,000 students in southern California, on a piece of ground originally owned by the city of San Diego, which today joins in asking the U.S. Senate to approve the bill.

Mr. MORSE. Madam President, I close by saying that it is not a fact that California will get this land for nothing in 1966. California may get it for nothing in 1966, if the Department of Health, Education, and Welfare does not find health needs and civil-defense needs more paramount or if some other department of the Federal Government does not ask to use this land.

The PRESIDING OFFICER. The time available to both sides has expired.

Mr. KUCHEL. Madam President, on the question of agreeing to this amendment, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

Mr. KUCHEL. Madam President, at this time I suggest the absence of a quorum.

The PRESIDING OFFICER. Is there objection to having a quorum call before the yeas and nays are taken? The Chair hears none; and, without objection, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. KUCHEL. Madam President, am I correct in understanding that the question before the Senate is whether the Senate desires to adopt or reject the Morse amendment?

The PRESIDING OFFICER. The question is on agreeing to the Morse amendment.

On this question, the yeas and nays have been ordered; and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. Mr. President, I announce that the Senator from West Virginia [Mr. BYRD], the Senator from North Carolina [Mr. JORDAN], the Senator from Missouri [Mr. LONG], the Senator from Montana [Mr. METCALF], and the Senator from Alabama [Mr. SPARKMAN] are absent on official business.

I further announce that the Senator from New Mexico [Mr. ANDERSON] is necessarily absent.

Mr. KUCHEL. I announce that the Senator from Utah [Mr. BENNETT], the Senator from Maryland [Mr. BUTLER], the Senator from Arizona [Mr. GOLDWATER], the Senators from Iowa [Mr. HICKENLOOPER and Mr. MILLER], the Senator from New Hampshire [Mr. MURPHY], and the Senator from Kansas [Mr. PEARSON] are necessarily absent.

The Senator from Kentucky [Mr. COOPER] is absent because of a death in the family.

If present and voting, the Senator from Iowa [Mr. MILLER] and the Senator from New Hampshire [Mr. MURPHY] would each vote "nay."

The result was announced—yeas 13, nays 73, as follows:

[No. 146 Leg.]

YEAS—13

Burdick	Johnston	Neuberger
Eastland	Kefauver	Pell
Gruening	Lausche	Proxmire
Hart	McGee	
Hickey	Morse	

NAYS—73

Aiken	Fong	Mundt
Allott	Fulbright	Muskie
Bartlett	Gore	Pastore
Beall	Hartke	Prouty
Bible	Hayden	Randolph
Boggs	Hill	Robertson
Bottum	Holland	Russell
Bush	Hruska	Saltonstall
Byrd, Va.	Humphrey	Scott
Cannon	Jackson	Smathers
Capehart	Javits	Smith, Mass.
Carlson	Jordan, Idaho	Smith, Maine
Carroll	Keating	Stennis
Case	Kerr	Symington
Chavez	Kuchel	Talmadge
Church	Long, Hawaii	Thurmond
Clark	Long, La.	Tower
Cotton	Magnuson	Wiley
Curtis	Mansfield	Williams, N.J.
Dirksen	McCarthy	Williams, Del.
Dodd	McClellan	Yarborough
Douglas	McNamara	Young, N. Dak.
Ellender	Monroney	Young, Ohio
Engle	Morton	
Ervin	Moss	

NOT VOTING—14

Anderson	Goldwater	Miller
Bennett	Hickenlooper	Murphy
Butler	Jordan, N.C.	Pearson
Byrd, W. Va.	Long, Mo.	Sparkman
Cooper	Metcalf	

So the amendment was rejected.

Mr. KUCHEL. Madam President, I move to reconsider the vote by which the amendment was rejected.

Mr. ENGLE. Madam President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1108) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1108

A bill authorizing the conveyance of certain property in the city of San Diego to the regents of the University of California

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Navy, or his designee, is authorized and directed when he determines that the following described land at Camp Matthews, California, is available for conveyance to the regents of the University of California for educational and related purposes, to convey said land, together with all improvements and appurtenances, to the regents of the University of California by quitclaim deed without monetary consideration therefor but upon the conditions set forth in this Act.

SEC. 2. The property to be conveyed comprising approximately 544 acres of land is more particularly described as follows: The easterly half of pueblo lot 1300; all of pueblo lot 1309; all of pueblo lot 1310; all of that portion of pueblo lot 1311 lying easterly of Pacific Highway and southerly of Miramar Road; all that portion of pueblo lot 1314 lying southerly of Miramar Road; all that portion of pueblo lot 1315 lying southerly of Miramar Road; all that portion of the westerly half of pueblo lot 1316 lying southerly of Miramar Road; said pueblo lands being according to the map thereof made by James Pascoe of 1870, a certified copy of which is filed as miscellaneous map numbered 36 in the office of the county recorder of San Diego County, California; excepting therefrom any property previously conveyed to the State of California or the city of San Diego for highway purposes.

SEC. 3. The deed of conveyance executed pursuant to this Act shall include the conditions that (a) such property shall be held by the regents of the University of California so long as the property conveyed shall be used for educational purposes; (b) if at any time the Secretary of the Navy determines, upon advice received from the Secretary of Health, Education, and Welfare, that the property so conveyed, is not held for such purposes, title thereto shall immediately revert to the United States; and (c) in the event of any such reversion, title to all improvements made thereon by the regents of the University of California during its occupancy shall vest in the United States without payment of compensation therefor. Such deed of conveyance shall be subject to such other conditions as the Secretary of the Navy may deem appropriate to protect the interests of the United States.

SEC. 4. The regents of the University of California may exchange portions of the property described in section 2 for other adjacent lands of approximately equal value in order to develop such property boundaries as may be best suited for the purposes of the University of California.

SEC. 5. Section 3 shall be applicable in all respects to any land received by the regents of the University of California under the exchange provisions authorized in section 4, and any land conveyed by the regents of the University of California pursuant to such exchange shall be received by the grantee thereof free and clear of the conditions prescribed in the first sentence of section 3.

Mr. ENGLE. Madam President, I move to reconsider the vote by which the bill was passed.

Mr. KUCHEL. Madam President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

BRINGING NUMBER OF CADETS AT U.S. MILITARY AND U.S. AIR FORCE ACADEMIES UP TO FULL STRENGTH

Mr. MANSFIELD. Madam President, I move that the Senate proceed to the consideration of Calendar No. 1494, Senate bill H.R. 7913, and that it be laid before the Senate and made the pending business.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 7913) to amend title 10, United States Code, to bring the number of cadets at the U.S. Military Academy and the U.S. Air Force Academy up to full strength.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to, and the Senate proceeded to consider the bill, which had been reported from the Committee on Armed Services with an amendment to strike out all after the enacting clause and insert:

That section 4343 of title 10, United States Code, is amended by striking out at the beginning of such section the word "If" and inserting in lieu thereof "(a) If", and by adding a new subsection as follows:

"(b) In addition to the appointments authorized under subsection (a) of this section, the Secretary of the Army shall determine during each academic year the number by which the number of cadets at the Academy immediately prior to the termination of the succeeding academic year will be below the authorized number. Within that determination, the Secretary may select for admission to the Academy qualified candidates only from those candidates described in clauses (1), (2), and (3) below who are

recommended and found qualified by the Academic Board:

"(1) Candidates who are first alternate nominees of the nominating authority specified in clauses (1) and (2) of section 4342(a) of this title; except that in any case in which the first alternate nominee of any such nominating authority is not qualified for selection, the second alternate nominee of such nominating authority shall be eligible for selection, and in any such case in which the second alternate nominee of such nominating authority is not qualified for selection, the third alternate nominee of such nominating authority shall be eligible for selection.

"(2) Candidates who are qualified nominees of the nominating authority specified in clauses (1) and (2) of section 4342(a) of this title and who were designated as congressional competitors; except that only one nominee of any such nominating authority, and only a nominee who is ranked by the Academic Board on the basis of merit next below a congressional competitor selected for admission to the Academy, shall be eligible for selection under this clause.

"(3) Candidates who are qualified nominees under the provisions of clauses (3) through (8) of section 4342(a) of this title; but not more than 5 per centum of the total number of candidates selected by the Secretary under the provisions of this subsection in any year may be selected under authority of this clause.

Selections which the Secretary may make under the authority of clauses (1) and (2) of this subsection shall be made in accordance with the order of merit established by the Academic Board for all nominees referred to in such clauses (1) and (2), and selections which the Secretary may make under the authority of clause (3) of this subsection shall be made in accordance with the order of merit established by the Academic Board for nominees referred to in such clause (3). At no time may the number of cadets at the Academy appointed under this subsection exceed two hundred and fifty. An appointment under this subsection is an additional appointment and is not in place of an appointment otherwise authorized by law."

SEC. 2. Section 9343 of title 10, United States Code, is amended by striking out at the beginning of such section the word "If" and inserting in lieu thereof "(a) If", and by adding a new subsection as follows:

"(b) In addition to the apppointments authorized under subsection (a) of this section, the Secretary of the Air Force shall determine during each academic year the number by which the number of cadets at the Academy immediately prior to the termination of the succeeding academic year will be below the authorized number. Within that determination, the Secretary may select for admission to the Academy qualified candidates only from those candidates described in clauses (1), (2), and (3) below who are recommended and found qualified by the Faculty:

"(1) Candidates who are first alternate nominees of the nominating authority specified in clauses (1) and (2) of section 9342(a) of this title, except that in any case in which the first alternate nominee of any such nominating authority is not qualified for selection, the second alternate nominee of such nominating authority shall be eligible for selection, and in any such case in which the second alternate nominee of such nominating authority is not qualified for selection, the third alternate nominee of such nominating authority shall be eligible for selection.

"(2) Candidates who are qualified nominees of the nominating authority specified in clauses (1) and (2) of section 9342(a) of this title and who were designated as congressional competitors; except that only one nominee of any such nominating authority, and only a nominee who is ranked by the Faculty on the basis of merit next below a congressional competitor selected for admission to the Academy, shall be eligible for selection under this clause.

"(3) Candidates who are qualified nominees under the provisions of clauses (3) through (8) of section 9342(a) of this title; but not more than 5 per centum of the total number of candidates selected by the Secretary under the provisions of this subsection in any year may be selected under authority of this clause.

Selections which the Secretary may make under the authority of clauses (1) and (2) of this subsection shall be made in accordance with the order of merit established by the Faculty for all nominees referred to in such clauses (1) and (2), and selections which the Secretary may make under the authority of clause (3) of this subsection shall be made in accordance with the order of merit established by the Faculty for nominees referred to in such clause (3). At no time may the number of cadets at the Academy appointed under this subsection exceed two hundred and fifty. An appointment under this subsection is an additional appointment and is not in place of an appointment otherwise authorized by law."

SEC. 3. (a) Paragraph (2) of section 4348, paragraph (2) of section 6959, and paragraph (2) of section 9348 of title 10 of the United States Code are each amended by striking out "three" and inserting in lieu thereof "five".

(b) The fourth sentence of section 182 of title 14 of the United States Code is amended by striking out "four" and inserting in lieu thereof "five".

(c) The amendments made by this section shall apply only with respect to cadets and midshipmen appointed to the service academies after the date of enactment of this Act, and shall not affect the obligated period of service of any cadet or midshipman appointed to one of the service academies on or before the date of enactment of this Act.

JURISDICTION OF THE MUNICIPAL COURT FOR THE DISTRICT OF COLUMBIA IN CIVIL ACTIONS—RECONSIDERATION

Mr. ROBERTSON. Madam President, yesterday, under a unanimous-consent call of the calendar, we passed a bill to enlarge the jurisdiction of the municipal court of the District of Columbia, a minor court, increasing jurisdiction over civil cases up to $10,000, and also giving to it the most unusual privilege of summoning witnesses in civil as well as criminal cases from a distance of 100 miles. That authority would extend into the States of Maryland, Virginia, West Virginia, and Pennsylvania.

Under these circumstances, I believe Senators from the States affected by this provision are entitled to time to consider carefully this new authority.

Therefore, I enter a motion to reconsider the vote taken yesterday by which H.R. 12708 was passed in the Senate.

INTERAGENCY COORDINATION IN DRUG RESEARCH — COMMITTEE MEETING DURING SENATE SESSION

Mr. HUMPHREY. Madam President, this afternoon, at 3 p.m., the Subcommittee on Reorganization and International Organizations of the Committee on Government Operations will hold a hearing on interagency coordination in drug research.

The hearing will be held in room 3302, New Senate Office Building.

I ask unanimous consent that this subcommittee hearing may be held during the session of the Senate.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Minnesota? The Chair hears none, and it is so ordered.

Mr. HUMPHREY. Madam President, I ask unanimous consent that a statement which I released yesterday describing the purposes of today's hearing may be printed in the RECORD.

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

HEARING ON INTERAGENCY COORDINATION IN DRUG RESEARCH

(By Senator HUBERT H. HUMPHREY, Democrat, of Minnesota)

Tomorrow afternoon, the Senate Government Operations Subcommittee on Reorganization and International Organizations will resume its hearings on interagency coordination in drug research.

Among the specific topics which we will review will be cooperation among Federal agencies with respect to tranquilizer drugs, antihypertension drugs, antifertility drugs, and certain other categories.

I would be less than frank if I did not say that in several of these categories, it would appear that interagency cooperation has been less than perfect. It has, in some phases, according to preliminary evidence, been just about nonexistent.

WITNESSES TOMORROW

Our hearing tomorrow will be somewhat of a roundtable discussion.

Time will permit us to touch upon but a few highlights of the great many phases which bear study.

I will mention now the names of a few of the principal witnesses who will be available for questioning:

(a) Federal officials:

1. From the Food and Drug Administration: George Larrick, Commissioner; Ralph Smith, M.D., Director, Division of New Drugs; and W. R. Stephens, Director, Bureau of Enforcement.

2. From the Public Health Service: David Price, M.D., Deputy Surgeon General; and Stuart Sessoms, M.D., Deputy Director, National Institutes of Health.

(b) Private experts: Gregory Pinkus, Sc. D., director of research, Worcester Foundation for Experimental Biology (one of the world's leading experts in research on the physiology of reproduction).

In addition, individuals associated with or formally representing other private groups will be available, e.g., from the Pharmaceutical Manufacturers Association; etc.

SUBCOMMITTEE'S JURISDICTION

I would like to reiterate two points which I made at, prior to, and after last Wednesday's subcommittee hearing:

1. Our own subcommittee is not authorized to examine proposed amendments to drug laws, per se. The Senate Judiciary Committee is so authorized under the Senate Rules and is now expertly studying President Kennedy's proposals for this purpose.

There is, of course, no reason to delay strengthening present laws, pending completion of our subcommittee's study.

We are examining interagency administrative practices. Problems of administration may persist, no matter how well laws are perfected.

2. Secondly, our subcommittee does not intend to review the scientific merits or flaws of any drug or class of drugs; that is a task for scientists and technicians.

ONE BILLION TWO HUNDRED MILLION DOLLARS IN FEDERAL MEDICAL RESEARCH

For 4 years, since August 1958, the reorganization subcommittee has been studying interagency cooperation or lack of cooperation in biomedical research.

In the 1963 fiscal year, medical and health-related research will represent an expenditure in excess of $1.2 billion.

Of this sum, literally scores of millions of dollars will involve drug research.

"How much teamwork exists in drug research" is, therefore, a crucial question to the Reorganization Subcommittee.

ILLUSTRATIONS OF INTERAGENCY INTEREST IN DRUG RESEARCH

We cannot overestimate the importance of full Federal teamwork in areas relating to the Food and Drug Administration's specific responsibility. For example, late in 1960, one scientist estimated that one out of every seven Americans was taking tranquilizers as an escape from anxiety. Thorough interagency cooperation on a problem of such vast dimensions is indispensable.

As a second illustration, I cite interagency interest in drugs affecting pregnant mothers. No one need be reminded that 4.2 million babies are born each year in the United States or of our escape from a mass tragedy which might have resulted from greater use of thalidomide.

Perhaps, however, we do need to be reminded of this fact: there are infinitely more subtle problems of drug effects on women of childbearing age than the dramatic nature of thalidomide's effects might ordinarily lead us to explore.

I intend, therefore, to ask questions at tomorrow's hearing as regards interagency cooperation in drug and other research involved in obstetrics and gynecology.

There are 58 million American women between the ages of 20 and 44, and 6.7 million more between the ages of 15 and 19.

They consume considerable amounts of drugs, as do other Americans.

There is every reason, therefore, for careful review of interagency teamwork in this area of medicine.

NEED FOR PERSPECTIVE

I conclude by pointing out that our subcommittee has sought and will continue to seek an objective, sound approach to drug problems.

We all need to keep a sense of perspective. Unreasonable fear or anxiety about drugs could be just as undesirable as unreasonable or blind faith which might ignore possible adverse side effects from drugs.

The medical profession, the pharmaceutical industry, and the pharmaceutical profession have given us, I am glad to state, excellent cooperation in our study.

Mankind has much to be grateful for in the profound beneficial effects of drugs. Our intent is to help maximize those benefits and minimize hazards.

COMMUNICATIONS SATELLITE ACT OF 1962—SENATOR NEUBERGER EXPLODES MYTHS ABOUT THE SPACE COMMUNICATIONS GIVEAWAY

Mr. YARBOROUGH. Madam President, three times within the past 2 weeks the junior Senator from Oregon [Mrs. NEUBERGER] has rendered an outstanding service to the cause of good government by the perception, diligence, and courage with which she has used her mind and energy on behalf of the people of the United States.

She has brought effectively before the public, issues in the debate over whether the people of the United States, who have paid for the development of our capabilities in space to date, will give away that portion of the development of the uses of space connected with communications—the major portion of the uses of space within the immediately foreseeable future—or whether the people of the United States, having developed this capability, will retain it for themselves.

On Saturday, July 28, the junior Senator from Oregon [Mrs. NEUBERGER] managed affairs on the floor of the Senate with a wisdom and an aplomb worthy of any veteran of whatever length of service. Again, on Monday, July 30, the junior Senator from Oregon, with a 4½-hour speech, the longest speech ever made by a woman Member of the U.S. Senate, brilliantly discussed the weaknesses, the vices, and the unfairness to the people of the United States of the monopoly giveaway space communications bill. Now, in a third occasion, in a brilliant letter in the Washington Post and Times Herald of Wednesday, August 8, 1962, under the caption "Exploiting Telstar," the Senator has exploded a number of myths about the private monopoly bill. She has capably torn aside this film of fiction concerning the prevention of monopoly control by the directorship system provided in the bill; she has shown the fallacies of hoping that FCC can regulate A.T. & T. in outer space; she has pointed out again, as many of us have over and over, that this private monopoly space giveaway satellite communication bill, if passed, would be the first time in history that the United States would be the creator and sponsor of a private international monopoly and cartel.

Madam President, I tip my hat to the junior Senator from Oregon [Mrs. NEUBERGER] who is rendering a public service in keeping with the finest traditions of the Senate.

I ask unanimous consent to place in the CONGRESSIONAL RECORD at this point, the Senator's fine letter entitled "Exploiting Telstar" to the Washington Post and Times Herald, published Wednesday, August 8, 1962.

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

EXPLOITING TELSTAR

Your recent editorials have endorsed the communications satellite bill upon the ground that the bill contains ample safeguards for the public interest. These safeguards are transparent. They fail to account for the reality of A.T. & T.

The massive economic concentration represented by the Bell System—owned and controlled by A.T. & T.—is staggering. This $27 billion corporation owns and controls 98 percent of long-distance telephone service in the United States and all domestic facilities for oversea commercial telephone service.

A.T. & T.'s monopoly grasp of communications is now threatened by the advent of communications satellites. The Syncom system, rapidly being perfected by Hughes Aircraft as an alternative to the Telstar system, would enable American companies such as Western Union, Hughes, RCA, and International Telephone & Telegraph to compete with A.T. & T. for the business of long-distance communications users. If the commercial development of the Syncom system is permitted, A.T. & T.'s enormous investment in its long lines and cables will be threatened. To thwart competition, every sinew of the A.T. & T. organization is at this moment straining to insure that A.T. & T. will control the destiny of communications satellites.

No flimsy formula for the allocation of directorships such as that contained in the proposed satellite bill could possibly blunt the naked economic power wielded by A.T. & T. The bill would permit A.T. & T. to purchase as much as 50 percent of the capital stock of the proposed satellite corporation. A.T. & T.'s stockholders and officers would be free to purchase additional blocks of corporation stock. Furthermore, A.T. & T.'s position as the greatest commercial user of satellite facilities will amplify its power to dictate the rates and policies of any private satellite corporation.

Nor can I take comfort in the bill's provision for FCC regulation of the proposed satellite corporation. Since the founding of the FCC in 1934, it has never completed a full formal hearing on telephone rates. Current independent reports by the Budget Bureau, the Hoover Commission, and the Rand Corp. are unanimous in concluding that the FCC has been totally ineffective in regulating A.T. & T.

As Chairman CELLER of the House Judiciary Committee has said, "A.T. & T. has successfully avoided regulation on earth. Divine guidance will be necessary to regulate A.T. & T. if it is permitted to expand its domain into space."

The proposed satellite bill would establish a revolutionary new pattern for commercial exploitation of our natural and scientific resources. For the first time in history, the U.S. Government would be the creator and sponsor of a private, international cartel. A flood of letters and telegrams to me has shown that our citizens understand the significance of the basic issue—why should the Federal Government license the unchecked expansion of monopoly and economic concentration?

MAURINE B. NEUBERGER,
Senator from Oregon.

WASHINGTON.

Mr. MORSE. Madam President, will the Senator yield?

Mr. YARBOROUGH. I yield to the distinguished senior Senator from Oregon.

Mr. MORSE. I am very happy to associate myself with every remark made by the Senator from Texas. I add that in my judgment the letter of my colleague from Oregon [Mrs. NEUBERGER] published in the Washington Post and Times Herald is a most succinct and most effective presentation of irrefutable logic in support of the point of view of those of us who oppose the satellite communications bill.

I congratulate my colleague in the Senate. I express the hope that every Senator—and, I hope, millions of Americans—will have an opportunity to read the letter which my colleague wrote to the Washington Post, published in yesterday's edition.

I believe the junior Senator from Oregon should take great consolation, as should others of us, in the fact that the incomparable ex-President of the United States, Harry Truman, so the ticker says, on arriving in Washington today, supported the position of those of us who

are opposed to the administration's communications satellite bill.

I wish to say that this great Democrat need not yield to any other Democrat living in America today on his record of fighting to protect the public interest; and his opposition to the bill is only another example of making a record for the people and against the shocking giveaway of the public interest that this administration is guilty of in proposing passage of the satellite communications bill.

I not only congratulate my colleague, but I also wish to say that I congratulate the ex-President of the United States, Harry Truman, for his fearlessness and his courage, manifested again as he speaks out in support of the public interest.

Madam President, I shall take only a moment to read what the ticker says about President Truman's statement on the bill. I think it is apropos to have it appear in the RECORD along with the discussion of the brilliant letter by the junior Senator from Oregon published in the Washington Post yesterday. The ticker report is as follows:

Former President Truman came out in opposition today to the Kennedy administration's communications satellite bill.

He told a trainside news conference facilities for developing a system of Telstar-like satellites were "public property" and ought to stay that way.

Truman said developments in this field came at a public cost of $25 or $30 million and agreed with critics of the bill that it would be a "gigantic giveaway" to set up a private corporation to run the system.

Mr. GRUENING. Madam President, will the Senator yield?

Mr. YARBOROUGH. I yield to the distinguished Senator from Alaska.

Mr. GRUENING. Madam President, I am very happy to associate myself wholeheartedly with the very sound remarks made by the senior Senator from Texas, joined in by the senior Senator from Oregon. I fully share their sentiments. Their expressions of admiration for the junior Senator from Oregon are fully merited.

I particularly applaud the courageous stand the junior Senator from Oregon has taken not merely in regard to the issue before the Senate in respect to the space communications satellite bill but also on all issues affecting the public interest, on the side of which she is invariably found.

Mr. YARBOROUGH. I thank the distinguished Senator from Alaska, and the distinguished senior Senator from Oregon. In praising the junior Senator from Oregon they have spoken words of wisdom.

Mr. LONG of Louisiana. Madam President, will the Senator yield?

Mr. YARBOROUGH. I yield to the distinguished Senator from Louisiana.

Mr. LONG of Louisiana. Madam President, the first time that two females ever served in the U.S. Senate the mother of the junior Senator from Louisiana was one of them. There was a great pride in the family of this Senator that there were two females in the Senate at that time.

I am proud today that we have two very able female Senators as Members of this body. I wish to say that none has ever demonstrated more diligence or more arduous devotion to the cause in which she believes than the junior Senator from Oregon.

I commend the Senator from Texas for making this a matter of public record.

Mr. YARBOROUGH. Madam President, I desire to thank the distinguished junior Senator from Louisiana. I come from a State neighboring Louisiana, and I know what great services his distinguished father and mother both rendered to the State of Louisiana and to the Nation.

The distinguished junior Senator from Louisiana is now the oldest member, though he is young, of the Long family from Louisiana holding office. There is a nominee for the House of Congress who bears that family name, who will undoubtedly be elected in Louisiana in November. The junior Senator from Louisiana is now the chieftain of this great clan of fighters for the people of Louisiana. It is a happy privilege to be fighting shoulder to shoulder with him on the floor of the Senate.

We have always found the Long family on the side of the people; whether it was his father, his mother, his uncle, or other members of the family.

The dramatic methods of campaigning they used—and they were novel, for the Long family originated new methods of political campaigning for the American people—caught the public attention, but one thing stands out above all others, as I know, since I come from a neighboring State; that is, they were always on the side of the people. I take my hat off to him.

The school teachers get more pay in the State of Louisiana than they get in my State. They are better paid because of the efforts of the Long family.

Old age pensioners draw better checks, higher per capita and higher per month and per year, in Louisiana, than in my State. The Long family leadership provided that.

Over and over in the field of public welfare it will be found that Louisiana has a higher standing than any other State touching its borders. That is a tribute to the public service and leadership of the Long family.

I am not surprised now to see the chieftain of all the Long clan, as one of the leaders—one of the most able leaders—in the fight to preserve the rights, the privileges, the hopes and the dreams of the people of the United States for generations to come in regard to space. I honor him for standing up and fighting against this unwise and retrogressive thing which would destroy for all time in regard to the uses of space, the hopes of the people, the hopes of generations of people yet to come, despite expenditures of $25 billion of the people's money on all of these things, and despite the snide remarks which have been made in some of the newspapers about a filibuster and using delays and so forth. Since when has it been unpatriotic to defend the rights of 180 million people?

Thank God, the number of distinguished Senators who are following the Long experience in this body cannot merely be counted on the fingers of one hand or two hands; they are legion, and are growing in number day by day. With that support to inspire us, we will not fail. The distinguished junior Senator from Oregon is fast building a record of leadership in this body. It is not surprising to see the Long family efforts and another Neuberger fighting side by side for the common good of the people.

Mr. GRUENING. Madam President, will the Senator yield?

Mr. YARBOROUGH. I yield to the distinguished Senator from Alaska.

Mr. GRUENING. I should like again to associate myself with the remarks of the senior Senator from Texas concerning the junior Senator from Louisiana. I share his views in every respect. His is a record in behalf of public service, in behalf of the public interest, and in behalf of the plain people which is unexcelled. We hope it will go on for many years until some of the gallant and courageous fights which the Senator from Louisiana [Mr. LONG] has been waging will be won, as I am confident they will be, because they are right.

Mr. YARBOROUGH. I thank the distinguished Senator from Alaska.

Madam President, again I wish to say we are proud of the privilege of working with the present occupant of the chair, the junior Senator from Oregon [Mrs. NEUBERGER], who has already, in the brief 5 days of debate the last time the bill was discussed, made a notable contribution to the advancement of the rights of the American people. She has given irrefutable proof of the ability of her sex to render distinguished public service in this strenuously competitive body, the Senate of the United States. And she has put forth her efforts on the side of idealism and public rights and justice. In my opinion, the example she is giving will lead to the election of more women to the Senate proportionally in the future, than have ever served here in the past.

Mr. DIRKSEN subsequently said:

Madam President, in a colloquy that took place a short while ago with respect to the communications satellite bill, I heard it said that "the incomparable Harry Truman" had denounced the satellite bill.

There is a little more to the Associated Press dispatch. I think in the interest of the whole story, the remainder of the dispatch should be read into the RECORD.

The Associated Press dispatch, with a Washington date line, reads as follows:

WASHINGTON.—Harry S. Truman today denounced the communications satellite bill backed by the Kennedy administration as a "gigantic giveaway."

However, the former President emphasized that he is finding no fault with President Kennedy, in fact is supporting him heartily.

"I don't think the President understands the bill," he told a reporter.

That is one of those interesting and ironic footnotes to history that ought to be properly embalmed in the compendium of wisdom and information that

we call the CONGRESSIONAL RECORD. I continue reading the dispatch:

But he added "The damned Republicans and some Democrats are trying to give away public property.

Madam President, that sounds just like Harry. Continuing to read,

The public spent $25 or $30 billion developing satellites and the communications system ought to be publicly owned.

His careless use of $25 billion or $30 billion indicates that the incomparable Harry does not know any more about budget figures than he did when he was gracing the great residence at 1600 Pennsylvania Avenue.

The dispatch further stated,

The Republicans will give away everything if you don't watch them.

That is cute, is it not?

Continuing to read,

He emphasized several times that he is a backer of the Kennedy administration.

Notwithstanding that fact, he is a great backer.

I submit this only because it throws a proper light on the grand, dramatic illusions with respect to the bill.

BRINGING NUMBER OF CADETS AT U.S. MILITARY AND U.S. AIR FORCE ACADEMIES UP TO FULL STRENGTH

The Senate resumed the consideration of the bill (H.R. 7913) to amend title 10, United States Code, to bring the number of cadets at the U.S. Military Academy and the U.S. Air Force Academy up to full strength.

Mr. CANNON. Madam President, my remarks will be directed toward the pending business and not toward the discussion which has just taken place.

OBJECTIVE OF THE BILL

Mr. President, the aim of this bill is to permit the Military and Air Force Academies to be at their full authorized strength of 2,512 cadets at the end of the academic year immediately prior to graduation. As I shall describe in detail later, the bill would accomplish this purpose by permitting the appointment of additional cadets as a supplement to the present qualified alternate system.

Under existing law, the cadet strengths of the academies at the beginning of the academic year is used as a basis for determining the number of additional appointments which may be filled under the qualified alternate system. There is an annual attrition of about 220 cadets at the Military Academy. As a result, the academies are never at their authorized strength, except at the beginning of each academic year. The bill will permit the two academies to make appointments on the basis of anticipated vacancies which would be expected as a result of attrition during the academic year.

The bill is sometimes referred to as the overstrength bill, since the academies will be in excess of their authorized strength at the beginning of the academic year.

It would be anticipated that about 50 additional cadets would be appointed each year to the Army and Air Force Academies. The bill provides that not more than 250 cadets may be in each Academy under the authority of this bill at any one time. The appointments will result in the academies being able to graduate approximately 40 to 45 more officers each year.

It should be emphasized that the additional cadets to be appointed under this bill will require no increase in physical facilities or in the size of the faculties at either of the academies.

METHOD OF APPOINTMENT UNDER BILL

I would now like to discuss the method under which additional cadets would be appointed to the Military and Air Force Academies.

First. It should be noted that the additional appointments would be made as a supplement to the existing qualified alternate appointment system.

Second. In determining the exact number that could be entered under this system, the Secretaries of the Army and Air Force would be authorized to determine, or forecast, the number by which the cadet corps at their respective Academies would be under their authorized strength at the end of the next academic year as a result of normal attrition. As an example of the manner in which the bill would operate, the Secretary of the Army in January of 1963 would make a determination as to the extent of attrition which would occur at the Military Academy between July 1963 and June 1964. Based on this forecast he would then be in a position to determine the number of cadets who could be entered at the Military Academy in July of 1963 under the provisions of this bill.

Third. With respect to those who may compete for these additional appointments, the bill provides that 95 percent must come from congressional sources. Furthermore, this 95 percent must be first alternate congressional nominees or their equivalent. It might be pointed out that under the existing qualified alternate system, only two-thirds of those appointed are required to come from congressional sources. Under the bill only the first alternate may be appointed if he is qualified for selection. However, in the event the first alternate of the Member of Congress is otherwise admitted or is not qualified—that is, does not meet the minimum requirements for admission—the second alternate of the Member of Congress would be eligible for selection. In extremely rare cases this could also apply to the third alternate where neither the first nor the second alternate is eligible for admission. The bill makes this exception to the first alternate requirements in order to insure that the Member of Congress will be able to have one of his other alternates compete for the nomination in the event his first alternate is not eligible for some reason.

A substantial number of the Members of Congress do not use the principal alternate system for cadet nominations, but use what is termed "the congressional competitor system," under which the Member names the cadets who compete for his nomination and the military departments arrange the cadets in order of merit for admission purposes. The bill provides in such cases that the highest ranking congressional competitor following one who may have been selected for admission will be eligible for selection under the bill. These provisions insure that each Member of Congress will have one cadet competing for the appointments authorized under the bill. At the same time, there will not be more than one cadet for each Member of Congress competing for these vacancies, except in those cases where the Member may be filling more than one vacancy.

With respect to the remaining 5 percent of those who may be appointed under this bill, the Secretary could select the best qualified as determined by the academic board from all candidates other than congressional nominees. The 5-percent provision even here is permissive language and is left to the discretion of the Secretary.

The system which I have described and which this bill would provide, would result in approximately 600 first alternates or their equivalent competing for the 50 appointments each year at each of the Academies. There would be more than one candidate for each Member of Congress, due to the fact that normal attrition at the Academies causes the congressional vacancies annually to exceed the number of Members of Congress.

The Secretaries of the Army and Air Force would make the actual selections from among the competitors in accordance with the order of merit established by the academic board for all nominees in the case of the Military Academy and in the order of merit as established by the faculty of the Air Force Academy.

EXTENSION OF MINIMUM OBLIGATED SERVICE

The bill contains an additional feature not relating to appointments. It contains language which increases from 3 to 5 years the minimium period of active service which regular officers must complete following graduation from the Academies. It should be emphasized that the effect of this provision is to increase the service by only 1 year, since as a matter of regulation 4 years are presently required. The provision is applicable to the three service academies plus the Coast Guard and would not affect the period of obligated service for any cadet or midshipman appointed prior to the enactment of this bill.

Mr. LONG of Louisiana. Madam President, I offer an amendment to the committee amendment, which I send to the desk, and ask to have stated.

The PRESIDING OFFICER. The amendment of the Senator from Louisiana to the committee amendment will be stated.

The LEGISLATIVE CLERK. At the appropriate places in the committee amendment, it is proposed to insert the following:

On page 4, between lines 3 and 4, to insert the following: That (a) section 4342 of title 10, United States Code, is amended by adding

at the end thereof a new subsection as follows:

"(i) The Secretary of the Army shall, not later than November 30 of each year, compile a list of all nominees appointed to the Academy in such year, and shall provide the information contained therein to any Member of Congress upon request. Such list shall, in the case of each appointee, indicate (1) the domicile of such appointee at the time of his nomination, (2) the name and location of the high school (or equivalent) from which such appointee was graduated, (3) the date on which such appointee was graduated from high school (or equivalent), and (4) the name of the nominating authority responsible for the nomination of such appointee."

On page 4, line 4, to strike out "That section" and insert in lieu thereof "(b) Section".

On page 6, line 7, to strike out "Sec. 2." and insert in lieu thereof "(b)".

On page 8, line 9, to strike out "Sec. 3." and insert in lieu thereof "Sec. 4.".

On page 6, between lines 6 and 7, to insert the following:

"SEC. 2. Section 6954 of title 10, United States Code, is amended by adding at the end thereof a new subsection as follows:

"'(d) The Secretary of the Navy shall, not later than November 30 of each year, compile a list of all nominees appointed to the Naval Academy in such year, and shall provide the information contained therein to any Member of Congress upon request. Such list shall, in the case of each appointee, indicate (1) the domicile of such appointee at the time of his nomination, (2) the name and location of the high school (or equivalent) from which such appointee was graduated, (3) the date on which such appointee was graduated from high school (or equivalent), and (4) the name of the nominating authority responsible for the nomination of such appointee.'

"SEC. 3. (a) Section 9342 of title 10, United States Code, is amended by adding at the end thereof a new subsection as follows:

"'(i) The Secretary of the Air Force shall, not later than November 30 of each year, compile a list of all nominees appointed to the Academy in such year, and shall provide the information contained therein to any Member of Congress upon request. Such list shall, in the case of each appointee, indicate (1) the domicile of such appointee at the time of his nomination, (2) the name and location of the high school (or equivalent) from which such appointee was graduated, (3) the date on which such appointee was graduated from high school (or equivalent), and (4) the name of the nominating authority responsible for the nomination of such appointee.'"

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana.

Mr. LONG of Louisiana. Madam President, I regret that there is such sparce attendance on the floor at the present time. I shall not suggest the absence of a quorum at this moment, inasmuch as I have discussed the amendment with the members of the committee, and I believe the committee is willing to accept this particular amendment.

Inasmuch as I do not believe there is any real objection to the amendment, which provides that Members of Congress would have the right to know who is being appointed by the academic board and who nominated applicants for appointment, I would not insist on a quorum at this time because I believe that the distinguished Senator in charge of the bill, the Senator from Nevada [Mr. CANNON], is willing to accept the amendment. On that basis I ask the distinguished Senator in charge of the bill if he is willing to accept the amendment.

Mr. CANNON. Madam President, I think the amendment is a good one. Members of Congress are entitled to have the information available on request. The request seems to be reasonable. It would require information as to the domicile of the appointee at the time of his nomination, the name and location of his high school, or equivalent, from which he graduated, the date he was graduated, and the name of the nominating authority. The request seems to be reasonable. Certainly it is within the right of Members of Congress to have the information, upon inquiry, and I am willing to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana to the committee amendment.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment as amended.

Mr. LONG of Louisiana. Mr. President, I call up my next amendment.

The PRESIDING OFFICER (Mr. BURDICK in the chair). The amendment will be stated.

The LEGISLATIVE CLERK. On page 4, line 13, beginning with the new sentence, strike out all down through the period in line 2 on page 6, and insert in lieu thereof the following: "Within that determination, the Secretary of the Army may select, as hereinafter provided, for admission to the Academy candidates who are recommended and found qualified by the Academic Board. In selecting the first candidate for appointment under this subsection in any year, the Secretary shall select for appointment a candidate nominated by the Member of Congress who nominated the cadet that ranks highest in the senior class for such year. In selecting the second candidate for appointment under this subsection in any year, the Secretary shall select for appointment a candidate nominated by the Member of Congress who nominated the cadet that ranks the second highest in the senior class for such year. The third and subsequent selections for appointment made by the Secretary under this subsection shall follow the same order as prescribed above. For the purposes of this subsection, only those cadets in the senior class for any year who were nominated for appointment to the Academy by current Members of Congress shall be considered, and the ranking of such cadets shall be determined by the Academic Board solely on the basis of merit.

On page 6, line 16, beginning with the new sentence, strike out all down through the period in line 4 on page 8, and insert in lieu thereof the following: "Within that determination, the Secretary of the Air Force may select, as hereinafter provided, for admission to the Academy candidates who are recommended and found qualified by the Faculty. In selecting the first candidate for appointment under this subsection in any year, the Secretary shall select for appointment a candidate nominated by the Member of Congress who nominated the cadet that ranks highest in the senior class for such year. In selecting the second candidate for appointment under this subsection in any year, the Secretary shall select for appointment a candidate nominated by the Member of Congress who nominated the cadet that ranks the second highest in the senior class for such year. The third and subsequent selections for appointment made by the Secretary under this subsection shall follow the same order as prescribed above. For the purposes of this subsection, only those cadets in the senior class for any year who were nominated for appointment to the Academy by current Members of Congress shall be considered, and the ranking of such cadets shall be determined by the Faculty solely on the basis of merit.

Mr. LONG of Louisiana. Mr. President, I have prepared a speech that I should like to deliver in support of my amendment, which is an amendment in the nature of a substitute for the committee bill. The committee has improved the bill with its own committee amendments. I believe my amendment would be an improvement on what the committee has given us.

I know how difficult it is to amend with a substitute a bill reported by the Armed Services Committee. There is no committee of the Senate which is respected more than is the Committee on Armed Services, nor is any committee more admired; and no chairman of a committee is more completely beloved by the Senate than the distinguished Senator from Georgia, the chairman of that committee. The entire Senate has complete devotion and affection for the distinguished junior Senator from Nevada [Mr. CANNON], who is in charge of the bill on the floor of the Senate.

I know I have no chance of getting my amendment adopted unless Senators listen to the debate and judge what I have to say here and consider the amendment on the merits of my presentation. Therefore, I feel I shall be compelled to insist on a live quorum; otherwise, I believe there is no possibility of my amendment being agreed to. Therefore, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

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

A POSITIVE PROGRAM FOR FISH PROTEIN CONCENTRATE RESEARCH AND DEVELOPMENT

Mr. GRUENING. Mr. President, the Alaskan congressional delegation today was informed that President Kennedy is requesting $500,000 for research and development of processes to produce a concentrated protein from fish. The request is included in the President's supplemental budget request for the Department of the Interior.

This is wonderful, welcome news.

I am informed that the work planned in this important area will be conducted at the Bureau of Commercial Fisheries Technological Laboratory in College Park, Md. The pilot project planned will include experimentation with different processes, and the Interior Department hopes to develop and perfect commercial techniques for the production of fish protein concentrate.

The President has pointed to the growing need for a low-cost dietary supplement of animal protein in many nations. Research has demonstrated the high value of fish protein to diets.

Earlier this year, on March 13, I appeared before the Subcommittee on Interior and Related Agencies of the Senate Committee on Appropriations.

In the course of my testimony I urged that the money requested for fish protein concentrate be increased. I am, therefore, pleased to have this opportunity again to support the requests for these funds and I hope we will approve the request of the administration so that the United States may move more rapidly ahead in this important area.

On March 13, I said:

> In a time of history when much of the world's population suffers from a lack of protein in its diet, this country should be moving ahead in the vital area of research. This work is in the Nation's interest and merits support. We have to date failed to use properly the available harvest of the sea. In the words of our President, "Let us begin."

Many have worked for expanded research in this area and for proper utilization of the barely tapped resources of the seas. The efforts of the Senator from Illinois [Mr. DOUGLAS], the Senator from Massachusetts [Mr. SMITH], my friend and colleague from Alaska [Mr. BARTLETT], the Senator from Washington [Mr. MAGNUSON], the Senator from Delaware [Mr. BOGGS], the Senator from Maryland [Mr. BUTLER], the Senator from Ohio [Mr. YOUNG], the Senator from Florida [Mr. HOLLAND], the distinguished Senator from Minnesota [Mr. HUMPHREY], the Senator from California [Mr. ENGLE], and others deserve the highest commendation.

THE ALLIANCE FOR PROGRESS: WORDS AND DEEDS, OR ONLY WORDS?

Mr. GRUENING. Mr. President, on July 19, 1962, on the floor of the Senate I commended President Kennedy for stopping foreign aid to Peru in the light of the military takeover of that and the uncertainty that that nation could give the firm assurance required that it would carry out the self-help measures which should be required under the provisions of the Alliance for Progress.

At that time, I pointed out that logic and reason would dictate that similar action be taken with respect to Argentina and Brazil, where the instability of the Governments similarly made uncertain their ability to carry out the reciprocal agreements needed if the Alliance for Progress is to work.

Dispatches from Buenos Aires, appearing in this morning's papers, indicate that even the military junta which took over command of that Government and seized and imprisoned President Frondizi is not as stable as it appeared several weeks ago when I made my comments.

Mr. President, I ask unanimous consent that the article on the Argentine political picture, published in today's New York Times, be printed at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. GRUENING. Mr. President, last week, on the floor of the Senate, I urged that military aid to Latin America cease. A few days later I repeated that suggestion on the "Today" show. Public response to my suggestion has been most gratifying.

Almost without exception my mail on this subject, which has come from most parts of the country, has been favorable—many letters enthusiastically so.

My original suggestion with respect to the Alliance for Progress was made in the light of the military takeover in Peru.

In the Washington Post for August 7, 1962, Marquis Childs, one of the able commentators on the Washington and national scene, reexamined in depth the situation with respect to Peru. He puts his finger on the crux of the situation when he writes:

> Officials studying what happened in Peru see this dilemma in its most acute form. When a military junta seized power, policymakers were faced with a condition and not a theory. Simply to acquiesce and continue the sizable aid program was to announce to Latin America that all the fine words about reform and democracy were meaningless.

That is precisely the point.

Is the Alliance for Progress to be only words not coupled with deeds? That is not the idea originally expressed so farsightedly by President Kennedy.

Unfortunately, from all I have heard and read, most of our Latin American friends seem to act as though the Alliance for Progress consists merely of high-sounding words. I do not blame them. Our actions have not been in keeping with our words.

No wonder the Latin Americans are confused.

In his excellent article, Marquis Childs quotes the following words uttered by an unnamed Latin American ambassador:

> But you make a mistake in trying to put land and tax reform as a prerequisite to your aid. Unless you quickly make evident what aid can do, you will have no support whatsoever in Latin America.

This is a very revealing statement. It shows an utter lack of awareness on the part of this Latin American ambassador that the Alliance for Progress has more to it than a blank check on the Treasury of the United States. Because of our widespread undertakings of "bail out" operations it is no wonder that this ambassador is laboring under the belief that the Alliance consists of no more than underwriting the governmental budgets of Latin America without undertaking much needed land reforms.

Mr. President, I ask unanimous consent that Mr. Childs' article be printed at the conclusion of my remarks, as well as an article on the Peruvian situation, written by Dan Kurzman, and published in the Washington Post of the same date.

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

(See exhibits 2 and 3.)

EXHIBIT 1

[From the New York Times, Aug. 9, 1962]

ARGENTINE WAR SECRETARY QUITS AFTER REVOLT BY ARMY LEADERS—GUIDO'S REGIME IS THREATENED—GENERAL SETS UP REBEL COMMAND IN NORTH

BUENOS AIRES, August 8.—Argentina's Secretary of War resigned tonight after a rebellion of army leaders threatened new difficulties for the shaky government of President José Maria Guido.

Gen. Juan Bautista Loza, Secretary of War and Commander in Chief of the Army, told a group of high army officers that his resignation from both posts was the only way to resolve the situation.

General Bautista Loza's decision followed a day of military upheaval that began when his own top army leader, Maj. Gen. Federico Toranzo Montero, set up a rebel command post in northern Argentina. He demanded that General Bautista Loza resign.

The Secretary of War denounced General Toranzo Montero as an outlaw, but within a few hours four generals had rallied to the rebel's side.

The rebel leaders accused General Bautista Loza, a career soldier, of having wielded an ironfisted, one-man rule over the army.

The crisis in the military hierarchy caused consternation in the Guido government, which was put into power by the army last March after a bloodless coup that ousted Dr. Arturo Frondizi as President. Dr. Frondizi is still in custody on an island in the Plate River.

The coup followed victories at the polls by supporters of the ousted former dictator, Juan D. Peron. Military leaders feared that a Peronist resurgence was at hand.

During today's confused military maneuvers, a score of army officers were arrested.

Commanders of garrisons supporting General Toranzo Montero arrested officers suspected of siding with General Bautista Loza. Meanwhile, General Bautista Loza ousted key commanders he believed to be opposing him.

One general sent by General Bautista Loza to take command of the First Motorized Infantry Division in a Buenos Aires suburb was arrested by a colonel opposed to General Bautista Loza.

President Guido was in constant conference with his ministers and military chiefs, among them the Minister of Economy, Alvaro Carlos Alsogaray. Senor Alsogaray has just returned from an aid-seeking mission to the United States.

The value of the wobbly Argentine peso tumbled again. Senor Alsogaray expressed deep concern over the effect the army conflict might have on his drive to get the economy moving again.

SUPPORT FOR REBEL RISES

General Toranzo Montero drove from his Salta headquarters to the remote city of Jujuy, 800 miles northwest of Buenos Aires, and proclaimed himself the army commander in chief.

The bold maneuver appeared at first to have scant support. But as the day wore on various key garrisons proclaimed tacit support for the rebels by demanding General Bautista Loza's resignation.

Col. Carlos Silva Valdez, commander of the Second Mountain Infantry Detachment, declared the support of his men for the rebellion. He said that garrisons in six provinces had pledged their backing.

COLONEL BACKS REVOLT

"I have 1,500 men fully armed under my orders and ready to move at any moment," Colonel Silva Valdez said over in a telephone interview. "We are in support of Toranzo Montero."

General Toranzo Montero is a brother of Gen. Carlos Severo Toranzo Montero, a former commander in chief of the army who forced a reshuffle of the top military echelons in an uprising against Dr. Frondizi in 1960.

Gen. Federico Toranzo Montero is 50 years old. He is a wiry cavalry officer who was imprisoned 3 years by the Peron regime on a charge of having plotted against General Peron.

From his rebel headquarters in Jujuy, Gen. Toranzo Montero broadcast defiance of the Secretary of War over the provincial radio. He said that "many active generals" were sympathetic with has cause and he claimed the post of Commander in Chief as "senior major general on active duty."

The fact that he established headquarters in Jujuy raised speculation that he wanted to be near the Bolivian border to seek asylum if the uprising failed.

PERONISTS STIR POLITICAL CRISES

Argentina has been plagued by political crises since Juan D. Perón was ousted as dictator in September of 1955.

Senor Perón's followers—the "descamisados" or "shirtless ones"—and the determination of the military leaders to keep them out of the Government have been at the core of the trouble.

The military leaders have been the power behind the presidential chair from the time the armed forces seized control in Argentina last March 29. On that day they ousted Dr. Arturo Frondizi as President and arrested him. In his place they installed José Maria Guido.

Senor Guido had been President of the Senate and as such was next in legal line of succession to the presidency.

The army had previously ruled through a junta after it overthrew Senor Perón. Its leaders distrusted Dr. Frondizi, who became President May 1, 1958, after he made a deal with Peronist envoys to gain the presidency. Peronist voters, barred from a political ticket of their own, gave Dr. Frondizi his winning margin.

PERONIST UNIONS RESTORED

The apprehensions of the military leaders were not lessened when President Frondizi subsequently restored Perónist unions to a controlling position in the General Confederation of Labor. In 1961 Dr. Frondizi further antagonized the military by refusing to vote with the United States to exclude Cuba from activities of the Organization of American States.

Dr. Frondizi was ousted after he lifted the ban on the Perónist political party and permitted it to run a slate of candidates in Argentina's election last March 18. The followers of the exiled former dictator won 47 of 85 seats at stake in the Chamber of Deputies and 10 of the 17 provincial governorships that were being contested.

Fearing that a return of the Perónists would undermine their power, the military deposed President Frondizi, whom they considered a tool of the Communists.

After a seesaw struggle that lasted about 2 weeks, President Guido capitulated to military demands that he circumvent Congress and settle the Perónist issue.

He announced a series of decrees that canceled the results of the March 18 elections barred Perónists from their seats in Congress and put military intervenors in control of the provincial governments.

Senor Perón is in exile in Spain. Dr. Frondizi is still being held in Argentina.

EXHIBIT 2

[From the Washington Post, Aug. 8, 1962]

LEARNING A LESSON FROM PERU'S COUP

(By Marquis Childs)

Almost anywhere you turn in this capital in this sticky end of the summer season, you will be told that not only the Alliance for Progress but the whole foreign aid program is foundering.

Partly it can be put down to the professional enemies of the aid program such as Louisiana's Representative OTTO PASSMAN. But it is more than that. In one underdeveloped country after another, the structure of society—the cleavage between the haves and the vast mass of the have-nots—thwarts the effort to raise living standards and win friends to the democratic way of life.

Officials studying what happened in Peru see this dilemma in its most acute form. When a military junta seized power, policymakers were faced with a condition and not a theory. Simply to acquiesce and continue the sizable aid program was to announce to Latin America that all the fine words about reform and democracy were meaningless.

The aid program was suspended. Ambassador James Loeb returned to Washington and the question of the future relationship between Washington and Lima was put on the shelf. Now that the Peruvian military have freed President Manuel Prado, promised elections in 1963 and are tolerating the presence of the leaders of the APRA Party, the process of resuming at least the diplomatic relationship has begun. The United States is wisely letting Mexico and other Latin American nations take the lead in this matter.

We have heard a great deal in recent years in best sellers such as "The Ugly American" about Ambassadors who spend their time at cocktail and dinner parties with the elite. Knowing little or nothing about the country, the American Ambassador is soothed by the wealthy and wellborn who speak English and who have important financial connections with the United States. While this tends to be a caricature, it conveys an uncomfortable ring of truth about many Ambassadors we have sent abroad.

Loeb and his wife worked hard to break through this easy pattern. With their fluent Spanish, they did their best to come in contact with students, intellectuals, labor leaders and others who fall outside the elite category.

That may have been one reason when the crunch came—the junta taking over in tanks provided by the American military aid program—the American business community in Peru joined with the Lima elite to denounce Washington's policy of suspending relations and holding up the aid program. The APRA Party, led by Victor Paul Haya de la Torre who was subjected to McCarthyist-type smears during the campaign, seems to have won more votes than the Communist-dominated left- or right-wing party.

But basic interests were jeopardized—$800 million in investments by U.S. corporations. Loeb was accused by the military and the business group of being too closely identified with APRA's reformist objectives.

Whether under the military the outward forms of a free society are observed and whether next year elections are held with some degree of free choice are immediate questions for Peru. But for the Alliance for Progress, with its policy of making aid conditional on reforms presumably essential to win popular support, this is a classic case deserving the most thorough study.

You come up against a cart-before-the-horse question: Must reform come before aid can be given? This reporter talked recently with one of the Latin American ambassadors in Washington most knowledgeable about both North and South America and their complex coexistence. What he said in brief was this:

"Of course reforms are essential. We have all known this for a very long time. But you make a mistake in trying to put land and tax reform as a prerequisite to your aid.

"Unless you quickly make evident what your aid can do, you will have no support whatsoever in Latin America.

"Your Members of Congress talk a great deal about how much money they are spending for Latin America. But do they not understand that the prices for the commodities we sell, the only means we have to earn our way, have gone down and down. And the money you put into aid is only small compensation for those losses."

The Peruvian experience offers an opportunity to recast the whole program. The fantastic military aid program—jets superimposed on a peasant economy—needs drastic reexamination. And the time for learning is all too brief.

EXHIBIT 3

[From the Washington Post, Aug. 8, 1962]

PERUVIAN PEASANT FINDS PROMISE IN COMMUNISM

(By Dan Kurzman)

CUZCO, PERU, August 7.—Ciprian Llavilla Ccama, a peasant in the Indian village of Chocco, has never heard of Karl Marx. He harbors no ill feeling toward the United States, not being sure what or where it is. He describes himself as a very religious Catholic.

Yet, Ciprian, dressed in a red vest, tight black pants, a red knitted cap, and sandals fashioned from tire rubber, said with frightening casualness:

"If I had to choose between communism and God, I would choose communism. The Communists will give us land, but God won't."

Ciprian spoke for most of the Indian peasants in Chocco, a village about 15 miles from the ancient Inca capital of Cuzco deep in the south Peruvian Andes. He probably spoke also for the majority of inhabitants in scores of other Indian villages throughout Peru who are wallowing in medieval poverty.

OWNS HALF AN ACRE

Ciprian owns half an acre of communal land, land set aside by the government for Indian peasants only. But as the potatoes, wheat, corn, and beans yielded by this land are insufficient to meet his family's food requirements—he has a wife and two young children—Ciprian must also work another half acre of land as a tenant farmer on the nearby hacienda of a powerful absentee landlord.

For the right to use this landlord's property, Ciprian works 2 or 3 days a week for his feudal master, earning less than $1 a month. He must also work 30 days a year for his landlord without receiving any pay at all. The rest of the time he divides between his own field and the one he rents. Last year, when a drought struck, he had to do odd jobs in Cuzco to make enough money to buy food.

Ciprian lives in a dark, damp thatch-and-adobe hut, a dungeonlike enclosure without windows or furniture. A fire burning in a small mud oven that has no chimney constantly fouls the air. Aluminum pots and pans offer the only suggestion of the 20th century.

RELIES ON WITCH DOCTOR

His landlord provides no medical care in case of illness, as even the most callous colonialists do in Africa. He must rely on the herbs of the village witch doctor when any member of his family gets sick. The infant mortality rate of his village, like most others in the region, is almost 60 percent; life expectancy averages under 30 years.

But for all their misery, Ciprian and his fellow villagers are proud people with hope for their children's future. That is why they have built a small adobe schoolhouse. The government pays the salary of the teacher who comes daily from Cuzco to teach the first and second grade, enough to make the children literate in Spanish. Most of their parents are illiterate.

Ciprian, a more ambitious man than most, learned recently to speak and read Spanish at a Catholic school in Cuzco. Not surprisingly, his reading is confined almost entirely to the local Communist newspaper. "It is easier to understand than other newspapers," he explained.

It is easy indeed for him to understand the promise of land when the Communists take over the country, especially in view of the bitter fact that the landlord's property once belonged to the grandfathers of the Indian villagers. About 50 years ago, they had sold the land for about 50 cents an acre and the pledge that they would be treated well as tenant farmers.

With the Communist influence spreading, the landlords, too, are seeking help. One of the most powerful of them in southern Peru, Alfredo Romainville, owner of about 200,000 acres, sought me out when he heard I was in Cuzco. Could I not try to influence the United States to exert pressure on Peruvian authorities to get back land taken from him by armed Communist-led peasants?

To the suggestion that communism might best be continued through a voluntary redistribution of land, Romainville, replied that the only reform needed was a more equitable system of allocating rented land.

He noted that some tenants with 150 acres or more rent out tiny patches of land to subtenants who have to work "30 days out of the month" for both the landlord and the original tenant, leaving only a few hours a month for work on their own leased land.

HERBERT HOOVER

Mr. CURTIS. Mr. President, tomorrow one of the greatest of all Americans will celebrate his 88th birthday. I refer to Mr. Herbert Hoover. I know that millions and millions of Americans and millions of people abroad appreciate and honor this distinguished man. It is also my opinion that as the years go by, many more millions will come to the realization of his greatness and his goodness.

There are many things about Mr. Hoover that are deserving of mention, that mark him as a great citizen and statesman. Today I shall confine my remarks to the humanitarian work of former President Hoover.

Through the centuries the question "Am I my brother's keeper?" has echoed in the conscience of mankind. Tens of millions of Americans have answered the question affirmatively by direct and indirect participation in the relief programs established to prevent mass starvation or mass loss of life by pestilence and famine during and following the total wars of this century.

One whose name is summoned to mind immediately in connection with these huge lifesaving and humanitarian endeavors is Herbert Clark Hoover.

The outbreak of World War I in 1914 found Herbert Hoover in London on a mission for the Pan-American Exposition. It also found thousands of Americans stranded in London without funds to return to the United States because of the impossibility of obtaining cash on checks and letters of credit. Hoover immediately was pressed into managing the repatriation of some 120,000 Americans in their flight from Europe. Mobilizing the resources of himself and a group of mining engineer friends, he organized the American Relief Committee in London, of which he was chairman. In this capacity he advanced cash on personal checks, arranged for hotel accomodations and steamship reservations, thus aiding his fellow countrymen, most of whom were personally unknown to him, to return to the United States.

But before he completed this task he was called to what was even a greater relief mission.

When the German armies smashed into Belgium and northern France and the British and French blockaded Germany and her allies, including occupied Belgium and northern France, 7,500,000 Belgians and 2,500,000 French men, women and children were caught in a vise. Their plight was made worse by the invaders' pillage of the grain harvest and hosts of animals. Imminent starvation faced the 10 million isolated people unless some arrangements could be made to provide food and to get it successfully through the blockade.

The Belgian national relief committee urged Hoover to take charge of a food and relief project, and so, with the approval of the American Ambassador, he organized the Commission for Belgian Relief and served as its chairman during the 5 years of its existence. He arranged with the warring nations to permit passage through the blockade of clothing and food for distribution. The first appeal for world charity was issued at the initial meeting of the Commission. During the life of the Commission the great outpouring of charity amounted to the largest fund ever known at that time. The total charitable contributions in money and cargoes of food and clothing were:

From the United States	$34,521,026.99
From the British Empire	16,641,034.85
From Latin America and others	1,128,773.67
Total	52,290,835.51

In the early days of the Commission it was apparent that it could not fully hold the lifeline for these 10 million people solely with the gifts it could obtain from generous people. Hoover thereupon succeeded in securing subsidies from the U.S. Treasury and from the Governments of Britain and France.

During these difficult years Hoover was responsible, as the controlling head of the Commission, for sending into occupied France and Belgium about 5 million tons of food and clothing, having a market value of approximately $1 billion.

The entrance of the United States into the war in April 1917, saw the return to the United States of Hoover, and his appointment by President Wilson as U.S. Food Administrator. It was in this capacity that Hoover established the U.S. Grain Corporation, the Sugar Equalization Board, and the Food Purchase Board, all for the purpose of providing a more centralized handling of food supplies during the war emergency. He also served as Chairman of the Interallied Food Council.

As Food Administrator, he developed an organization for stimulating production, checking hoarding and speculation, and conserving food supplies. His program called for meatless, wheatless, and sugarless days. By these activities he was able to meet the large food demands of the Allies, who were experiencing difficulty in maintaining the morale of the citizenry, owing to food shortages caused by reduced production and loss of cargoes by U-boat destruction. As a result of the programs he administered, it was possible to provide the necessary margins of food, medicine, and clothing for the 170 million people in the allied and neutral nations in Europe during the period of American participation in the First World War.

With the signing of the armistice on November 11, 1918, the dark curtain of war lifted, revealing a terrible scene of the devastation war leaves in its wake. It revealed a disorganized and hungry Eastern Europe. The United States took the first large-scale relief action by setting up the American Relief Administration, with Herbert Hoover as its Chairman. A congressional appropriation of $100 million was made available for use in getting food and supplies to the famine-stricken and panic-stricken countries. Large loans were later made by the United States to these countries. In 8 months, nearly 5 million tons of foodstuffs, of a value of $1 billion, were sent into 23 countries.

The total amount of oversea food and other supplies handled by the organizations which Hoover directed during the First World War was 33,841,307 tons, of a value of $5,243 million.

The signing of the peace treaty brought with it the liquidation of the American Relief Administration, as an agency acting for the U.S. Government. But suffering from lack of food still persisted in parts of Europe; so Hoover and several of his associates formed a private charitable organization to carry on the humanitarian work of feeding the hungry and orphaned children of Central and Eastern Europe. Since the name ARA had become so well known, it was decided to carry on the work of the private organization under the same title. During the life of this organization—until June 1922—it provided free meals to more than 8 million children. In addition, warm clothing of an estimated value of $8 million was distributed to 2 million children.

During the life of the American Relief Administration, it provided public and private aid to 14 million adults. Adding children, the total number of individuals who at one time or other were furnished the necessary margins to preserve life was estimated at more than 20 million, in 45 nations.

In July 1921, only a few months after Hoover had become Secretary of Commerce, and as he was preparing to wind up the activities of the American Relief Administration, Maxim Gorky, the Russian revolutionary author, addressed an appeal to him and the other American people for aid in the stupendous famine

among Russian people in the Ukraine and the valley of the Volga—for bread and medicines for starving, disease-racked children. This had been due partly to freaks of the weather, but mostly to a halt in agricultural production while the Soviets were communizing the Russian peasants. At that time there were a few million dollars left over in the American Relief Administration. Hoover, in reply to Gorky, outlined certain minimum conditions upon which the task could be undertaken, particularly for children. These conditions included freedom of all American prisoners in Russia; full liberty to Americans to administer the relief and to travel without interference; distribution on a nonpolitical basis; and free storage, transportation, and offices.

The Soviet Government had been subsidizing revolution over the world with czarist gold. Hoover demanded that the Soviets place a substantial amount of the remainder in the ARA, for expenditure upon food. They raised many difficulties; and it was only when Hoover threatened to abandon the entire project that they complied. Hoover finally got together $90 million, of which about $18 million came from this Russian gold. Part of the resources came also from an appropriation by the Congress of $20 million profits left in the U.S. Grain Corporation and $8 million in medical supplies from military surplus. The remainder was raised by public charity.

Final records show that during this period of plague and pestilence, over 19 million starving Russian people, of whom 6 million were children, were fed 753,400 tons of American food.

When the back of the famine was broken and the Russian mission was ended, Hoover received a scroll of thanks from the Soviet Government. One might suppose that this humanitarian endeavor would have assured Hoover an honored place in Soviet history. This was not to be true. In 1927, when Hoover became a candidate for President, and down through the ensuing years his reward has been that the Communists have consistently attempted to defame him and his lifesaving endeavors on their behalf.

After World War II, at the request of President Truman, Hoover was coordinator of food supply for 38 nations. In his capacity he girdled the globe, making arrangements to provide rice for starving millions in the Far East and bread for millions more on other continents. And when his work was taken up by the relevant Government agencies, he expressed a readiness to assume any other tasks the President thought he could perform for the Government of the United States. Those too he has accomplished nobly.

Since the elder statesman began his career of public service in 1913, he has organized famine and disaster relief programs for more than a billion persons in 50 nations. He stands ready to serve today all humanity which he loves.

I am sure I speak not only for the vast majority of this body—yea, all of them—but the vast majority of the people whom I have the honor to represent in part, in wishing Herbert Hoover a happy birthday tomorrow, when he becomes 88 years of age.

I ask unanimous consent to have printed in the RECORD following my remarks an article written by Mr. David Brown, publisher, in the Globe-Democrat of August 6, 1961, concerning Mr. Hoover when he was 87 years old.

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

HERBERT HOOVER REACHES 87

(By David Brown)

Back in the era before electric lights or telephones or paved roads the Fourth of July was an important day in the little town of West Branch, Iowa. It was a patriotic day. The high moment came each year when the villagers and countryfolk gathered at the crossroads to hear the Declaration of Independence read aloud to them.

There was one boy of the town who always perched himself where he could hear well. In time he went away from West Branch. He grew to manhood, and a lot of years passed. And a lot of things happened in the world.

A few weeks ago, a man full of years and wisdom stood in Philadelphia's historic Independence Hall and addressed a group of school boys and girls. His words went out to the entire youth of the Nation by radio. He told the youngsters of America to be alert to protect that precious freedom they had inherited from the founders of their country.

The man who spoke that admonition with the wavering voice of age was once the boy who had listened so intently to the Fourth of July reading of the Declaration of Independence in West Branch, Iowa.

He had inherited that precious freedom himself long ago, and it had enabled him to become one of the great men of America and of the entire world.

He was Herbert Hoover.

Next Thursday—August 10—he will be 87.

The world, as it does each year, will casually note the milestone as it flicks by, but many people still alive will pause long enough to remember that this man once fed them when they were starving.

In this long life of amazing breadth Herbert Hoover has won superlative distinction in several fields. He has been a great engineer, humanitarian, administrator, elder statesman, patriot, and President of the United States.

He has gathered recognitions of all kinds. Colleges and universities of the world have given him more than 90 honorary degrees alone. Dozens of schools have been named for him, and this he considers the greatest distinction of all. For, though he is now old in years, his increasing interest has been in youth—its morality, its education, its democratic ideals. A supreme devotion in recent years has been his beloved Boys' Clubs of America of which he is chairman. Despite his age, he indefatigably goes about the country dedicating new clubhouses. Nothing has made him prouder than the fact that the new boys' headquarters in New York opposite the U.N. building, has been named the Herbert Hoover building.

His most cherished project is the Hoover Institution on War, Revolution, and Peace housed in a striking tower on Stanford University campus at Palo Alto, Calif. It is a vast collection of material on this century's "great social upheavals," and its purpose is to promote peace.

The pattern of Herbert Hoover's adult life has fallen into three segments. During the first 20 years he was a distinguished mining engineer who built a personal fortune. During the next 18 years his life was given fully, without a cent of pay, to the public service—first humanitarian and then governmental. The most extensive has been his post-Presidential period—the 28 years since he left the White House. His varied and assiduous activities have been largely in behalf of his country and its people. And they have diminished little with his mounting birthdays.

Since his wife died in 1944, widower Hoover has lived mostly in a suite high up in New York's Waldorf Towers, where he has General Douglas MacArthur for a neighbor. (He has sons, Allan and Herbert Hoover Jr., and grandchildren.) His offices are in the suite and his tireless daily activities are such that he is now keeping eight secretaries busy.

He is constantly writing books—in longhand—has one coming out in September and another "in the oven." He makes a number of major speeches, which he also writes himself in longhand. This year he has sent out more than 36,000 letters, has met innumerable people, and engaged in all sorts of activities.

In Manhattan's Waldorf Towers, where Herbert Hoover now lives at the age of 87, he is far removed in time and space from the little Corn Belt town of West Branch, Iowa, where he was born on August 10, 1874. It was just a crossroads village then, where his father sold farm implements and was the blacksmith, and his mother had taught school. But from this country village America and its future stood imaged clearly—the land of freedom, the land of opportunity, the land of rugged individualism.

The ancestors of his parents were Quakers who had come to this country in 1740 and young Herbert Hoover attended the Quaker Sunday school and built an abiding religious faith.

At the age of 10 he was an orphan, his father had died of typhoid when he was 6 and his mother was taken by pneumonia a few years later. The three children—Herbert, his brother and his sister—were distributed among relatives. He ended up with an uncle in Newberg, Oreg., attended a Quaker academy there. When he was 15 his uncle moved to Salem, Oreg., opened a real estate business and Herbert worked in the office and went to night school.

A prospecting trip with a mining engineer about this time settled his mind about a career. He heard of a brandnew school that was opening its doors at Palo Alto, Calif., and in 1891 became one of the first to enroll in Leland Stanford University. He worked his way through school, in time became Stanford's most famous graduate.

With his diploma, the young mining engineer faced the world in 1895. He began his career ingloriously with a $2-a-day pick and shovel job, but from there on it was a storybook success. He went to Australia where a gold mining boom was in progress and did so well that the Chinese Government employed his services. But first he hurried home, in 1899, and married his Stanford University sweetheart, Miss Lou Henry of Monterey, Calif. who was to become in time the Nation's First Lady. But then she was just a young wife sharing the travels and perils of her engineer husband.

They traveled all over the world together, and there were perils as well as engineering triumphs. Right near the start of their marriage they were among the 200 foreigners who were besieged 4 weeks in Tientsin during the Chinese Boxer Rebellion of 1900. Herbert Hoover was an outstanding engineer, was partner in a British firm from 1902 to 1908 and then formed his own company with branch offices flung around the world.

In less than 20 years, and by the time he was 40 years old, he was wealthy. He directed mining, metallurgical and other com-

panies which employed 160,000 men in various countries.

The year was 1914. Hoover was in London to persuade European nations to participate in an international exposition San Francisco was holding the next year. Suddenly World War I broke and the Kaiser's army plunged through Belgium to attack France.

The quiet, reserved engineer who was known little outside his profession, was caught up in the holocaust and whirled into public life.

First he was put to work expatriating the 200,000 Americans caught in Europe by the war and he did such a good job that he was next given one of the most gigantic humanitarian tasks of all time. He headed a commission which fed 10 million distitute Belgians between October 1914 and April 17, 1917, when the United States entered the war on the side of the Allies.

He had done a tremendous job and was famous and beloved for his humanitarianism and administrative ability. President Woodrow Wilson promptly appointed him Food Administrator in the United States. He continued his work of international rehabilitation and relief after the war.

With war over, the American voters turned to the Republicans, elected Warren G. Harding President. He named the popular Hoover as his Secretary of Commerce, a Cabinet post in which he continued for 8 years when he was reappointed by Calvin Coolidge, Harding's successor after his death in 1923.

The Republicans happily turned to Herbert Hoover in 1928 when Coolidge did not "choose" to run again.

The roaring 1920's were roaring to a close. The Nation was at the crest of its greatest prosperity. Candidate Hoover had the confidence of people at home and abroad. He would bring business methods to Government and keep Government out of business. In his campaign he was so optimistic he spoke of the future possibility of abolishing poverty in America.

The Democrats nominated Alfred E. Smith, four-time Governor of New York and a man of the people. He was a Catholic; he favored ending prohibition. Hoover believed prohibition a "noble" experiment that needed better enforcement. He had personal popularity and unprecedented prosperity on his side.

In a crushing victory at the polls he won 40 of the 48 States.

Herbert Hoover was on March 4, 1929, inaugurated as the 31st President of the United States. Before 7 months had passed the greatest prosperity ever seen came tumbling down about the ears of a stunned people.

The first manifestation that a fool's paradise had come to an end was the stock market crash October 29, 1929. Then, gradually, the fires of industry died out, the wheels of commerce slowed, men lost their jobs, businesses failed, purchasing power shrank, mortgages were foreclosed on homes and farms, souplines formed, banks closed. The Nation's worst depression of all time deepened, reached bottom with 12 million unemployed in 1933 and really lasted for 10 years—until World War II set off another boom.

It was not a depression President Hoover created, it was not one he could have avoided, it is doubtful that he could have controlled it very much during his single term, though some reasonable critics argue that he was too long in recognizing its seriousness. He himself has always attributed it in the main to delayed consequences of World War I, has insisted that he could have cured it had he continued in office or that it would have been quickly dissipated if the Democrats had followed his policies. The Democrats, of course, have never shared this view.

The great depression overshadowed everything else during President Hoover's administration. Always a hard worker, he spent as much as 20 hours a day at his desk trying to rally the country toward recovery. But despite many measures to get the wheels moving again the decline continued.

A storm of condemnation descended on the Republican administration as the 1932 election year came around. The Republicans, with sagging hopes, again nominated Herbert Hoover. The Democrats picked Franklin D. Roosevelt, another New York Governor with personal charm and a vote-catching family name. He was talking about a "New Deal" and the "forgotten man."

The sad economic plight of the Nation was a perfect Democratic club with which to flay the Republicans in the campaign. The Republican President was vilified. He was made the scapegoat. It was "the Hoover depression."

Herbert Hoover's defeat at the polls that November was even more overwhelming than his victory had been 4 years earlier. He won only 6 States, lost 42.

He and his wife packed up, went home to their private residence on the campus of Stanford University at Palo Alto.

The ordeal was over. They had endured much. There was no bitterness.

Herbert Hoover, who had never accepted a cent of salary or other compensation for his years of public service—even during the 4 years he was President—did not return to his lucrative profession of engineering. Despite his political disappointment, he decided to devote the remaining years of his life to his Nation and its people, to the freedoms and ideals he had cherished since the days he listened to the Declaration of Independence at the West Branch crossroads.

He could devote plenty of time to directing, inspiring, and raising funds for his beloved Boys' Clubs of America, a national youth-building organization.

After discreet silence for a few years he became a voice of the New Deal "opposition" in speeches, books and magazine articles. He was ready when the Second World War came, and afterward, to give his services in famine relief. (When Mrs. Hoover died in 1944 he turned their residence over to Stanford and moved into Manhattan's Waldorf Towers.)

President Roosevelt always ignored the Republican ex-President, never had him inside the White House. But succeeding Democratic President Truman wisely called upon his rare and valuable talents. He employed him first in a world famine relief survey, and then used his great abilities to head a commission to seek ways of improving the executive branch of the Government and eliminating wasteful methods of operation. Familiarly called the Hoover Commission, it made sweeping recommendations in 1949 that saved an estimated $4 billion a year. The former President headed a similar commission during the administration of Republican President Eisenhower.

As the years gathered about Herbert Hoover so did the love and esteem of his countrymen. He was cheered upon appearance. He was the elder stateman. He was the inspiration of youth. He was the man who came back from the dark depths of the depression and defeat.

And always since his boyhood at West Branch, he has had that abiding faith in his country's future. A few years ago he said:

"I have lived a long life. I have witnessed and taken part in many great and threatening crises. Each time they have been surmounted the American dream becomes more real.

"My faith arises from the genius of our people, their devotion to personal liberty and their sustaining religious beliefs. If the American people are guided aright, there will be no decline and fall in American civilization."

OUTDOOR RECREATION

Mr. JACKSON. Mr. President, I ask unanimous consent to temporarily lay aside H.R. 7913 and to proceed to the consideration of Calendar No. 1782, Senate bill 3117.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 3117) to promote the coordination and development of effective Federal and State programs relating to outdoor recreation, and to provide financial assistance to the States for outdoor recreation planning, and for other purposes.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Washington?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 2, line 4, after the word "on", to insert "and by private interests"; in line 11, after the word "The", to strike out "terms 'State' and" and insert "term"; in the same line, after the word "States", to strike out "include" and insert "includes"; on page 3, line 12, after the word "subdivisions", to insert "and private interests"; in line 19, after the word "agreements", to strike out "without regard to the provisions of section 3648 of the Revised Statutes (31 U.S.C. 529) when in his judgment such payments are necessary to facilitate such research"; on page 6, line 4, after "June 30,", to strike out "1964" and insert "1966"; on page 7, line 11, after the word "for", to strike out "coordination" and insert "cooperation"; on page 8, after line 7, to insert a new section, as follows:

SEC. 204. The Secretary is authorized to accept donations of money or other personal property which he may use in furtherance of the purposes of this Act.

At the beginning of line 11, to change the section number from "204" to "205"; and after line 15, to insert a new section, as follows:

SEC. 206. The District of Columbia, Puerto Rico, the Virgin Islands, Guam, and American Samoa shall each be treated in the same manner as provided for States in this Act: *Provided*, That they shall not be given equal shares in the planning grant funds designated for such apportionment under section 202, but shall be given in lieu thereof, from said funds such sums as, in the Secretary's discretion, provides them with total grants which are equitable and appropriate to their needs, and the Secretary shall report the amount of such grants to Congress annually.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress finds and declares that the general welfare of the Nation requires that all American people of present and future generations shall be assured the availability and accessibility of such quantity and quality of outdoor recreation resources as are necessary and desirable for the physical, spiritual, cultural, recreational, and scientific

benefits which such outdoor recreation resources provide; and that timely and coordinated action is required by all levels of government on and by private interests a nationwide basis to conserve, develop, and utilize such resources for the benefit of the American people.

SEC. 2. As used in this Act except as the context otherwise may require—

(a) The term "Secretary" means the Secretary of the Interior.

(b) The term "United States" includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.

(c) The term "outdoor recreation resources" means land, waters, and associated resources in the United States and interests therein, improvements thereon, and access thereto, including areas of historic significance and such forests, rangelands, wetlands, fish and wildlife, and other natural resources as may serve other beneficial purposes, which provide, or may in the future provide, opportunities for outdoor recreation. The term "outdoor recreation" means the use and enjoyment of outdoor recreation resources.

TITLE I—RESEARCH, COORDINATION, AND PLANNING

SEC. 101. In order to carry out the purposes of this Act, the Secretary is authorized, after consultation with the heads of other Federal departments and agencies concerned, to—

(a) prepare and maintain a continuing inventory and evaluation of the outdoor recreation needs and resources of the United States;

(b) prepare a system for classification of outdoor recreation resources;

(c) provide technical assistance to States and their political subdivisions and private interests with respect to programs relating to outdoor recreation;

(d) encourage interstate and regional cooperation in the acquisition and development of outdoor recreation resources;

(e) sponsor and engage in research relating to outdoor recreation, directly, or by contract, grant, or cooperative agreements;

(f) formulate and keep current an integrated nationwide outdoor recreation plan which shall take into consideration the plans of Federal agencies, States, and their political subdivisions, shall set forth the current and foreseeable availability of outdoor recreation resources and the needs and demands of the public for the use and enjoyment thereof, and shall identify critical outdoor recreation problems and propose steps for their solution, identifying desirable actions to be taken at each level of government and by private interests. The Secretary shall report at intervals of not more than five years on such plan to the President for transmittal to the Congress. When the plan is transmitted to the Congress, the Secretary shall transmit copies of the report to the Governors of the several States;

(g) undertake such studies and assemble and publish such information concerning outdoor recreation, either directly or by contract, as he deems appropriate, and disseminate such information without regard to the provisions of section 321n of title 39, United States Code;

(h) establish education and interpretation programs in cooperation with educational institutions in order to assist and encourage public use of outdoor recreation resources; and

(i) request any Federal department or agency for (1) such information, data, and reports, and (2) such advice and assistance, as may be necessary in carrying out the provisions of this title; and any department or agency which furnishes such advice or assistance may expend its own funds for such purposes, with or without reimbursement from the Secretary as may be agreed upon between the Secretary and the head of the department or agency.

SEC. 102. The complete files and records of the Outdoor Recreation Resources Review Commission shall be transferred to the Secretary on or before September 1, 1962.

TITLE II—PLANNING GRANTS TO STATES

SEC. 201. To assist the States in meeting their primary responsibilities to provide outdoor recreation opportunities to the populations they serve and to encourage comprehensive planning by the States, in cooperation with their political subdivisions, for effective outdoor recreation resource programs, there is authorized to be appropriated not to exceed $50,000,000 for grants to States to assist them in the preparation of comprehensive statewide outdoor recreation plans, including the cost of training personnel for recreation planning and administrative responsibilities. Money appropriated hereunder shall be available until expended for payment to the States to assist each State for a period of not more than five years in a planning program approved by the Secretary, in accordance with section 203, commencing not later than June 30, 1966.

SEC. 202. The sum authorized to be appropriated under section 201 shall be apportioned among the several States as follows: (1) one-fifth shall be divided equally among the several States; and (2) three-fifths shall be apportioned in the proportion which the population of each State bears to the total population of the United States. The remaining one-fifth of such sum shall be available for grants to States, without apportionment as hereinabove provided, in such amounts as in the opinion of the Secretary may be required to meet the needs for outdoor recreation planning.

SEC. 203. (a) In determining the adequacy of any planning program submitted by a State for approval under this title, the Secretary shall consider whether such program—

(1) designates a State agency (hereinafter referred to as the "State agency" to administer the planning program;

(2) provides for preparing and keeping up to date a comprehensive statewide outdoor recreation plan for assuring the availability and accessibility of outdoor recreation resources to its inhabitants in accordance with the purposes of this Act. The plan shall take into account relevant Federal resources and programs and shall be coordinated with any local, metropolitan, State, or regional comprehensive plans, including those prepared with the aid of planning grants under section 701 of the Housing Act of 1954, as amended (40 U.S.C. 461); and it may consist entirely or in part of components of an interstate plan developed in cooperation with agencies of another State or States;

(3) sets forth the procedures to be followed in carrying out such planning program, with adequate provision for cooperation with all Federal, State, and local agencies having responsibilities in such fields;

(4) provides that the State agency will make such reports in such form and containing such information as the Secretary from time to time may require to carry out his functions under this title;

(5) provides such accounting, budgeting, and other fiscal methods and procedures as are necessary for the proper and efficient administration of the program, and provides that, upon request of properly authorized representatives of the Secretary, accounting and other fiscal records pertaining to such administration will be made available for inspection by such representatives.

(b) Upon approval of the State planning program, the Secretary shall pay to such State from appropriations available therefor up to 75 per centum of the first year's cost of such State program; not more than 50 per centum of the second year's cost of such program; and not more than 35 per centum of the annual costs of such program during each of the subsequent three years: *Provided*, That in no case shall the total of such grants exceed the amount available to such State under section 202.

SEC. 204. The Secretary is authorized to accept donations of money or other personal property which he may use in furtherance of the purposes of this Act.

SEC. 205. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act. Nothing contained in this Act shall limit any authority of the Secretary under any other provision of law.

SEC. 206. The District of Columbia, Puerto Rico, the Virgin Islands, Guam, and American Samoa shall each be treated in the same manner as provided for States in this Act: *Provided*, That they shall not be given equal shares in the planning grant funds designated for such apportionment under section 202, but shall be given in lieu thereof, from said funds, such sums as, in the Secretary's discretion, provides them with total grants which are equitable and appropriate to their needs, and the Secretary shall report the amount of such grants to Congress annually.

Mr. JACKSON. Mr. President, I ask unanimous consent that the committee amendments be considered en bloc.

The PRESIDING OFFICER. Is there objection?

There being no objection, the amendments were considered and agreed to en bloc.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. JACKSON. Mr. President, I send to the desk a technical amendment.

The PRESIDING OFFICER. The amendment offered by the Senator from Washington will be stated.

The LEGISLATIVE CLERK. It is proposed on page 2, line 4, to strike the word "on" which appears after the word "government" and insert the word "on" after the word "interests".

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Washington [Mr. JACKSON].

The amendment was agreed to.

Mr. JACKSON. Mr. President, this bill was reported unanimously from the Senate Interior and Insular Affairs Committee. It stems also from the unanimous findings of the Outdoor Recreation Resources Review Commission, headed by Mr. Laurance Rockefeller, who was appointed to head this Commission in 1958.

The measure was proposed to Congress by the Secretary of the Interior and introduced by Senator CLINTON P. ANDERSON and 20 cosponsors.

The purpose of the bill is to provide for recreation planning grants to States and to give the Secretary of the Interior authorities he needs to develop a national recreation program through the Bureau of Outdoor Recreation.

The committee held extensive hearings on the bill. It was submitted to the Governors of the 50 States. Their attitude was one of wide and general receptivity to the proposal.

THE PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BRINGING NUMBER OF CADETS AT U.S. MILITARY AND U.S. AIR FORCE ACADEMIES UP TO FULL STRENGTH

Mr. JACKSON. Mr. President, I ask that the Senate return to the consideration of H.R. 7913.

The PRESIDING OFFICER. Without objection, the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H.R. 7913) to amend title 10, United States Code, to bring the number of cadets at the U.S. Military Academy and the U.S. Air Force Academy up to full strength.

Mr. JACKSON. Mr. President, I yield to the distinguished Senator from Delaware [Mr. WILLIAMS]—or does the Senator wish the floor in his own right?

Mr. WILLIAMS of Delaware. Yes.

The PRESIDING OFFICER. The Senator from Delaware.

CONTRADICTORY POLICIES OF THE KENNEDY-FREEMAN FARM PROGRAM

Mr. WILLIAMS of Delaware. Mr. President, I know of no better way to demonstrate the contradictory policies of the Kennedy-Freeman farm program than to call attention to some of last year's operations as the program is presently being administered.

Last year the Department of Agriculture paid out $1,118,233,897 as inducements to the American farmers to retire 53,604,795 acres from agricultural production. This was a national average of over $20 per acre. These payments, which were made for the announced purpose of reducing the production of agriculture crops are broken down as follows:

Feed grains program, 1961:	
19,114,600 acres corn diverted for payment	$645,380,700
6,100,500 acres sorghum diverted for payment	136,483,800
Soil bank conservation reserve program: 28,389,695 acres diverted for payment	336,369,397
Total	1,118,233,897

After paying out over one billion dollars to the American farmers for reducing their acreage during 1961, the Department of Agriculture then paid the American farmers another $208,182,000 to subsidize the purchase of additional lime, fertilizer, and so forth, and for certain soil conservation practices. This subsidized lime and fertilizer was made available for the announced purpose of increasing the productivity on the remaining acreage.

Now, the U.S. Government itself is the largest owner of agriculture crop and grazing land in America, but instead of just keeping its own agriculture land out of production it leased it to the American farmers for the purpose of producing more crops and more livestock.

During 1961 the record shows that the Government leased 4,881,395 acres of farmland to the American farmers for agriculture production at an average of less than $3 per acre, or a total annual rental of $13,327,953.

Thus, we find that on the New Frontier Secretary Freeman was paying an average of over $20 per acre to retire 53 million acres of cropland from production while at the same time the Government was leasing 4,881,000 acres of its own cropland back to the farmers at an average of less than $3 per acre.

A breakdown of this Government-owned farmland, the Agency under which it was leased, and the amount collected follows:

		Acres	Annual rentals
Cropland:			
Farmers Home Administration.	Leased	3,491	?
Forest Service	do	24,059	$102,545
Interior	do	169,512	595,763
Bureau of Indian Affairs.	do	3,728,621	10,612,706
Defense:			
Military	do	385,416	976,370
Civil works	do	570,296	1,040,569
Total		4,881,395	13,327,953
Grazing:			
Forest Service (Agriculture).	do	640,508	64,050
Do	do	59,789,452	3,898,497
Interior	do	183,631,545	3,425,409
Bureau of Indian Affairs.	do	18,464,332	3,208,907
Defense:			
Military	do	1,824,563	831,081
Civil Works	do	369,193	300,584
Total		264,719,593	11,728,528

Summarizing the above operations, in 1961 the U.S. Government paid $1,118,233,897, or an average of over $20 per acre, to retire 53,604,795 acres of farmland from production.

The Government paid another $208,182,000 to subsidize the purchase of lime and fertilizer to increase the production on the remaining acreage. The Government then leased 4,881,395 acres of its own farmland for agriculture production at an average of less than $3 per acre and then leased another 264,719,593 acres of grazing land at an average annual rental of less than 5 cents per acre.

But this does not represent all of the confusion on the Potomac. During 1961 the Government spent millions under the Bureau of Reclamation to irrigate and bring into production an additional 113,700 acres of cropland. Under these reclamation projects, full or supplemental irrigation service was furnished to this acreage at a cost to the taxpayers ranging from a low of $159 per acre up to a high of $1,227 per acre.

Under numerous other reclamation projects, some of which have already been authorized and some of which are still being approved, millions will be spent to irrigate and bring into full production thousands more acres of farmland.

At this point I ask unanimous consent to have incorporated in the RECORD five letters from the various Departments confirming the statistics which I have used in my report today. First, I submit a letter and attachment from the Department of Defense dated March 14, 1962, signed by Assistant Secretary Charles J. Hitch. Second, I submit a letter from the Department of Interior dated April 19, 1962, signed by Mr. N. O. Wood, Jr., Director of Division of Property Management. Third, I submit two letters from the Department of Agriculture dated April 2 and April 30, 1962, and signed by Secretary Freeman and Assistant Secretary John P. Duncan, Jr., respectively. Last, I submit a letter and attachment from the Department of Interior dated March 19, 1962, signed by Mr. Floyd E. Dominy, Commissioner of the Bureau of Reclamation.

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

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., March 14, 1962.

DEAR SENATOR WILLIAMS: In accordance with the request in your letter of March 7, 1962, addressed to Secretary McNamara, there is attached a table showing acreage leased by the Department of Defense in the United States for agricultural and grazing purposes during the fiscal year 1961.

Sincerely yours,

CHARLES J. HITCH,
Assistant Secretary of Defense.

Acreage leased by the Department of Defense for agricultural and grazing purposes in the United States during fiscal year 1961

	Number of acres	Annual rentals
Agricultural:		
Military	385,416	$976,370
Civil works	570,296	1,040,569
Grazing:		
Military	1,824,563	831,081
Civil works	369,193	300,584

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., April 19, 1962.

Hon. JOHN J. WILLIAMS,
U.S. Senate, Washington, D.C.

DEAR SENATOR WILLIAMS: In accordance with your request of March 7, 1962, and our acknowledgement of March 15, 1962, enclosed is a tabulation showing (1) the total acres of land leased by bureaus of this Department during calendar year 1961 for grazing and crop production, and (2) the total rentals received from such leases. Separate totals are included for lands controlled by the Bureau of Indian Affairs.

Sincerely yours,

N. O. WOOD, Jr.,
Director, Division of Property Management.

Total acreage and rental received for land leased by the Department of the Interior for certain purposes

	Grazing		Crop production	
	Acres	Annual rental	Acres	Annual rental
Bureau of Land Management	179,804,650	$2,764,863		
Bureau of Mines	12,003	11,076		
Bureau of Sport Fisheries and Wildlife	2,015,579	507,328	114,732	
Office of Territories	100	400		
Bureau of Reclamation	411,213	116,847	41,558	$582,223
National Park Service	1,388,000	24,895	13,222	13,540
Total, 1961	183,631,545	3,425,409	169,512	595,763
Bureau of Indian Affairs, calendar year 1961	18,464,332	3,208,907	3,728,621	10,612,706

DEPARTMENT OF AGRICULTURE,
Washington, D.C., April 2, 1962.

Hon. JOHN J. WILLIAMS,
U.S. Senate.

DEAR SENATOR WILLIAMS: This is in reply to your letter of March 7 requesting the same information for the year ended June 30, 1961, concerning land leased for agricultural and grazing purposes that was provided last August for certain previous years.

Land is leased for agricultural purposes by two agencies of the Department—the Farmers Home Administration and the Forest Service. The acreage so leased by the FHA as of June 30, 1961, was 3,491 acres. As of the same date, 24,059 acres of land under Forest Service jurisdiction were leased for the production of crops, including the cutting of wild hay. Forest Service receipts attributable to these uses are estimated to have totaled $102,545 during fiscal year 1961. Permits authorizing individual use of small areas for pasture purposes were issued for 640,508 acres by the Forest Service during fiscal year 1961. Receipts from these permits are estimated at $64,050, exclusive of separately determined forage fees in most areas. Data are not available in Washington showing total Government receipts from leasing and renting of land under FHA jurisdiction.

Figures on Forest Service lands "open for grazing" and grazing receipts have been received from the field but are not yet summarized. They will be furnished to you in the near future.

Sincerely yours,

ORVILLE L. FREEMAN,
Secretary.

DEPARTMENT OF AGRICULTURE,
Washington, D.C., April 30, 1962.

Hon. JOHN J. WILLIAMS,
U.S. Senate.

DEAR SENATOR WILLIAMS: This supplements our letter of April 2 which partially met your request for information comparable to that provided in August 1961, on land leased for agricultural and grazing purposes.

Forest Service lands "open for grazing" during calendar 1961 totaled 59,789,452 acres. Grazing receipts for fiscal year 1961 amounted to $3,898,497. As pointed out in our letter of last August, these lands are open for grazing under a permit system and several permittees may have stock in the same area. The fee being charged per month for 1962 averages 46 cents per cow and 7.75 cents per head for sheep.

Information on lands leased for agricultural purposes, and pasturelands for which individual use permits were issued, was supplied in our letter of April 2, 1962.

Sincerely yours,

JOHN P. DUNCAN, Jr.,
Assistant Secretary.

U.S. DEPARTMENT OF THE INTERIOR,
BUREAU OF RECLAMATION,
Washington, D.C., March 19, 1962.

Hon. JOHN J. WILLIAMS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR WILLIAMS: We are pleased to respond to your letter addressed to Secretary Udall, dated March 7, 1962, requesting information by projects of the acreage available to receive initial irrigation service from facilities completed in fiscal year 1961 under the Federal reclamation program, together with estimated irrigation investment per acre. A table providing this information is enclosed.

The data presented reflect the completion of facilities for (1) full irrigation service to lands not previously irrigated; (2) supplemental irrigation service to lands previously irrigated but having insufficient water; and (3) rehabilitation of irrigation projects constructed originally by non-Federal interests. These are designated "F," "S," and "R," respectively.

Full irrigation service provides water to lands formerly dry-farmed or grazed. The supplemental service projects and the rehabilitation of privately built projects are rescue-type operations. The acreage shown on the enclosed table represents the lands for which the final delivery facility was completed. However, the total acreage will seldom be irrigated immediately by reason of the need for the farm operator to construct farm ditches, level the land, and fully subjugate the lands for irrigation.

The estimated investment per acre for assignment to irrigation is based on total estimated dollars and total acres rather than dollars or acres programed for a particular year. This value related to the direct benefits which accrue to the farmer, plus the indirect and public benefits which accrue to the local communities or which are generated by the irrigation enterprise.

Sincerely yours,

FLOYD E. DOMINY,
Commissioner.

Department of the Interior, Bureau of Reclamation—Acres available to receive initial irrigation service from facilities completed in fiscal year 1961 under the Federal reclamation program

Project or unit		Acres (in thousands)	Estimated irrigation investment per acre
Central Valley	F		$429
	S	0.8	
	R		
Collbran	F	2.5	267
	S	19.8	
	R		
Columbia Basin	F	14.8	743
	S		
	R		
Lower Rio Grande, Mercedes division, rehabilitation	F		159
	S		
	R	12.0	
Middle Rio Grande	F		225
	S		
	R	9.7	
Rogue River Basin, Talent division	F	3.6	923
	S	23.8	
	R		
Missouri River Basin, Bostwick division	F	5.7	695
	S		
	R		

Department of the Interior, Bureau of Reclamation—Acres available to receive initial irrigation service from facilities completed in fiscal year 1961 under the Federal reclamation program—Continued

Project or unit		Acres (in thousands)	Estimated irrigation investment per acre
Frenchman-Cambridge division	F	4.9	883
	S	8.6	
	R		
Helena Valley unit	F		794
	S		
	R	3.8	
Webster unit	F	3.7	1,227
	S		
	R		
Total acreage for all projects	F	35.2	
	S	53.0	
	R	25.5	

BRINGING NUMBER OF CADETS AT U.S. MILITARY AND U.S. AIR FORCE ACADEMIES UP TO FULL STRENGTH

The Senate resumed the consideration of the bill (H.R. 7913) to amend title 10, United States Code, to bring the number of cadets at the U.S. Military Academy and the U.S. Air Force Academy up to full strength.

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

The PRESIDING OFFICER. The clerk will call the roll.

The LEGISLATIVE CLERK proceeded to call the roll.

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

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

DRUG LEGISLATION

Mr. KEFAUVER. Mr. President, I wish to call the attention of the Senate to a very excellent editorial which appears in this morning's Washington Post. It is entitled "Action on Drugs." I wish to read a part of it. The editorial states:

> Whatever the disappointments with this session of Congress, there is one fight that can—and should—be won. There may be apathy and public confusion about the complexities of tax policy and farm legislation. There is no apathy about the drug controversy. The tragic results of the sale of thalidomide in other countries have made abundantly clear the need for measures that will assure that no such misfortune will ever happen here.
>
> The country can thank the stubborn competence of Dr. Frances Kelsey of the Food and Drug Administration for preventing the sale of thalidomide here. Dr. Kelsey fully deserves the Distinguished Service Medal that President Kennedy bestowed on her in behalf of a grateful country. She also deserves to be heeded as an expert witness on the need for improvements in existing drug legislation.

About 10 days ago I found in the files of the Food and Drug Administration relating to thalidomide a memorandum consisting of a chronology on the various calls, letters, visits, urgings, influence, and pressure used by the William S. Merrell Co., the American company

which had planned to sell thalidomide as the licensee of the German manufacturer and developer. I hope that in consideration of the award to Dr. Kelsey and also the great importance of immediately enacting drug legislation, Members of the Senate will read this record, which appears in the CONGRESSIONAL RECORD at pages 15932–15933. It not only reflects great credit on Dr. Kelsey, for refusing to knuckle under and succumb to the pressure and calls from the company, but also on a number of pharmacologists and doctors in the Food and Drug Administration. It will be seen that in these letters and calls to the Food and Drug Administration, some of the efforts were rather direct and vigorous to have this drug released for sale in the United States. I read from the memorandum:

February 1, 1961: Dr. Murray told Dr. Kelsey by telephone that "release" was scheduled for Kevadon on March 6 and wanted to print labeling.

February 16, 1961: Dr. Murray called Dr. Kelsey, referred to yesterday's call to Dr. Smith, and "wondered about Kevadon." Dr. Kelsey hoped to get to it the next week. Dr. Murray referred to a previous promise to get to it in 1 day; Dr. Kelsey disagreed that such a promise had been made, and Dr. Murray decided he probably had misunderstood.

March 30, 1961: The representatives of the Merrell Co. pressed for a verbal commitment that the application would become effective with the precautionary information in the labeling.

April 5, 1961: A covering letter submitted a labeling change regarding dosage, expressed hope of early review, pointed out the age of the application, expressed concern about a possible plan of Dr. Kelsey's to learn more about this or related drugs at a scientific meeting and in the literature, expressed the opinion that the data had provided adequate documentary proof of the relative safety of the drug for use as claimed, and requested to be advised of the decision by telephone as soon as possible.

April 19, 1961: Dr. Murray called Dr. Smith and asked about the application. He said his firm thought some pressure should be exerted. Accordingly, their vice president intended to see Mr. Larrick if nothing were going to be done. They wanted a "Yes or No" decision so that they could prepare to go to a hearing if necessary.

May 5, 1961: Concern was expressed that evidence of neurological toxicity apparently was known to the applicant without being forthrightly disclosed in the application.

And so on. It was only through the tenacious resistance of this good woman, Dr. Kelsey, and those who supported her, that a national disaster such as happened in Germany, and to a lesser extent in England and elsewhere, was avoided in the United States.

Not only that, but these disclosures show the absolute necessity for giving the Food and Drug Administration power to protect the public interest. It is imperative, as the Washington Post states. I read further from the Washington Post editorial:

As Dr. Kelsey told the Senate Judiciary Committee, tighter restrictions are needed—especially an amendment that would eliminate the time limit now set on the sale of new drugs. As it stands, unless the Government registers disapproval within 60 days, a new drug can be automatically cleared for sale. President Kennedy is urging that the time limit be stricken from the laws; he has also suggested six other amendments to the porous measure, originally approved by the Senate Judiciary Committee.

In this connection, the bill sponsored by the Senator from Michigan [Mr. HART] and myself, and approved by the Subcommittee on Antitrust and Monopoly, contained the substance of most of the amendments proposed last week by the President to the Senator from Mississippi [Mr. EASTLAND], chairman of the Committee on the Judiciary, although the details and language may be somewhat different. The Committee on the Judiciary, joined in by Senators on both sides of the aisle, has been considering the amendments. A number have been agreed to by the Committee on the Judiciary. I hope the committee will finish its work tomorrow.

But S. 1552 has been on the calendar for several weeks. The interest of the health of the Nation demands that it be passed immediately. Although the Committee on the Judiciary may finish its work on the bill tomorrow, the Senate itself must consider the proposed amendments. I am sure the Senate as a whole will join in restoring the bill to the strength it originally had so as to accomplish its original objectives which are also the objectives of the President of the United States. I compliment the President for the force he is putting behind the passage of an effective drug measure.

One important change has already been made in the Committee on the Judiciary. Drugs will no longer automatically be placed on the market after 60 days unless the FDA takes action to the contrary.

The President suggested no time limit. Originally the bill provided no time limit in which the Food and Drug Administration had to operate. The Committee on the Judiciary has now eliminated any 60- or 90-day provision. Now the Food and Drug Administration will have 180 days in which to make its initial decision. After that, it will have 30 days in which to ask for a hearing; and within a further 90 days a hearing must start before the Secretary of Health, Education, and Welfare. But at no time may a drug automatically become eligible for sale unless it has been approved affirmatively by the Secretary of Health, Education, and Welfare, or unless the courts hold that the Secretary has been capricious, arbitrary, or unreasonable in denying an application for the creation of a new drug. The provision is not as desirable, in our opinion, as the original provision of the bill introduced by the Senator from Michigan [Mr. HART] and myself, or the recommendation of the President; but the Food and Drug Administration says it is adequate to deal with the problem of a time limit in which to pass upon new drugs.

Lest anyone think that thalidomide is the only drug that has caused serious side effects, may I call attention to the fact that in the individual views of myself, Senators HART, CARROLL, DODD, and LONG of Missouri—the latter having won renomination to the Senate yesterday—we find, at page 43, a list of drugs which, partly because of the automatic approval feature, were approved for sale, and then had to be taken off the market because of their side effects: Blood dyscrasia, aplastic anemia, cataracts, Parkinson's disease, and other serious ailments. Among them is such a widely sold product as MER–29, which caused cataracts.

The Judiciary Committee has also restored to the bill, upon the recommendation of the President, a provision making it easier for the Food and Drug Administration to withdraw a drug from the market when it finds the product is injurious to health. That is a great improvement, in that it lessens the burden of proof which must be borne by the Food and Drug Administration.

Another section which was restored to the bill substantially as it was in the subcommittee's version and substantially as recommended by the President is related to advertising. The full Committee on the Judiciary removed the advertising section, but it has been restored to the bill.

Eighty-nine percent of the drug advertisements were found, in a survey made for the subcommittee, to have either said nothing about adverse side effects or to have dismissed them with a short phrase, such as "with few side effects."

Doctors read the advertisements in the American Medical Journal and other professional journals. They read pamphlets which are brought to them by the detailmen. The cost to a drug company for a detailman, who visits doctors and urges them to prescribe the company's products, is about $5,000 a year per detailman.

There have been cases in which drugs have caused addiction, but where the company has advertised that there were no adverse side effects. The section which has been restored to the bill would simply require a truthful, factual statement of what the drug will do, together with a statement of its side effects, as approved by the Commissioner of the Food and Drug Administration. In the case of a short advertisement, a summary of the statements would be required. This is a great improvement.

Thousands of physicians all over the United States have written to the Subcommittee on Antitrust and Monopoly, urging that the committee take action with respect to the advertising problem. It may be of interest to know that the drug industry as a whole spends about 25 percent of its sales dollar on sales promotion, selling, and advertising.

We hear much about research. I am all for it. More money should be spent on research. But the drug manufacturers spend four times as much for promotion and advertising as they spend for research. The industry as a whole spends only 6.3 percent of its sales dollar for research.

There are a few other recommendations by the President to be considered by the Judiciary Committee; but even if the committee is not through, this bill should be brought up here on the floor.

I read further from the editorial:

Mr. Kennedy is asking Congress for new power to remove unsafe or worthless drugs from the market. He wants legislation that would permit more stringent inspection of drug manufacturing. He is supporting

amendments to require simpler and more informative labeling of drugs.

Mr. President, the Judiciary Committee has now restored to the bill the provision that the generic name has to be shown half as large on the label and the advertisement as is the trade name. Usually the trade name is printed "all across the page," in an effort to impress the doctors with the trade name of a particular drug made by a particular company, and one has to look 'way down in the fine print to find the generic name. Yet if the doctors would prescribe by the generic name, the patients would often be able to buy the drugs for one-eighth or one-tenth of what they have to pay if they buy them by the trade name. So in the committee bill we have required that the generic name be printed prominently and in type half as large as the trade name.

The editorial in the Washington Post also states:

All these suggestions seem basic protective steps and would restore the potency of reform legislation that was originally denatured by the Judiciary Committee.

Most American drug manufacturers do show care and responsibility in the production of drugs, and under present legislation, Food and Drug officials have been able to prevent the worst abuses. But because one error can have disastrous effect, the public has a right to protection that is as close to airtight as legislative ingenuity can make it.

I note today that Mr. Celebrezze, the able Secretary of the Department of Health, Education, and Welfare, for whom I have a high regard, and whom I have known for a long time, has given notice that he is going to promulgate rules relating to experimental use of drugs. However, such regulations can only scratch the surface; they do not and cannot go to the basic defects of the present law. To have effective regulations, we must strengthen this part of the law with a further amendment.

The editorial also states:

The test will be in the Senate, where the Judiciary Committee is presently considering the President's seven amendments. The committee has already made some improvements, particularly concerning time limits and Federal policing powers. But if the bill that emerges falls short of Mr. Kennedy's standards, then surely his amendments will be put up on the floor for a vote in the full light of the public record.

Mr. President, I wish to say that I think the Judiciary Committee will act on the amendments—and will act favorably, I hope. But if any of them are not acted upon favorably in the committee, I expect to present them here on the floor, in order to get the best bill we possibly can obtain.

Let me say here that action on this bill should not take a great deal of time. It is a matter of the utmost urgency, for it will protect the health of the people of the Nation. Certainly this bill should be considered by the Senate before it considers a bill to establish a private monopoly and a giveaway to a private corporation. I put human welfare ahead of monopoly welfare. Therefore, I implore the leadership to give this bill a quick green light, regardless of whatever other measures may be under consideration on the floor of the Senate. I do not think it would take more than a relatively short time to debate the drug bill sufficiently, and then pass it and get it on its way to the House of Representatives.

I wish to congratulate Representative HARRIS, of Arkansas, for the hearings he has conducted, and has now indicated will be resumed on August 20. Representative CELLER deserves the thanks of all of us, because he has been marking up the bill insofar as the antitrust and monopoly aspects are concerned. There should be no delay.

We cannot let the health of the Nation or the safety of those who take prescription drugs be jeopardized because of any delay in connection with the taking of action by the Congress on this bill. Mr. President, there is urgency about this bill, whereas there is no urgency about the satellite communications bill, and nothing would be lost by delaying the taking of action on it.

Mr. President, in line with the editorial published in the Washington Post, I hope this bill be given the first and most immediate attention.

Mr. YARBOROUGH. Mr. President, will the Senator from Tennessee yield to me?

Mr. KEFAUVER. I am very happy to yield to the distinguished Senator from Texas.

Mr. YARBOROUGH. Mr. President, as I have listened to the distinguished senior Senator from Tennessee and as I have been thinking of the many outstanding services he has rendered the American people during his five terms in the House of Representatives and his three terms in the Senate, I can think of nothing in all his services that has been of more importance to the Nation than his service in this field and his long continued efforts to protect the American people from the indiscriminate use of dangerous drugs. He has fought economic forces of great strength; and he has held long hearings, under great difficulties—difficulties which continue, with every effort being made to break up the hearings on the deleterious effects of dangerous drugs. He has had a resoluteness that would not be turned aside, despite all the obstructions which have been put in the way of the committee and despite the adverse publicity he has received, because he has been fighting for the rights and the lives of the people of this country. He has persisted and he has kept this drug bill alive.

Now we have experienced one of the most tragic and dramatic examples of the misuse of drugs in the history of the human race, particularly since the scientific age began.

As the distinguished Senator from Tennessee has pointed out, this particular drug is not the only dangerous drug which has been indiscriminately given away, as free samples, for the purpose of having experiments with it conducted on human beings. This drug is only one of many of that type.

This proposed legislation is badly needed. I share the hope of the distinguished Senator from Tennessee that this bill will be brought before the Senate before other measures are brought up here. Mr. President, there is nothing more urgent for the welfare of the American people than the enactment of laws which will safeguard them, so that young prospective mothers will not be given drugs which will result in the birth of deformed children.

When it comes to placing before us the measures that are most important, I wish to assure the leadership that, in my judgment, nothing is more important than that.

Certainly the distinguished senior Senator from Tennessee is to be greatly commended, not only by those of us in the Senate who know of his fine work, but also by all the American people.

I commend him for his work and for his long fight. Because my offices are on the same floor with his, I see him regularly there. I know that for a long time it looked as if he had to carry on a "Lone Ranger" fight, almost by himself, in order to secure justice in connection with this issue. But now the country is aroused and awakened; and now that that is the case, I hope the Senate will move forward with this legislation and will proceed to give the American people some protection, by requiring proper testing of all drugs, of all types, before they can be prescribed for human beings or before they can be given away, free of charge, in order to have human beings take them for testing purposes, and become accustomed to their use.

So I thank the Senator from Tennessee.

Mr. KEFAUVER. Mr. President, I am very grateful to the distinguished Senator from Texas for the comments he has made. There is no Member of the Senate from whom I would appreciate them more. He has always given those of us on the committee who have been fighting for this legislation and trying to carry out the investigation on which it has been based his fullest encouragement and his fullest support; and we are grateful.

The Senator from Texas has been more than generous with me. I wish to point out that we have had the help of many members of the Judiciary Committee's subcommittee and many members of the full Judiciary Committee, and we have had the encouragement and assistance of many other thoughtful Members of the Senate. All of these efforts, taken together, have brought us on the verge of a great step forward for the protection of the American people; and I thank the Senator from Texas very much.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KUCHEL. Mr. President, I ask unanimous consent that further proceedings under the quorum call be rescinded.

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

NOMINATION OF THURGOOD MARSHALL TO BE A U.S. CIRCUIT JUDGE

Mr. KUCHEL. Mr. President, on October 23, 1961, many months ago, the President of the United States nominated Thurgood Marshall, a noted American lawyer, to be a U.S. circuit judge for the Second Circuit, encompassing the States of Connecticut, Vermont, and New York.

Mr. Marshall is a third generation American. He is a descendant of Negro slaves.

For many years, dating from 1938, he has been chief counsel for the NAACP. He has appeared in lawsuits before the U.S. Supreme Court on 32 occasions. In 29 of those cases the highest tribunal in our country accepted his point of view.

I think it fair to say that few members of the bar in all our Nation can boast of such a record of success. This fact alone testifies to his unique legal capacities and his high qualification for Federal judicial service.

The unhappy fact is, however, that as of August 1962, the Judiciary Committee of the U.S. Senate had taken no action with respect to this appointee, although I have no doubt that the Senate would overwhelmingly confirm his appointment were it given the opportunity.

Mr. President, in connection with this highly regrettable delay, I observe for the RECORD that on June 20, 1961, Judge William H. Cox, of Mississippi, was nominated for Federal judicial service. The U.S. Senate confirmed his nomination within a week, on June 27, 1961.

I observe also that Judge Robert Elliott, of Georgia, was nominated for Federal judicial service on January 23, 1962, and his nomination was confirmed by the Senate on February 7, 1962.

I wish to pay tribute to a member of the Senate Committee on the Judiciary who sits on my side of the aisle, a very able lawyer who has the honor to represent in part the State of Nebraska, our colleague [Mr. HRUSKA], a member of the Subcommittee of the Judiciary Committee scheduled to hold the hearings on Judge Marshall's nomination.

Of course, Mr. President, the Senator from Nebraska [Mr. HRUSKA] is a Republican. He represents the minority on that subcommittee. He was compelled to hold the subcommittee hearings originally by himself. No other member of the subcommittee appeared to participate.

A few days ago, on the television program "Youth Wants To Know" a question was asked the Senator from Nebraska [Mr. HRUSKA].

Senator, when is the Judiciary Committee going to schedule hearings for the confirmation of Judge Thurgood Marshall?

The answer by the Senator from Nebraska was as follows:

I wish I knew. We had one earlier this week, or last week. I might tell you the first confirmation hearing on Thurgood Marshall would not have been held at all had it not been for the Senator that's speaking to you now. I'm a member of that subcommittee and nobody else showed up on it. I showed up, and when they didn't show up, I just took the chairman's chair and we started the hearing. And we had another hearing, just day before yesterday as I remember it—one day last week—and we will, I presume, some time soon, resume hearings. I hope so. The testimony on Judge Thurgood Marshall, with his splendid record in the Supreme Court—32 cases he carries to the Supreme Court. He won 29 of them—terrific record, brilliant legal scholar. And he's been doing such a good job on the circuit court now. So I join you in the hope we'll have hearings soon and that they will be successfully concluded.

Among the decisions won by Judge Marshall, as a lawyer, was one of the most notable civil rights decisions of this century, Brown against Board of Education of Topeka, 1954, in which the Supreme Court held that segregation in the public schools denies to Negro children the equal protection of the laws guaranteed by the 14th amendment.

Another case which was argued by Judge Marshall in the Supreme Court, as a lawyer, was Cooper versus Aaron, involving desegregation of the Little Rock, Ark., schools.

Because of his reputation as an outstanding spokesman for the advancement of civil rights and equal treatment under the law, it is, I suppose, not surprising that Mr. Marshall's nomination by the President has met with some vigorous, if on occasion quiet, opposition.

At any rate, Mr. President, the delay in bringing the nomination before the U.S. Senate is more than regrettable. I salute my friends on this side of the aisle who have done what they can to advance this nomination.

My two colleagues from the State of New York [Mr. JAVITS and Mr. KEATING] testified in favor of this nominee, having known him as a constituent in the State of New York.

My only purpose in rising is to say that the U.S. Senate ought to remove every murky implication that its processes are being slowed down without justification and against the public interest. I very much hope that within the next few days the Senate may have an opportunity to confirm the nomination of a distinguished American lawyer as a member of the Federal judiciary, and to demonstrate by that fact that equal treatment under the law is not an empty shibboleth or a hollow mockery, but that men who are qualified for judicial service and who are nominated by the Chief Executive of our country deserve the same treatment in the U.S. Senate, whether their skins be white or black.

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

Mr. KUCHEL. I yield to my friend.

Mr. KEATING. I wish to express the gratitude which I feel as a Senator from New York for the comments made by my friend from California. He is absolutely correct in everything he has said. There has been an unpardonable delay in respect to action on this nomination.

At the hearing held the other day, the last hearing, I drew a comparison between action on this nomination and on the nomination of Judge Elliot, who is now sitting in judgment on the cases in Albany, Ga., whose nomination was confirmed in less than 3 weeks, and on the nomination of Judge Cox, of Mississippi, whose nomination came to the Senate on June 20, 1961, and was confirmed June 27, 1961.

Unless we can get prompt action it may be necessary for us to move, in the Committee on the Judiciary, to discharge the subcommittee from further consideration of the nomination. I have indicated that I will make such a motion if the subcommittee does not conclude its hearings without further delay. Many members of the committee on both sides of the aisle have expressed their support of such a move. If we should fail in that regard for any reason—either because of a lack of recognition for that purpose or because of unusually extended debate on such a motion in the committee—we shall file a petition in the Senate to discharge the committee from further consideration of the nomination. As the Senator well knows, there is precedent for such a procedure and, although it would be used with great reluctance, particularly by members of the committee itself—it may be the only way to bring this matter to a head. I know there is a determination on the part of several of us to invoke that procedure, if necessary.

I have been informed that a hearing has now been scheduled for next Thursday morning. This should be the final hearing. Even the chairman of the committee has indicated that the hearings should be concluded at that time.

The questioning has been conducted by counsel for the committee. Committee members have asked only perfunctory questions, but the counsel for the committee has been going into a long line of questioning with regard to the NAACP, the NAACP legal and defense fund, and other activities in the States of Texas, Virginia, and others. Those questions have not brought out anything reflecting adversely on the nominee and have been almost wholly irrelevant to any issues with regard to the qualifications of the nominee, his integrity, his trustworthiness, his legal ability, his judicial temperament, or his demeanor.

Judge Marshall has been sitting on the bench for almost 10 months. We have received a letter from the chief judge of the Court of Appeals for the Second Circuit, Chief Judge Lumbard, indicating that Judge Marshall has been performing his duties, as all of us knew he would, in a superlative fashion. It is a reflection upon the Senate that the committee has not acted sooner on the nomination. The Senator from California is a champion of fairplay and equal rights, and a bitter and militant foe of discrimination in any form. I know he will join in doing everything possible to make certain that the Senate does its duty in this case.

I am grateful that the Senator from California has indicated that if it becomes necessary he will stand shoulder to shoulder with us in the battle to bring the nomination to the floor of the Senate and have it confirmed. Of course, when the Senate has the opportunity

to pass upon the question, the nomination will be confirmed overwhelmingly.

Mr. KUCHEL. Mr. President, I thank the distinguished Senator from New York for his comments. I assure him that many Senators would be very glad to follow his leadership if the appointment, as a result of the regrettable delay which the confirmation has most unfortunately entailed, requires such exertions under the rules of the Senate as he has suggested. Meanwhile the Senator and his colleagues who wish to see the nomination brought forward now have the best wishes, respect, and support of most Senators.

Mr. KEATING. I thank the Senator from California.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

[No. 147 Leg.]

Aiken	Gore	Morton
Allott	Gruening	Moss
Bartlett	Hart	Mundt
Beall	Hartke	Muskie
Bible	Hayden	Neuberger
Boggs	Hickey	Pastore
Bottum	Hill	Pell
Burdick	Holland	Prouty
Bush	Hruska	Proxmire
Byrd, Va.	Humphrey	Randolph
Byrd, W. Va.	Jackson	Robertson
Cannon	Javits	Russell
Capehart	Johnston	Saltonstall
Carlson	Jordan, Idaho	Scott
Carroll	Keating	Smathers
Case	Kefauver	Smith, Mass.
Chavez	Kerr	Smith, Maine
Church	Kuchel	Stennis
Clark	Lausche	Symington
Cotton	Long, Hawaii	Talmadge
Curtis	Long, La.	Thurmond
Dirksen	Magnuson	Tower
Dodd	Mansfield	Wiley
Douglas	McCarthy	Williams, N.J.
Eastland	McClellan	Williams, Del.
Ellender	McGee	Yarborough
Engle	McNamara	Young, N. Dak.
Ervin	Metcalf	Young, Ohio
Fong	Monroney	
Fulbright	Morse	

The PRESIDING OFFICER. A quorum is present.

BRINGING NUMBER OF CADETS AT U.S. MILITARY AND U.S. AIR FORCE ACADEMIES UP TO FULL STRENGTH

The Senate resumed the consideration of the bill (H.R. 7913) to amend title 10, United States Code, to bring the number of cadets at the U.S. Military Academy and the U.S. Air Force Academy up to full strength.

THE TRUTH-IN-RECRUITING AMENDMENT

Mr. LONG of Louisiana. Mr. President, I have offered my amendment which is at the desk. In some respects the amendment is in the nature of a substitute for the pending bill. The bill before the Senate would cause officers of the academic board to make congressional appointments for Members of Congress. What I am proposing is that we make our own appointments; that we start now to encourage Senators and Representatives to appoint the best qualified men, because there is really no incentive for the academic board to appoint the best men.

I am prepared to prove that the academic board has been playing the most horrendous kind of service politics with Academy appointments. Heretofore the board has not appointed the best qualified men to the Academy.

If 75 men are wanted in a freshman class, those selected by the Academic Board may be the sons of Senators or Representatives, whose appointments may not be based on their merits as scholars, but upon their brawn. The chances are that they will be appointed, not because of their high scholarship, but because they are the sons of persons who were heavy contributors to political campaigns, or because they are the sons of servicemen who have wanted to see their sons enter the military service.

So the sooner Congress provides a better incentive for every Senator and Representative to appoint the best men, the sooner a higher caliber of student will be appointed to the Academies.

The best way to secure men of high quality is to appoint the best qualified students. Many of the Nation's greatest officers were at the top of their class in the Academy. Gen. Douglas MacArthur made a brilliant record during the 4 years he attended the Military Academy. Other well-known officers were at the head of their class. It is persons of that type from whom selections should be made.

I regret that I did not have the opportunity to offer this proposal to the committee. The chairman invited me to do so, but I had not yet conceived the idea at that time. However, I am satisfied now that this would be the best way to improve the measure before us.

Mr. President, during the time this measure was under consideration by the Committee on Armed Services of the Senate, I made no secret of my opposition to it. My objection at that time was that the provisions of the bill were subject to a great deal of abuse by the service academies; that the bill could be used to fill the academies with football players rather than with good potential officers.

The committee made some changes in the measure which constituted improvements. The fact remains, however, that the measure is subject to abuse. The additional appointees are given to the academic boards to designate; thus the possibility is opened up of use of the measure for football recruiting. I am still opposed to this sort of practice. By leaving it within the discretion of the academic board—subject to some minimal restraints—to select the men to fill the estimated understrength, the bill permits of a good deal of maneuvering with the betterment of the football team in view.

Of course, if things were as they should be, none of us would have to be worried about the possibility of abuse. If the persons responsible for the athletic programs at the academies were living up to the mottoes they profess, then we could trust them with a measure of the kind here under consideration. Unfortunately, however, it appears that to place this kind of trust in those who would be administering this provision would be naive. I am able to say that it would be naive with some confidence, because a number of matters have recently come to light which leave the intentions of the academies highly suspect.

While I do not wish to confer any cloak of immunity upon the Air Force or the Navy, it does appear that the Military Academy is the chief culprit at this time. At least, the great bulk of these matters which have come to my attention concern the Army rather than the other branches.

The facts about the situation at the Military Academy are rather apparent. A number of articles have appeared in newspapers and magazines recently which make crystal clear that a nationwide football recruiting drive is under way at West Point; they will not be content until every high-quality football prospect in the Nation has been approached by the Army recruiters.

For example, the May 28, 1962, issue of Sports Illustrated magazine contained a revealing article entitled "Pepsodent Paul at the Point." The title, of course, refers to Army's new head coach, Paul Dietzel. It should be made clear at the outset that this kind of article is not written without the approval, at least tacit, of the authorities at the Academy. They are not ashamed of their intentions. They are proud of them. Here are some pertinent excerpts from this article:

> Dietzel says it will take 4 years to produce at Army. Hall was out after 3, but West Point will wait for Dietzel. "I intend to build a football program," he says. "The best one I know how. Build the program you want, and the winning will take care of itself."
>
> Dietzel already has made grandiose plans for recruiting. A huge map covers one office wall; in a multiplicity of colors, it shows areas to be attacked. No State has been overlooked. "This is a national Academy, not an eastern school," he says. "Hall's 1961 roster was stocked with 28 Pennsylvanians."
>
> Former Army Coach "Red" Blaik once called Pepsodent Paul the world's greatest recruiter—"If he so much as gets his feet under the supper table with a boy, the boy is his."

Mr. President, there it is in black and white. The intentions are that there will be a recruiting drive the like of which this Nation has never seen. I, for one, am not interested in enacting a piece of legislation which will make this easier. There is little doubt in my mind that the pending bill was originally designed as just that—part of the new football effort at West Point. New Orleans Sportswriter Buddy DiLiberto, in the February 3, 1962, issue of the Times-Picayune, tells of some pertinent information he obtained from Johnny Rauch, who spent the past 3 years on Dale Hall's Army coaching staff. This article stated:

> Beating Navy is the point at West Point.
>
> Navy's enrollment is about 1,000 more than West Point's, Rauch explained, and naturally many more appointees are earmarked for football.
>
> "Navy brings in about 140 football players a year and we were getting about 35 or 40," Rauch said. "Last year over 200 midshipmen reported for Navy's freshman squad."

Another advantage Annapolis has over West Point, according to Rauch, is a "redshirt system."

"Bullis Prep at Silver Spring, Md., Columbian Prep in Washington, D.C., and New Mexico Military Institute are Navy prep schools.

"Each one of these schools gives Navy about 16 scholarships a year, and in reality these boys have already put in a 'redshirt year' before entering Annapolis," Rauch said. He is a former West Point coach.

The only thing comparable at West Point is Manlius School in Syracuse, N.Y., which gives six scholarships a year to Army-marked football players.

"The biggest recruiting problem was not knowing until late May or early June exactly how many appointments would be earmarked for football," Rauch said. "It's difficult to keep kids on the line that long."

"That's why Dietzel is trying to get the bill passed which would assure him of 55 appointments a year."

That is the bill we have here—a bill which a former West Point football coach described as a football bill.

Mr. President, former Army Assistant Coach Rauch was talking about the bill which we are debating. There does not seem to be much doubt outside the Halls of Congress that this is a football bill.

Let me emphasize, Mr. President, that I do not begrudge the Army a good football team. But if no legislation whatever of this sort is enacted, they will still have an excellent team. Even if we should enact no bill at all, the Point would not suffer very much for lack of football players. Another portion of the DiLiberto article bears this out:

Dietzel, in the opinion of Rauch, is stepping into a "changing situation at the Academy." "But a change for the better, footballwise," Rauch quickly added.

"We left one of the finest Plebe teams the Academy has had in a long time," Rauch said. "When Dale Hall succeeded Colonel Blaik 3 years ago, there were only about 18 of what we call grade A football players at the Academy. There are at least 50 grade A players there now."

"Hall wasn't named coach until late February 1959, and that gave us only about 2 weeks to line up our players for the Academy entrance exam in March," Rauch explained.

"Consequently, we had a weak recruiting year and brought in only 28 men. We brought in about 35 in 1960 and 47 last year. Of the 35 recruited in 1960, a dozen of them lettered as sophomores last season."

Thus, Mr. President, Army will have a good football team for several years, just on the basis of the talent there now. And I have no doubt that, with Mr. Dietzel's recruiting talents, West Point will continue to fare as well in getting new players. Thus, they will have a good team, without our helping them by enacting legislation for more football appointments.

As a matter of fact, Mr. President, even if this bill is not enacted, I am certain that there will be a high rate of abuses. They have been occurring in the past, and I have no reason to believe that they will stop. The chief abuse which has come to my attention centers upon the provision of the law which forbids a Congressman's appointing a man who is not a resident of his district, and which forbids a Senator's appointing a man not from his State. The clear-cut provision of the law may well be the most frequently violated on any provision of law anywhere.

Lately, there have been several rather well-publicized incidents of violation. For example, let us consider the case of Robert DeLuca. This matter was brought to light recently by a Member of the House of Representatives from the State of New York, Representative SAMUEL S. STRATTON, who was a member of the House committee which approved the pending bill. Of course, the gentleman from New York has had occasion to repent his concurrence in the proposed legislation.

Robert DeLuca is an excellent basketball player. During his senior year in high school he was approached by West Point Basketball Coach George Hunter. In an affidavit he gave to Representative STRATTON, Robert DeLuca described the matter:

The basketball coach from West Point witnessed one of our basketball games during March. The following day he spoke with me at our school. He explained to me that he would like to have me play for him, and he felt assured that I would be accepted at West Point. He stated that I would have to raise my college boards a little and I would be assured a spot at the Academy.

I journed to the Academy the following week and passed the medical exam. The coach then went ahead and obtained my appointment. He explained to me that it would probably be from another State and a second or third alternate. I was told not to worry about this, it was standard procedure.

Let me repeat the last two sentences, Mr. President—

He explained to me that it would probably be from another State and a second or third alternate. I was told not to worry about this, it was standard procedure.

Mr. President, what more proof is needed? The Army coach told the young man that it is "standard procedure" to obtain appointments for athletes from Members of Congress from other States. Let us bear in mind that the provisions of the United States Code clearly prohibit this.

Mr. DOUGLAS. Mr. President, will the Senator from Louisiana yield?

The PRESIDING OFFICER (Mr. HICKEY in the chair). Does the Senator from Louisiana yield to the Senator from Illinois?

Mr. LONG of Louisiana. I yield.

Mr. DOUGLAS. Does the code prohibit naming alternates from another State?

Mr. LONG of Louisiana. Yes. Let me read it; it is United States Code Annotated, title 10, section 4342, subsection (c):

No person may be nominated under clause 1(5) of subsection (a) unless he is domiciled in the State or territory or in the congressional district from which he is nominated, or in the District of Columbia or Puerto Rico, if nominated from one of those places.

That is a clear prohibition. As a matter of fact, when Members of the House of Representatives nominate for appointment to the service academies, they have to certify that the nominees come from their districts.

Mr. DOUGLAS. Is that true of alternates, as well as principals?

Mr. LONG of Louisiana. Yes, that provision of the code applies to both alternates and principals.

Mr. President, the case of Robert DeLuca came to an interesting conclusion. I read from an affidavit given by his father, Mr. Valentine J. DeLuca:

We were told that if he received an appointment from some other State not to worry about it. This came through just as we were told it would. At this time Mr. Hunter told my son to turn down all other colleges, and tell them that he was going to the Academy.

Robert went to West Point in June and took his physical aptitude and college boards, which he passed very nicely. The physical aptitude he passed very easily, and he received a sufficient enough mark to assure his acceptance at the Academy. On the morning of June 28 we received a letter from the Department of the Army stating that Robert had qualified in all the exams, but there were no openings. Even this we were told to expect, so we still went ahead with our going-away plans.

That evening, at 8 o'clock, we received a call from Mr. Hunter, and he told us that my son didn't make it. This, he said, was due to pressure from the Southern States on the Academy pertaining to athletes.

Mr. President, the junior Senator from South Carolina has had something to say about these abuses. I believe I may speak for the two of us when I say that we are gratified that the Academy has heeded our admonitions. However, I am not convinced that its response was in the proper spirit. Mr. DeLuca put the question very nicely; he said:

I would like to know if this is the honor code which is stressed so highly at West Point.

The case of Robert DeLuca is an example of attempted disregard of the law on the part of the West Point authorities, which was abandoned in the face of a growing storm of opposition.

Now let us examine some cases in which the Army has persisted in its attempts to violate the law. Permit me to read from a letter which Mr. John H. Vaught, head football coach at the University of Mississippi, wrote to me on June 18 of this year:

Dear Senator LONG: We are cognizant of your efforts to cause the service schools to maintain normal appointments through proper channels. We wish to call to your attention the case of Stanley Hindman, of Newton, Miss., who committed himself to the University of Mississippi on a football grant-in-aid in December 1961. At the time the award was granted young Hindman mentioned that he had been contacted relative to an appointment to West Point, but had learned that no Congressman from Mississippi had an appointment available until 1963. In the meantime, he took the necessary physical and mental examinations and qualified for admission to the Academy.

About a month or 6 weeks ago he flew to West Point, and, upon his return, announced his intention to enroll in the Academy in September. It has been discerned that a Senator or Representative from Pennsylvania made the appointment.

Whereas we do not censure the aforementioned appointee if he really wants to attend the Military Academy, we do question the validity of the appointment, as well as the methods used by Coach Dietzel in enticing young gentlemen to abrogate their previous agreements.

Mr. DOUGLAS. Had that young man received the promise of a scholarship at the University of Mississippi, on the condition that he play football there?

Mr. LONG of Louisiana. He had signed a contract with the University of Mississippi that he would accept a scholarship, which I believe is worth about $1,200, to help pay his expenses at that university, with the understanding that he would play football there.

Of course, as we know, a contract with a minor is not binding. Nevertheless, there was an agreement between the university and that young man.

Mr. President, here is a flagrant example of disregard of the law. Stanley Hindman, of Newton, Miss., has been nominated to West Point by a Congressman from Pennsylvania. The law has been ignored. And note another dimension to this case—not only has the law been violated, but the young athlete here involved has been encouraged and persuaded to break a contract—something which his new coach seems to be able to do with impunity. What an example for the future military leaders of America.

Example No. 2: Reading from a letter written on May 17, 1962, by Coach Frank Howard, of Clemson College, S.C.:

DEAR SENATOR LONG: I am soliciting your help in regard to Wayne Page, an outstanding football prospect and student from Lake View, S.C. Wayne's address is Route 1, Nichols, S.C. To make a long story short, I would like to advise you that Page and his family signed a grant-in-aid agreement to attend Clemson on December 13. Everything went along fine until about 3 weeks ago when West Point moved in. It now looks like the boy might change his mind and attend West Point. They are sending a representative down to Lake View quite often to talk to this boy.

Mr. President, could this representative perhaps be Paul Dietzel, himself, who, according to Red Blaik, has only to "get his feet under the supper table with a boy and the boy is his"? Coach Howard continues:

I would appreciate it very much if you would write to Page and encourage him to live up to his original commitment and attend Clemson. Please understand that I think we need outstanding Army officers. but I also feel that if Page was not an outstanding football player that West Point would not be too interested in him. We need boys like Page to play on our Clemson teams, so that we may well represent the State of South Carolina as we have done in the past.

It seems that since Paul Dietzel went to West Point he is now after practically every good football player that other teams in the United States have already signed.

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

Mr. LONG of Louisiana. I yield.

Mr. DOUGLAS. Am I to understand that Clemson College is buying football players?

Mr. LONG of Louisiana. No. Let me attempt to tell the Senator what the situation is, so far as I know, in the Atlantic Coast Conference. The Atlantic Coast Conference and the Southeastern Conference have undertaken to agree to fair rules of competition. Both sides knew methods were being used to subsidize football players. They said, "Let us do it out in the open."

So here is the way it works out. It amounts to $100 a month——

Mr. DOUGLAS. Am I to understand that in the Southeastern Conference they can buy football players for $100 a month?

Mr. LONG of Louisiana. In effect; and the bids are to be competitive.

Mr. DOUGLAS. There is to be no competition; $100 a month is to be paid; but it is open to bidding for individuals.

Mr. LONG of Louisiana. That was to give everybody the same right to compete.

Mr. DOUGLAS. It also means that they get their football players for $1,200 a year. Is that correct?

Mr. LONG of Louisiana. Yes. I am proposing to show that West Point is going to get them for $11,000 a year.

Mr. DOUGLAS. In other words, West Point is breaking the so-called football market by paying more?

Mr. LONG of Louisiana. Four to one.

Mr. DOUGLAS. Does the Senator object to West Point's getting the players or to their paying more?

Mr. LONG of Louisiana. I will get to that point in just a moment.

Mr. McCARTHY. Mr. President, if the Senator will yield, I think we need a kind of quality control bill for football players.

Mr. LONG of Louisiana. Mr. President, we have been unable to determine where this young South Carolinian, Wayne Page, obtained his appointment to West Point. But we have been told by each Member of the South Carolina congressional delegation that he did not appoint the boy. Thus, it appears that another violation of the law is taking place in this instance. In addition, note that Page, like Hindman, has been induced to dishonor a grant-in-aid contract.

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

Mr. LONG of Louisiana. I yield.

Mr. DOUGLAS. In other words, after he was once bought, he did not stay bought. Is that it?

Mr. McCARTHY. Mr. President, if the Senator will yield, I suggest this is like the experience in the early days of the Civil War, where one could sign up with one regiment, jump that regiment, and get paid for joining another one.

Mr. LONG of Louisiana. I understand that the Big Ten rates are much higher.

Mr. DOUGLAS. May I say, my good friend, that my university quit the Big Ten partly because it felt the sport had been unduly commercialized.

Mr. LONG of Louisiana. I thank the Senator.

Very similar to the Page case is the case of Curtis Lindler. This young man signed a grant-in-aid contract with the University of South Carolina. He was subsequently approached by West Point, and broke his contract in order to go to the Academy. Here again, each Member of the South Carolina delegation has stated that he did not give the boy his appointment, although he is a South Carolina resident. Thus, the Lindler case appears to be example No. 4 of a violation, or attempted violation of the law, and example No. 3 of the Military Academy's involvement in broken contracts—example No. 4, Mr. President, if you count Coach Dietzel's own broken contract.

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

Mr. LONG of Louisiana. I yield.

Mr. DOUGLAS. Then, the University of South Carolina, like Clemson and Mississippi, is paying to get football players. Is that correct?

Mr. LONG of Louisiana. So far as I know, the Atlantic Coast Conference gives the same kind of scholarship—I do not know their conference rules—as is given in the Southeastern Conference, which I do know something about, which is worth to a boy about $1,600 a year.

Mr. DOUGLAS. Does the Senator think that is a good arrangement?

Mr. LONG of Louisiana. As a practical matter, these rules were worked out by the conference in order to try to stop the behind-the-scenes cheating, where one college would pay a person a certain amount and somebody else would get nothing.

Mr. DOUGLAS. In other words, it is to substitute open buying for surreptitious bidding. Is that correct?

Mr. LONG of Louisiana. That is about the size of it.

Mr. DOUGLAS. Does not the Senator think these people could be prosecuted for monopolistic price fixing and restraint of trade?

Mr. LONG of Louisiana. If the Senator wants to take it to court, he can; but I am trying to show that what the Academy is getting ready to do is even worse. If the Senator wants to criticize the conference rules whereby members of the conference agree that if a boy is placed on their squad it is worth a $1,600 scholarship to that boy to play football, he can do so. I have seen very little criticism of the arrangement, although the Senator may find it obnoxious. But that is nothing compared to the situation I am about to describe, which involves direct violations of the law.

At the time the Lindler and Page matters came to light, the junior Senator from South Carolina expressed some indignation and concern about it.

At that time, I had already had a great deal to say about these violations. Partly as a result of our expressions of disapproval, I believe, the three services signed a declaration that they would honor grants-in-aid.

This gave me some gratification at the time; however, certain loopholes in their declaration have since come to light which leaves me wondering exactly what had been promised. Baton Rouge sportswriter Dan Hardesty put his finger on the problem in his column of June 22 in the Baton Rouge State Times:

The academies stated that they would not "initiate contact" with any boy known to have signed with any other school, and that any boy being contacted by service recruiters, and applying for admission to one of the academies would be required to sign the following statement: "I have not signed a letter of intent or grant-in-aid with any institution. In the event I do, I will notify the authorities of the institution concerned that my commitment with them is

contingent upon acceptance or rejection of my appointment as a cadet or midshipman".

The time element is the catch to it. To explain this, let's use an example of a boy in the South being sought by a Southeastern Conference school. The SEC cannot legally sign a boy until after the regular football season has ended early in December. But they can contact him and have him all lined up and ready to sign, which is what everybody does.

And while the SEC school's representative is talking to the boy during the season, the service academy representative also can and does talk to him. The boy has not signed with any school because he can't do so until after the season ends, and other conferences have even later signing dates than the SEC.

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

Mr. LONG of Louisiana. I yield.

Mr. DOUGLAS. Is this a case of indentured servitude that is being practiced?

Mr. LONG of Louisiana. No, it is not—not yet, I will say to my friend.

I continue to read:

Thus, the service academy is not "initiating contact" with a boy who has signed with another school. It has contacted him before he has signed with anybody, and rare indeed is the high school senior who is a good football prospect and who hasn't been contacted by every school that is interested in him long before his season ends and he can sign with anybody.

And in midseason, if the boy is even willing to consider attending a service academy, he can sign the statement mentioned above. It does not bind him to go to the service academy—but it does put both the Academy and the boy morally as well as legally in the clear later on when other schools can legally sign the boy. He is obligated under that statement, to tell any college recruiter trying to sign him that, in effect, he'll sign but it will be a conditional agreement depending on whether he goes to the service academy.

Neat little package, isn't it? Anybody want to help me guess who thought it up?

I think I can guess who thought up the package, and I would also guess that the Hardesty article was not written prior to discussing the subject with one of the most respected athletic directors in America.

Mr. President, the State of Louisiana has not been exempt from the tactics being used by the service academies in the ruthless competition for football players. Young James J. Bovenzi is a resident of the Fourth District of Louisiana. Originally, he was designated as a 10th alternate by the Member of Congress from that district. Later, however, he obtained a fourth alternate designation from another Member of Congress. These designations were to the Air Force Academy. However, Bovenzi was also competing for a Military Academy appointment.

Bovenzi was an excellent football prospect. According to a letter from the Army, Bovenzi underwent a physical examination at Keesler Air Force Base for the Military Academy. This examination stated that he had a heart murmur, which is not disqualifying. Later, he underwent an Air Force physical at Barksdale Air Force Base, where his father is stationed as a major. Bear in mind that the original examination, at Keesler, was for the Army, not the Air Force. At Barksdale, the Air Force examination revealed that Bovenzi has a disqualifying rheumatic heart condition. Subsequently, at the insistence of another Member of Congress the Army gave Bovenzi another physical, which he failed because of the rheumatic heart condition.

Thus, it appears that Bovenzi was taken from his home in Barksdale, where his father is stationed, to an Air Force Base at Biloxi, Miss., in order to find a doctor who would state that his heart condition was not disqualifying.

Mr. DOUGLAS. May I ask the Senator if he was kidnaped?

Mr. LONG of Louisiana. If the Senator will permit me to go a little further, I believe he will see what I think about this.

He was also nominated in violation of the law.

As a matter of fact, I suspect that the Bovenzi situation may be even more flagrant than it was described to me. Taking the word of a general officer of the Army about the matter, the examination was given first at Kessler, later at Barksdale. My guess as a former member of the Armed Services Committee is that in a matter of this sort, if one pursues it diligently enough, it will be found that the examination was given first at Barksdale. Why else would young Bovenzi have been taken to Biloxi, over 300 miles from his home when his father was in service at Barksdale, he lived at Barksdale, and he was being designated by a Member of Congress from Louisiana, from that parish.

Mr. DOUGLAS. May I ask if he was taken against his will?

Mr. LONG of Louisiana. I do not know how he was taken, I say to the Senator. I do say that this is the case of a man who has a bad heart condition, who has a rheumatic heart condition. Yet the service wanted to recruit him in spite of the advice that the man had a rheumatic heart condition. Again, the recruiting was in violation of the law.

Another Louisiana football prospect was Rogers Reinowski. The parents of this young athlete also lived in Louisiana's Fourth District; his father, too, was stationed at Barksdale Air Force Base in Shreveport. The parents of Reinowski approached the Congressman from that district for an appointment, and received one, as an alternate. Later, however, it was requested that this Congressman withdraw his appointment; the reason for this request was that Rogers Reinowski had been able to obtain a more favorable appointment from another Member of Congress, whom I would prefer not to identify because I do not wish to offend Members of Congress; at least not yet.

I am told that Reinowski's parents come from another State, and that they continue to vote there. This being the case, such an appointment might be justified. The point is, however, that both appointments could not have been correct. Either the Congressman from Louisiana was wrong in making the appointment, or the other Member was wrong. In all probability both of them, whom I respect, acted in good faith.

The real problem, Mr. President, is that the representatives of the service academies are going to Members of Congress and requesting them to make these appointments. In many cases, it is my belief that the Member approached may know very little about the boy; the chances are that he proceeds on the information given him by the Academy representative. However, it was certainly never contemplated that there should be this kind of wheeling and dealing, this trading in congressional appointments.

Now, Mr. President, these have been six cases where service academies are involved in apparent violations of the law. In three of the cases, broken contracts were also invloved. This is definitely an abuse of the worst order and should be stopped.

But are the service academies interested in putting a stop to it? Quite the contrary. They are keeping as much of it secret as they possibly can.

I wrote to the Department of the Army requesting a list of the Academic Board's selections for the past several years; I requested that this list show the name of the appointing Member of Congress, whether the boy was a first, second, or third alternate, and so forth, the hometown of the boy, and whether he played football at the Academy. I also requested to be informed as to the number of young men who came to the Academy without having taken a competitive examination in order to secure their appointments.

Here is the answer, Mr. President:

Certain of the information you desire cannot be provided because of a longstanding policy which precludes revealing to one Member of Congress the name and address of another Member's appointee to the Military Academy.

Imagine that, Mr. President. They are saying that they will not tell us whether the law is being observed or not.

It was further stated, in response to my question about the number of Board appointees who played football:

It will interest you to know that all cadets are encouraged to turn out for football. * * * There is no record to show which cadets turned out for football or any other sport at West Point.

Does anyone believe this to be the case? Does anyone believe that there is no record to show who the athletes are at the Military Academy?

Mr. President, earlier the commandant had provided me with some information along that line. Here it is. It is not up to date, but it presents information up to 3 years ago. Here is the record. The information is available and has been provided. When those concerned see that one is beginning to dig down to where the skeleton is really lying, they present him with the three monkeys—see no evil, hear no evil, and speak no evil.

In response to my question about the number of entrants who do not take competitive examinations, it was stated:

The Department is unable to provide you with information regarding competitive examinations.

This is indeed a serious situation. Members of Congress, either knowingly or unwittingly, are being urged to violate the law. At the same time the Department of the Army is informing a Member of the Senate that he is not entitled to any information about this practice.

There is no doubt in my mind that, if these records were opened up to scrutiny, as they should have been at my request, a great number of the kind of violations of the law which I have described would come to light. The reason for the Army's withholding this information is clear, in view of the complicity of Army officers representing the Military Academy in the business they do with Congressmen who presumably expect favors in return.

Mr. President, in my judgment, the situation is so serious that criminal penalties ought to lie upon any Member of Congress who violates the law by giving an appointment to a nonresident of his district or State, and upon officers who coerce politicians to break the law. It seems to me that the violations are flagrant and serious enough to call for such penalties. However, in the interest of harmony, I am not going to insist upon that. But I am happy that today the Senate has agreed to an amendment which would bring that information to the light of day.

My "truth in recruiting" amendment provides that the service Secretaries have to provide a list showing the information I was refused by the Department of the Army. If this is done, it seems to me that an outraged public opinion will put a stop to this travesty on the law. At least, the constituents of errant Members are entitled to know what is going on.

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

Mr. LONG of Louisiana. I yield.

Mr. DOUGLAS. Would the Senator move that the bill be referred to the Committee on the Judiciary, with particular reference to the Subcommittee on Antitrust and Monopoly Legislation?

Mr. LONG of Louisiana. I would not like to make such a motion prior to action on my amendment.

Mr. DOUGLAS. Would the Senator like to have the entire bill so referred?

Mr. LONG of Louisiana. I would have no particular objection to such a motion. However, I believe it would be best to dispose of the amendment first, and then decide what the fate of the bill should be.

Mr. DOUGLAS. The Senator from Louisiana mentioned a coach—Mr. Paul Dietzel.

Mr. LONG of Louisiana. Yes.

Mr. DOUGLAS. When did he come to West Point?

Mr. LONG of Louisiana. During the past year.

Mr. DOUGLAS. Where had he coached before?

Mr. LONG of Louisiana. Louisiana State.

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

Mr. LONG of Louisiana. I yield.

Mr. CANNON. Is it not a fact that the bill was passed by the House in 1960 and again in 1961, long before Paul Dietzel left Louisiana State and went to West Point? The bill had passed the House twice. Is that not the fact?

Mr. LONG of Louisiana. Yes. But the bill has always been a football recruiting bill. The question arose when Dale Hall was the coach at West Point. My best information about this subject is, as the article by the assistant Army coach explained, that the purpose of the bill, so far as the Army is concerned, has always been to strengthen their football team.

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

Mr. LONG of Louisiana. I yield.

Mr. DOUGLAS. On page 6 of the Senator's speech he said—

> Mr. President, could this representative perhaps be Paul Dietzel himself who, according to Red Blaik, has only to "get his feet under the supper table with a boy and the boy is his"?

For whom was Paul Dietzel working when he would kidnap football players?

Mr. LONG of Louisiana. Kentucky, Army, and LSU.

Mr. DOUGLAS. Louisiana State?

Mr. LONG of Louisiana. Louisiana State as well. But he did not break any law to get football players to come to LSU. He did not do anything that other schools were not doing.

Furthermore, I have no objection to the coach's leaving LSU. He has the right to do the same thing other coaches have done. I have no particular objection to that. But I say that when West Point begins offering scholarships, worth $11,000 a year, and undertaking to recruit on a nationwide basis to the point at which every top football prospect in America would be recruited into West Point, the other academies will be forced to do the same thing. It is not good for the Academy; it is not good for the country; it is not good for athletics. My judgment is that the bill should not be used for that purpose. That is what I am complaining about at this moment.

Mr. DOUGLAS. I quite agree with the Senator from Louisiana. The whole practice is contrary to the real purposes of education and debases education. Colleges are purchasing gladiators and not educating students.

Mr. President, will the Senator yield further?

Mr. LONG of Louisiana. I yield to my friend from Illinois.

Mr. DOUGLAS. Does the Senator think that possibly the Military Academy obtained the services of Mr. Dietzel because he was a good recruiter as well as a good football coach?

Mr. LONG of Louisiana. I should be glad to have printed in the RECORD the article from Sports Illustrated, which I believe more or less met with the approval of the powers that be at the Academy. I believe the article makes pretty clear that that was the over-all purpose, the general idea. It was both.

Mr. DOUGLAS. Will the Senator permit the Senator from Illinois to make an observation?

Mr. LONG of Louisiana. Yes, I yield to my friend from Illinois.

Mr. DOUGLAS. When the Senator from Illinois was in the South Pacific, he heard about Australians who would go into New Guinea, the Solomon Islands, and other islands of the Pacific, and come back with Melanesians. They were called "black birders." Would the Senator from Louisiana say that a good deal of the same type of thing is going on in American colleges at the present time and that there are football "black birders" who ply their trade in human bodies?

Mr. LONG of Louisiana. So far as collegiate recruiting is concerned, in the section of the country from which I come, I believe it is just about as clean as it has ever been.

Mr. DOUGLAS. How clean was it?

Mr. LONG of Louisiana. All schools are on the same basis, I might add.

Mr. DOUGLAS. They are all guilty, in other words?

Mr. LONG of Louisiana. All schools are permitted to approach these young men. They talk to them, and then after these boys have played their last high school game, they can sign with one of the schools. However, someone from outside the conference can come in and try to break the agreement. On the whole, the matter has been cleaned up to a considerable degree. The Senator knows that there was a time when the situation was rather corrupt.

Mr. DOUGLAS. The Senator from Illinois believes that this is a very bad practice, and that it debases the whole purpose of higher education, and emphasizes a wrong set of values. If the Senator is correct the colleges of this country and their alumni have been corrupting the moral standards of youth and must bear a heavy responsibility for having moral and educational standards. Is it true that what the Senator from Louisiana is proposing is very similar to the proposal that the Senator from Washington proposed yesterday with respect to surplus power being used inside the Pacific Northwest area? Is the Senator from Louisiana saying that all surplus football ability and all surplus brawn and muscle shall be used inside the South?

Mr. LONG of Louisiana. No; I am not saying that. I will get to this point later in my speech.

I would ask the three service academies to get together and set rules for athletic recruiting which would be exactly the same for all three academies. This would put them on the same basis, with rules that would be fair to themselves, fair to everyone competing against them, and fair to the colleges that are producing taxpayers rather than military officers. They could then proceed to decide what type of competition they would conduct. This unregulated competition is not in the public interest, and we ought to stop it in its incipiency.

Mr. DOUGLAS. Do I understand the Senator's constructive proposition is that the Academy should state where its nominees are coming from, who has nominated them, and where they live, and we should put the spotlight on the situation?

Mr. LONG of Louisiana. The committee has already agreed to the spotlight-of-public-opinion amendment, so-called.

The amendment that I am now offering would not take from the Academic Board at the Academy the scholarships they are presently using for football recruiting.

Mr. DOUGLAS. How many of those are there?

Mr. LONG of Louisiana. Between 50 and 75.

Mr. DOUGLAS. Fifty to seventy-five appointments are given primarily for athletic ability?

Mr. LONG of Louisiana. No; the Academic Board gets around 50 to 75 appointments a year. They get them because some Representative or Senator fails to make his appointment in time for the boy to make the class. Of those they get in that fashion about half are athletes. I will establish that later in my speech. I believe they have stepped up the percentage of this football effort, however.

Mr. DOUGLAS. Should the Academic Board be called the athletic board ?

Mr. LONG of Louisiana. I would say that my study of the situation indicates that about 50 percent of the appointees of the Academic Board are based upon academic qualifications, and the other 50 percent will be based on brawn and athletic prowess. I believe I can establish that later in my speech. With regard to those, I would not change the situation, except that it would have to be revealed who appointed them.

Mr. DOUGLAS. That amendment has been accepted?

Mr. LONG of Louisiana. Yes; I am happy to say it has been accepted.

Mr. DOUGLAS. That is the so-called truth-in-recruiting amendment?

Mr. LONG of Louisiana. Yes.

Mr. DOUGLAS. The Senator from Illinois is a great believer in truth. He has a truth-in-lending bill, which he has sponsored, and he has also sponsored a disclosure bill so far as welfare and pension funds are concerned.

Mr. LONG of Louisiana. The "truth in recruiting" amendment would require the Secretaries of the Army, Air Force, and Navy to compile a list of the names of nominees, the nominating authority, and the nominee's domicile. This list is to be made available to Members of Congress for inspection. In this way, many of these abuses will be brought to light and thus stopped.

It is essential that these abusive recruiting tactics be stopped. If the Military Academy is to be permitted to engage in them, the Navy and the Air Force are going to be compelled to adopt similar methods in order to meet a challenge which threatens to run them from the gridiron in ignominious defeat. After all, the Dietzel program pursued against Tulane University so humiliated that great institution that its teams were twice defeated by margins of 62 to 0, and neither its varsity nor its freshman team contained more than one or two players in whom Coach Dietzel had demonstrated the least interest. These humiliating defeats were in some measure responsible for the replacement of the president of Tulane University with a man who had more interest in football.

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

Mr. LONG of Louisiana. I yield.

Mr. DOUGLAS. Did the University of the State of Louisiana show any mercy to Tulane?

Mr. LONG of Louisiana. As a graduate of LSU I suggested that they stop recruiting for a few years to give Tulane a chance to get back in business. It had gone that far. I might say that that suggestion went over with the athletic director like a lead balloon.

Neither the Navy nor the Air Force are operated by fools. If this were so, we should undertake to make drastic changes. When they find themselves confronted with an all-out nationwide recruiting drive on the part of their principal competitor, they will be forced to engage in similar tactics. Contractors, retired officers, large concerns hoping to do business with the services on a cost-plus-fixed-fee basis, Members of Congress who hope to obtain or preserve important military installations in their States—all will become a part of this overzealous competition between three great football powers. Professional football will be denied much of its best prospective talent as the services commission for 5-year terms men who are better qualified to play professional football than to be service officers.

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

Mr. LONG of Louisiana. I yield.

Mr. DOUGLAS. Do I understand the Senator objects because the present practice of the military academies may diminish the supply of professional football players?

Mr. LONG of Louisiana. That is one of the lesser reasons.

Every State university seeking to sign up a hometown high school prospect will be hard put to keep the young man away from the Army, Navy, and Air Force recruiters.

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

Mr. LONG of Louisiana. I yield.

Mr. DOUGLAS. Does the Senator believe that that is any part of the business of higher education, to turn out professional football players or gladiators?

Mr. LONG of Louisiana. Well, some universities have a college of physical education; the alleged purpose of the college of physical education is to teach young men how to coach. The Senator knows as well as I do that a good professional football player can sign a contract for as much as $100,000 as a bonus to start playing. My guess is, for example, that Billy Cannon of Louisiana State University has made a quarter of a million dollars in 2 years as a professional football player. Playing in the game can mean more by way of income than can coaching.

Mr. DOUGLAS. Does not the Senator think that if he believes in truth in recruiting, every college and university in the country ought to publish its payrolls and state how much each football player is receiving? I think that if that were done, this practice would be stopped. The Senator from Louisiana is performing a very valuable service in washing this dirty linen on the floor of the Senate.

Mr. LONG of Louisiana. By washing it we might get it clean.

Mr. DOUGLAS. It is dirty linen not only of the military academies but also of a great many institutions of so-called higher education.

Mr. LONG of Louisiana. I can tell the Senator that football players in the Southeastern Conference are receiving about $1,600. That is the scholarship they receive when they sign up to go to a particular school.

I suppose it is about the same in the Atlantic Coast Conference. The Senator from Illinois probably knows more about the Big Ten than I do, because his State has Big Ten schools, or I believe one such school.

Mr. DOUGLAS. Two.

Mr. LONG of Louisiana. I do not know about the institutions. They generally have pretty good football teams, but I expect they have to do something similar in order to meet the competition.

Mr. DOUGLAS. Would not the Senator from Louisiana favor my proposal that, beginning with the service academies, we require the publication of the payrolls and how much is paid to the football players

Mr. LONG of Louisiana. So far as Louisiana State University is concerned, that information is already a matter of record. At Louisiana State, from which I was graduated, that information is already a matter of public record. There is no right to withhold such information; any taxpayer may examine the records. I am happy to say that we have made some headway toward similar results at the service academies.

Meanwhile, those fine, physically fit young men who would like to compete in the sport in the amateur tradition will learn that there is no use in trying out at the service academies, because their chances would be hopeless, and the possibility of injury great.

Mr. President, the argument has sometimes been made that to give the Academic Board additional appointments would be a good thing, because these men turn out to be extremely well qualified. I frankly do not know whether this is the case, because of the difficulties of getting any information out of the Army.

However, I do know that this is where most of the football players come from, and where they all will come from, unless we stop what is underway. Let us just examine the Army-Navy football game lineup for the past several years. This information is taken from the lineups themselves; it may not tell the full story because several times it appears that the annual yearbooks show football players not mentioned in the lineups. But just to get an idea:

First. The 1954 lineup shows 36 players for Army. Of these, 19 were admitted to the Academy by the Academic Board. This comes to 52.7 percent of the team. Of the 11 starting players, 8 were Academic Board appointees.

Second. For the 1955 game, 21 of 38 players were appointees of the Academic Board. This is 55.2 percent of the team. Nine of eleven starters were Board appointees.

Third. In 1956 the lineup showed 38 players; 16, or 42.1 percent of the team,

and 6 starters, were Academic Board appointees.

Fourth. In 1957 the number of players was 42; 20—47.6 percent—were Academic Board appointees, including 6 starting players.

Fifth. In 1958 the figures were 23 of 39 players, 58.9 percent, and 6 of 11 starters.

Sixth. In 1959, 34 of 46 players were board appointees; this represents 73.9 percent of the team; and 8 starters.

Seventh. In 1960, 34 of 43 players had been admitted by the Academic Board; this was 79 percent. The starting players were not listed.

Eighth. In 1961, 42 of 58 players—72.4 percent—were Board appointees. Again, no information was given as to starting players.

Thus, for the past 3 years, 75 percent of the team were Academic Board appointees. If this percentage does not shock anyone, then consider the fact that the Academic Board appoints only 8 to 10 percent of the total number of cadets at the Academy, then you get some idea of what is going on.

Mr. President, I have stated that nobody is begrudging the Army or anyone else a good football team. At least, I am not. But with the resources already at their disposal there is little doubt that recruiting can be extensive and successful, without any further legislation to assist it. Just consider what the Military Academy has to offer. According to my figures, the yearly per-student expenditure for West Point is something over $11,000. This means that an appointment to the Academy for a young athlete is worth around $45,000.

Comparable figures for an average State university are extremely revealing. At Louisiana State University, for example, a football scholarship is worth $1,600 a year. The average per-student expenditure by the university comes to $800. This works out to $2,400 for an Louisiana State University player, as against a figure of $11,000 for West Point.

Mr. DOUGLAS. Mr. President, will the Senator from Louisiana yield?

Mr. LONG of Louisiana. I yield.

Mr. DOUGLAS. Do I correctly understand that football players at Louisiana State University get $800 in the form of tuition and other costs which are paid for by the university, and $1,600 in cash?

Mr. LONG of Louisiana. Louisiana State University is State supported. The fees are very low. I should say that the average student pays probably $60 in fees, and the State makes up the difference, which would be about $720. About 90 percent of the cost is paid by the State.

Mr. DOUGLAS. Does the Louisiana State University football player get cash?

Mr. LONG of Louisiana. No; his laundry, room, board, ROTC uniform, and books are paid for. That is figured to be worth $1,600.

Mr. DOUGLAS. Does he get spending money?

Mr. LONG of Louisiana. I do not know about that, but perhaps he gets a little. Anyway, it comes to about $1,600; and that is what the other colleges do, too.

Mr. DOUGLAS. In other words, it is wage fixing? But wages paid for playing football.

Mr. LONG of Louisiana. That is my best understanding. That is the rule as it has been worked out by the conference of all schools in the Southeastern Conference—Tulane, Georgia Tech, University of Florida, University of Georgia, and others. As the Senator from Illinois knows, the arrangement is subject to careful inspection by the National Collegiate Athletic Association.

Mr. DOUGLAS. Does the Senator from Louisiana mean to say that the National Collegiate Athletic Association approves of this situation?

Mr. LONG of Louisiana. Yes; of course.

Mr. DOUGLAS. That is a very grave charge. The corruption has gone further than I thought.

Mr. LONG of Louisiana. Every football conference provides some method for subsidizing football players, with the exception of the Ivy League; and I am not sure that they might not have some such arrangement. If the Senator from Illinois, as a former college professor, does not know about this situation, it is time he found out about it.

Mr. DOUGLAS. I have suspected it, but I have never heard the material brought forth in public in quite the way it has been set forth by you today. If this is true, there is wholesale corruption in our colleges and universities. They are certainly not raising the moral level of our youth.

Mr. LONG of Louisiana. I do not think so. This is the way corruption has been cleaned up. The corruption existed before there was an agreement. Collegiate football is semipro football. That is what it amounts to. Every college agrees that it will compete under certain rules. If a boy attends such a college, the college will furnish his board, room, laundry, ROTC uniform—if he is a member of the ROTC—his books, and perhaps a little pocket money. But all the colleges agree on the amount. I cannot say as to the Big Ten; but I know something about LSU, because it is the college from which I was graduated and is a member of the Southeastern Conference.

Mr. DOUGLAS. Does the Senator from Louisiana say he suspects the Ivy League of following the same practice?

Mr. LONG of Louisiana. I do not know about the Ivy League. If they will tell me what their practice is, I will be glad to take their word; but I know how the arrangement works in the Southeastern Conference. It is a matter of public record; nobody argues about it.

Mr. DOUGLAS. Is it not a grave reflection upon the arrangement if no one argues about it?

Mr. LONG of Louisiana. Does the Senator cash his paycheck on the first of the month? I do not regard the Senator from Illinois as being corrupt, but I assume he cashes his paycheck.

Mr. DOUGLAS. Does the Senator mean, then, that these persons are paid to play football?

Mr. LONG of Louisiana. Of course. They sign a scholarship agreement in which it is agreed that this is what the university will do. That has been the case for a long time.

Mr. DOUGLAS. Then the universities lend themselves to the corruption of youth.

Mr. LONG of Louisiana. It is not corrupt. It is no more corrupt than if I paid the Senator from Illinois to hoe a garden for me. These boys play football, and that takes much of their time.

Mr. DOUGLAS. I had always thought that college athletics were for sport, not for business; and that when they were made into a business, the whole purpose of athletics was subverted. I played football in college. I was not a very good player, but I enjoyed the game immensely and never received a cent for it.

Mr. LONG of Louisiana. I thank the Senator from Illinois. I am trying to keep the situation from becoming worse than it is. But I believe it has been made better.

My best information is that a scholarship to a land-grant college is worth about $2,500, while a scholarship to West Point is worth about $11,000, a difference of $8,600.

This will furnish an idea of the tremendous incentives which the Army can offer a young football prospect.

The point is, Mr. President, that legislation is not needed to further the cause of football at the Point. It may well be needed to augment the strength of the corps of cadets; no one is unwilling to see legislation of the latter kind go through. But I am not willing to see the Congress enact, without protest, a bill which seems flagrantly and openly designed to permit further abuses involving congressional appointments, with the improvement of Army football being the end in view.

Mr. McCARTHY. Mr. President, will the Senator from Louisiana yield?

Mr. LONG of Louisiana. I yield to the Senator from Minnesota.

Mr. McCARTHY. Did I understand the Senator to say that about 75 percent of the students picked by the Academic Board are on the football teams?

Mr. LONG of Louisiana. No. My latest information is that Academic Board appointees comprise about 9 percent of the corps, and that this 9 percent comprise 75 percent of the football teams, and a higher percentage than that of the starting players in the Army-Navy games.

Mr. McCARTHY. Does the Senator from Louisiana know what percentage of the cadets at West Point picked by the Academic Board wind up in the upper 10 percent of their class?

Mr. LONG of Louisiana. I do not have that information, but I can give the Senator from Minnesota some idea. We should keep in mind that the Academy will not give us this information. But those at the Academy say that the academic average of those picked by the Academic Board is better than the aca-

demic average of those who are appointed by Members of Congress. That would indicate that the nonathletic 50 percent of the Academic Board selectees are very good students.

Mr. McCARTHY. Perhaps the football players are good students.

Mr. LONG of Louisiana. No; the Senator from Minnesota knows that the ones who are football players have to pass only the bare minimal academic requirements, in order to be admitted; and once they are admitted, they devote so much of their time to playing football that—with few exceptions, such as Pete Dawkins, and some few others of his caliber—they do not do particularly well at the Academy, except in playing football.

Mr. McCARTHY. But I am sure the academies can give us that information if they wish to do so.

Mr. LONG of Louisiana. I have asked for much information which they do not provide, although they have it and can produce it if they wish to do so.

Mr. CANNON. Mr. President, will the Senator from Louisiana yield?

Mr. LONG of Louisiana. I yield.

Mr. CANNON. The Senator from Louisiana does not suggest, does he, that certain cadets receive preferential treatment, insofar as meeting the requirements to enter the Academy are concerned, does he?

Mr. LONG of Louisiana. No. In my prepared speech I state that I do not doubt the word of the service academies that these young men are required to pass the Academic Board examination before they are admitted. I have no doubt that they do. I have no information to the contrary; and I take their word for it, without question. But I am sure that if they will open up the records for our inspection, they will reveal that the academic records of those who are recruited as football players are far below the academic records of those who are admitted on the basis of competitive examinations. I think the records will show that the academic records of those who are football players are generally rather poor.

I am sure the Senator recalls the cheating scandal of a few years ago. A number of the football players there could not keep up their academic grades. So they cheated, because they felt that they were entitled to remain there.

But, of course, the root of that difficulty is that those who are appointed because they are football players have to play so much football that they have difficulty finding time to study enough to be able to keep their grades up.

Mr. CANNON. Is the Senator from Louisiana familiar with the 1959 report of the Middle States Association of Colleges and Secondary Schools, which states:

> A sample of the admission records of athletes showed no differential treatment.

The report goes on to state:

> There are so many hurdles between appointment and qualification for admission, and the demands of the 4-year program are so rigorous, that there is little appeal to the professional type of college athlete.

Does the Senator from Louisiana agree with that report?

Mr. LONG of Louisiana. Then how are the academies recruiting so many football players?

Mr. CANNON. I ask the Senator from Louisiana whether he agrees with that report of the Middle States Association of Colleges and Secondary Schools.

Mr. LONG of Louisiana. I agree with the report set forth in the article in Sports Illustrated. The article states that on the wall in the office at the Academy there is a map which shows where every good football prospect in America is living; and the article states that West Point is working on each one of them. Furthermore, I believe it will be found that the article was published in Sports Illustrated with the tacit approval of the West Point authorities .

Mr. DOUGLAS. Was the article published in Sports Illustrated?

Mr. LONG of Louisiana. Yes. I now show it to the Senator from Illinois.

Mr. DOUGLAS. Is the Senator from Louisiana referring to the article entitled "Pepsodent Paul at the Point"?

Mr. LONG of Louisiana. Yes.

And listen to this affidavit from Robert DeLuca:

> The basketball coach from West Point witnessed one of our basketball games during March. The following day he spoke with me at our school. He explained to me that he would like to have me play for him, and he felt assured that I would be accepted at West Point. He stated that I would have to raise my college boards a little and I would be assured a spot at the Academy.

It sounds as though his grades were poor.

He went on to say that the appointment would have to come from outside the State. And that is against the law. And he said that he was told this was "standard procedure." That is what that basketball player swore to, under oath. I have also cited the cases of football players—one from Clemson, and one from the University of Mississippi. This is going on all over the country; and it is in violation of the law.

Mr. DOUGLAS. Let me refer to the article entitled "Pepsodent Paul at the Point." In the article there is the following statement:

> A huge map covers one office wall; in a multiplicity of colors, it shows areas to be attacked. No State has been overlooked. "This is a national academy, not an eastern school," he says. Hall's 1961 roster was stocked with 28 Pennsylvanians.

It sounds as if he were operating a livestock farm.

Mr. LONG of Louisiana. And the chart on the office wall also shows the name of every Senator and every Member of the House of Representatives who has not filled out his alternate appointments—so they can be made available.

Mr. President, the tenor of this speech has thus far been directed toward improper football recruiting methods. The purpose of the measure under consideration is contended to be to provide additional officer strength to the Army. All of us favor this. If we are concerned with the true purpose of the service academies, we should undertake to see to it that they are getting the best qualified and most highly motivated officer material possible, rather than depriving the Green Bay Packers of the heft and physical prowess they will need in order to win another national professional football championship.

The record shows that the Academic Board at the Military Academy has been choosing over 50 percent of its appointees on the basis of athletic prowess, rather than scholastic ability and leadership, although I concede that these young men are required to maintain passing grades in order to remain in the Academy. I suspect that a great deal of coaching by some of the better students is occurring. But the authorities say the football players maintain passing grades, and I do not quarrel with that statement.

It has been contended that the selectees of the Academic Board on the average have better records than do congressional appointees. If this is true, it is an indictment of the entire system of congressional appointments. And the system should be indicted. Although a considerable number of Senators and Representatives base their appointments upon competitive examinations, the Academy has not even been willing to inform us what percentage of Senators and Representatives do so. If it were learned that the congressional appointees as a group could not average better than a group chosen more than 50 percent for athletic prowess, this would indicate that more than half of the congressional appointees are being designated without regard to merit.

Let me hasten to say that thus far every principal appointment I have made has been made strictly on the basis of merit, after a competitive examination.

The same is true of the appointments made by other Senators. Yet, a high percentage of Academic Board appointments have gone to sons of politicians, of service officers, of substantial campaign contributors, of relatives—which appointees in many instances have not been required to prove their worth in a competitive examination.

A long time ago efforts were made to take the Army out of conventional politics; and the success of those endeavors has been responsible in large measure for the high caliber of officers that this Nation enjoys.

Unfortunately, the services have yielded to the temptation to create their own brand of politics within the services. Furthermore, there seems to be developing a fraternity of politicians and officers who feel that there is a brand of politics in which the two can mutually engage—the politicians, to gain advantage for their States and favorite contractors; and the officers, to establish military control over what ordinarily should be civilian decisions, particularly in the field of lawmaking.

In my judgment, the entire program to enthrone service football at the expense of privately financed and State institutions—the institutions which are producing the taxpayers who pay for this

service business—should be brought to a halt.

Mr. DOUGLAS. It is at the expense of the standards of these young men, too, is it not?

Mr. LONG of Louisiana. Yes; I agree with the Senator from Illinois, as I have said earlier.

My recommendation is as follows: The service academies should be compelled to agree upon rules of competition which will not be unfair to other colleges and universities, nor unfair to any of the three great service academies.

Mr. CLARK. Mr. President, will the Senator from Louisiana yield for a question?

Mr. LONG of Louisiana. I yield.

Mr. CLARK. I agree with the Senator from Louisiana that appointments to the service academies should be made on the basis of merit and on the basis of appointing those who will make the best officers. I have always held competitive examinations for appointments from my State, and I also choose on the basis of personal interviews, in order to select the ones who I believe are best qualified to be officers. To do anything else would be outrageous, in my opinion. The appointments should not be made on the basis of athletic skill or political connections.

My question is: How would the amendment of the Senator from Louisiana help in this situation?

Mr. LONG of Louisiana. This bill would permit the Academic Board to appoint about 75 more young men a year.

Those men have been named as alternates. Those are our nominees. Rather than have the Board appoint them, my proposal is to let the Members of Congress who have been appointing the top men have a second appointment. How are we going to tell? Wait until graduation. Let us say that one of us appointed Douglas MacArthur. That Member would be entitled to a second appointment. The chances are that he had been appointed on the basis of competitive examinations, and that he had been appointed on the basis of merit rather than on the basis of athletics or politics.

Mr. CLARK. If Senators would conduct their procedures for appointments on the basis of selecting them on merit rather than on either athletics or politics, the pending bill would be satisfactory?

Mr. LONG of Louisiana. Not necessarily.

Mr. CLARK. Why not?

Mr. LONG of Louisiana. It would still leave to the Academic Board the privilege of playing all kinds of politics with our alternates.

Mr. CLARK. What percentage of the young men who go into the service academies are picked by the Academic Board?

Mr. LONG of Louisiana. Eight to ten percent are Academic Board selecteees. They prove to be 75 percent of the football guards. They contain most of the wrestlers, hockey players, basketball players, and so forth.

Mr. CLARK. Would the Senator's amendment do away with the Academic Board appointees?

Mr. LONG of Louisiana. No. I would leave to them what they have now. Let them do all the football recruiting they wish, but let them tell us whom they are appointing in violation of the law. This is what my truth-in-recruiting amendment will accomplish.

I have another amendment that would impose criminal sanctions on Senators and Members of the House for violating the law. I am not going to insist on it, because it might be too harsh a remedy. The committee is willing to go along with the truth-in-recruiting proposal. The academies can get all the football players they want and do all the recruiting they want, but with respect to the new appointees, let us take them and make the new appointments on the basis of merit, by rewarding Members of the House and Senators who appoint the best men with additional appointments. That would be an honor. It would encourage the Senator or Member of the House to attend the graduation ceremony, if his appointee were in the top 75.

Mr. DOUGLAS. So the Senator proposes a limitation of athletic armaments?

Mr. LONG of Louisiana. Instead of leaving the bill so that it can be used for football purposes, I am trying to make the bill an incentive and reward to Members of the House and Senators to select appointees based on merit, by giving them the recognition they deserve for appointing the best and finest young men.

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

The PRESIDING OFFICER (Mr. METCALF in the chair). Does the Senator from Louisiana yield to the Senator from Pennsylvania?

Mr. LONG of Louisiana. I yield.

Mr. CLARK. If the amendment is adopted, will it delay for a period of 3 or 4 years the desired objective of increasing the size of the academies to full strength?

Mr. LONG of Louisiana. It would start now. For example, if the Senator had made an appointment of a young man who finished 1st, or 10th, or 15th in this year's senior class, he would be entitled to another appointment next year.

Mr. CLARK. So the Senator's amendment would not delay the time when the size of the academies would be brought to full strength to take care of dropouts for one reason or another?

Mr. LONG of Louisiana. That is correct.

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

Mr. LONG of Louisiana. I yield

Mr. KEFAUVER. The Senator's plan and program sounds like a very good one to me. How many additional appointments would there be for each academy under the plan?

Mr. LONG of Louisiana. About 75 for West Point. I do not know how many for the Air Force. I presume about the same number.

Mr. KEFAUVER. Should it not be the same number for each academy?

Mr. LONG of Louisiana. The number would be determined in this way: At the beginning of each year the Academy would estimate how many young men would drop out before the year was over. On the basis of this estimate, additional appointments would be made, so that there would be an overstrength in the number of cadets at the beginning of the year. The theory is that, taking into consideration the dropouts that would occur, the number left would be the number for which the institution has facilities. The number of additional appointees is estimated at about 70 or 75 under the bill.

Mr. KEFAUVER. A good many of us use the civil service system or the academic system of allowing selection of the best young men from a group submitted. This proposal would be an incentive to do the same kind of thing with respect to all Members of Congress. Is that correct?

Mr. LONG of Louisiana. It would. I want to give the committee credit for improving the bill. In the form in which the bill came to the Senate, the Academic Board could have chosen any one of three alternates, first, second, or third. The bill now limits them to the first alternate. The old Board appointments are left, and the old chicaneries we have known in the past can be followed, but the new appointments would be limited to the first alternates. This would be some incentive for a Senator or a Member of the House to name the best qualified man for the principal and the second best qualified as the alternate, so those boys would be selected. But I feel that my approach is a further improvement.

Mr. KEFAUVER. I think the academies themselves might be in favor of that proposal.

Mr. LONG of Louisiana. It had not occurred to me at the time the committee was considering the question that this might be the best way to achieve the objective. I would like to have offered it in time for the committee to consider it, because, I am frank to say, the committee has been most fair. The distinguished chairman and the Senator in charge of the bill have been most courteous, and I thank them.

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

Mr. LONG of Louisiana. I yield.

Mr. CANNON. I think it should be pointed out that the system proposed by the Senator from Louisiana eliminates competition in respect to the additional vacancies. They would have to be taken from candidates designated by the Member of Congress, but not from first alternates. So there is not going to be competition among 600 people who would compete for the 50 vacancies under the bill. So the overall selection of the additional appointments is going to be substantially lower in quality because of the lack of competition, and we are not going to be able to get the top 50 men out of 600.

Mr. LONG of Louisiana. I thank the Senator for that observation. I think the Senator misunderstands my amendment. My amendment provides that the principal appointment will be made as now. The Academic Board would have

approximately 50 appointments, as it has now.

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

Mr. LONG of Louisiana. I yield.

Mr. DOUGLAS. Where do the 50 appointments come from? How do they originate?

Mr. LONG of Louisiana. If the Senator from Illinois had neglected to submit an appointment, or if it had been made by a Member of the House who had passed away, or if a Member of the House had not made an appointment, there would be a vacancy. The present Academic Board appointees result from the failure of Senators and Representatives to take advantage of their full quota. The additional ones are going to be made to replace those who are going to flunk out or, for one reason or another, drop out, and it is proposed to appoint in overstrength, so that the number will be at full strength at the end of the year.

I shall not touch the provision relating to the principal appointment or the Board appointment. It is bad, but right now I am concerned with not making a bad situation worse. What I want to do is improve the quality of the whole arrangement by encouraging every Senator and Representative to appoint his best man; by doing so he will receive recognition and be encouraged to appoint the top man to the military school. In addition, he will have a second appointment. I really think we will find that those who appointed the best man previously are likely to appoint the best man in the future.

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

Mr. LONG of Louisiana. I yield.

Mr. ALLOTT. Am I to understand that the amendment will work in this way: Those who had the top 75 would each have an appointment, but, under the law, they would be limited to the appointment of their top alternate.

Mr. LONG of Louisiana. No. Under the amendment I am proposing, let us say 75 additional appointments would be the desired overstrength. Let us say the Senator had appointed 1 in the top 75 of the graduating class. The Senator would be permitted to appoint the principal he was going to appoint, plus one more man. He could appoint football players if he wished to do so in the case of the two appointments. He can now do it with respect to one.

The point is that if the Senator is one who has appointed, let us say, the valedictorian of the class, he should be entitled to make another appointment.

My guess is that the Senator from Colorado might even go to the graduation ceremonies to receive some recognition, to which he would be entitled, if he appointed the valedictorian of that class.

Mr. ALLOTT. I think that is quite probable.

The argument which the Senator has made is a logical one. The interpolitical system which has developed in regard to this whole question is not a healthy one. Since I was in the Chamber, I could not let the statement by the Senator pass without also saying that I am one of those who have always made every appointment to every service academy solely upon the basis of a competitive examination.

Mr. LONG of Louisiana. I have, also; and I say to the Senator that I have not received my first campaign contribution from a father of one of those sons. It has been suggested to me that thousands of dollars could be offered to support my campaign if I would use another system. But I have felt that this is how it should be done. This is the best way to be fair to all the boys. Let them all take the examination, and then let the best qualified one be selected.

Mr. ALLOTT. The Senator is correct. Every American boy ought to have an equal opportunity.

Mr. LONG of Louisiana. Senators and Representatives in Congress have a right to choose a different means, if they so wish. I am not arguing that point. Senators and Members of Congress can make their appointments as they wish to make them. All I say is that we should not pass a bill to permit a group of military officers to make our appointments for us. These are our appointments. They are congressional appointments. The bill would permit military officers to make the appointments. They already have 50 of our appointments with which to play. They want 70 or 75 more. The military officers want to make the appointments for Members of Congress.

Why should we do that? Why not fill these spots by using an incentive to appoint the most qualified men?

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

Mr. LONG of Louisiana. I yield to the Senator from New York.

Mr. JAVITS. The Senator has made a fine speech, which has an excellent point, and the country should be indebted to the Senator for revealing this situation. I admire the Senator's speech especially because he has documented it with cases. Quite often people make fine forensic speeches but never quite get to the evidence.

Mr. LONG of Louisiana. Some of the information came from a Representative in Congress from New York.

Mr. JAVITS. The Senator is very kind.

Really, what the Senator is saying is that there is something very deeply wrong with the system which is used. Perhaps it would be impossible to try to reform what he has latched on to on today's date in August, with respect to the whole system. It needs very much more opportunity and very much more study. At least, the opportunity is presented for a token effort and improvement, in the judgment of the Senator.

I deeply believe, however, that the amendment does not necessarily—and I think my colleague from Pennsylvania was reaching for the same idea—carry out the excellent thesis which the Senator has laid before us. Even if the Senator's amendment were not agreed to, I would dislike to feel that the lesson thereby is to be lost upon the Senate and that the Senator's thesis is to be considered rejected. That will not be so. I do not think that the Senator's thesis hangs upon this amendment.

I say that for the reason that I was at West Point, as a member of the Board of Visitors. That is the reason why I have been bold enough to interrupt the Senator. I talked about the bill with commandant of West Point, General Westmoreland, in great detail. He was deeply concerned. It would be unfair to say he was deeply concerned about having the bill passed, but he was very concerned about dealing with the problem, for he feels it is depriving our country of the full capacity of the Academy.

The Academy has the instructors, the equipment, and the housing available; yet, every once in a while, the Academy finds itself deficient as to the number of cadets.

Of course, we all understand that the Navy has very much more flexibility than West Point in terms of the cadet corps. The Navy cadet corps is substantially greater than the West Point cadet corps. It is interesting that the Navy is not included in the provisions of the bill, apparently because it has a much better system in regard to dealing with this problem.

Mr. LONG of Louisiana. I am not at all sure it is a better system. I seriously suspect that we ought to take a look at the Navy situation, as well.

Mr. JAVITS. That would be good. I am coming to something which is very important, if the Senator will yield further, because I agree with the Senator.

In view of the fact that I feel very deeply that the Senator's thesis is so much more important than the particular amendment we are considering, I feel the problem should have full consideration.

In all fairness, it is not a fact, that the Academic Board would choose the 50. The Academic Board would recommend the 50 from some 600.

Like so many other Senators, I not only give an examination with respect to appointment to the academies, but also I go through what is a rather heavy burden of interviewing the first 20 in each one of the categories. I interview about 100 young men every year. I make a personal choice.

Often in the past I have picked the young man who scored fifth, sixth, or seventh on the examination, because I have felt—since I have served myself, as has the Senator and as have so many others—"This man may lead my boy and be responsible for his life." Therefore, I wish to be very careful about whom I nominate. So my conscience is clear in this regard.

Mr. LONG of Louisiana. I am not trying to say that the conscience of any Senator in this body is not clear.

Mr. JAVITS. I understand.

Mr. LONG of Louisiana. The Senator does not have to appoint the boy who is the best qualified. The Senator can appoint anyone he chooses to appoint.

Mr. JAVITS. That is correct.

Mr. LONG of Louisiana. That is what the law provides.

Mr. JAVITS. The Senator's proposed system would be different, and would change one of the basic principles, because it would then confine the preferred appointment, as it were, to Senators who

appointed boys who happened to score well at the end of the course.

I should like to make a suggestion to the Senator, and I would appreciate it if the Senator who is in charge of consideration of the bill would listen carefully.

My colleague from New York [Mr. KEATING] submitted a resolution some time ago which urged that there be a complete study and review of the whole question of appointments to the service academies. It seems to me that, regardless of what may happen with respect to the Senator's amendment, since that is a relatively narrow question, the entire problem should be studied.

Certainly I would join with the Senator in expressing the wish and the desire that the Armed Services Committee, very early in the next session, before it is overloaded with work, perhaps through an ad hoc subcommittee or perhaps through the full committee, consider the speech made by the Senator from Louisiana, which is very well documented and makes a strong and effective point. I feel it should be taken deeply to heart.

I feel there should be a complete study of the question as to how best to make the appointments, and the results of appointments. Information should be obtained as to whether there is proselytizing, which would be a very unhappy situation. We have seen examples from time to time—indeed, some have been notorious—which have hurt the standing of the academies.

The whole problem should be gone through with a fine-tooth comb, so that there will be an effect far beyond the proposed amendment. I think it deserves such an effect. The Senator's amendment presents a relatively limited question, with which we are asked to deal today.

The Senator himself admits that the proposal would not prevent a Member of Congress, if he chose to do so, from appointing a football star or a prospective football player to an academy.

Mr. LONG of Louisiana. I do not think we ought to try to prevent a Member of Congress from doing so. It seems to me that if a Member of Congress wants to appoint an outstanding football player of his State to the Academy, he ought to have that right. That ought to be his privilege, if that is how he thinks he should make the appointment. I do not think we ought to change that system.

My argument is that we should provide an incentive, so that we will get boys who will be leaders of our country—so that we will get another Douglas MacArthur or another Robert E. Lee. I regret to say that I do not think Ulysses S. Grant did very well in the Academy. Although he was a good soldier.

Mr. DOUGLAS. He was a very good general.

Mr. LONG of Louisiana. He was, still, a credit to the Academy.

Mr. DOUGLAS. He was a very good general.

Mr. JAVITS. He was from Illinois.

Mr. LONG of Louisiana. I do not think he did too well at the Academy, but I think southern officers would concede that he was a very competent military officer.

Mr. DOUGLAS. That is very handsome of the Senator. The results clearly showed it.

Mr. LONG of Louisiana. I yield further to the Senator from New York.

Mr. JAVITS. If I may, I should like to finish my thought.

Of course the argument can be made that it will be a sad day if we have to give Members of Congress an inducement to appoint the best men to the academies. If they are not so minded, so geared, and that patriotic, I doubt whether this proposal would make them any different from what they are.

Mr. LONG of Louisiana. I hope my friend from New York does not think that we will get to heaven in a single leap. My old government professor once told me: "Democracy is like a raft—it won't sink, but you will always have your feet wet."

There will always be something which needs to be corrected. By the time we see the ends of these problems, we shall be dead.

Mr. JAVITS. I merely wish to finish my thought by pointing out that the amendment is not necessarily fitted to the much bigger problem which the Senator has posed, quite eloquently and effectively. I join with the Senator in urging that the committee take whatever may happen in regard to the amendment and the problem itself as a total problem which should be dealt with in a much more comprehensive way than we have any opportunity for dealing with it at this time.

Mr. LONG of Louisiana. Mr. President, I yield the floor.

Mr. CANNON. Mr. President, I should like to answer a few of the remarks made by the Senator from Louisiana.

First, most of the Senator's debate went to the alleged abuses of the system that is now in effect. I believe we have corrected the abuses, if they existed, by agreeing to the first amendment of the Senator from Louisiana. I think his amendment, which was accepted on the floor of the Senate, was a good amendment. I think that bringing out information before the public for public scrutiny will, as he has correctly stated, assure that appointing authorities will not abuse the authority they have, if they have been abusing that authority up to the present time. So in conclusion on that point, I should say that the Senator's amendment would correct most of the items complained of in the subject of his speech today.

Again, I point out that the Senator quoted Johnny Rauch as saying that Paul Dietzel tried to get the bill passed so that he would assure him of 55 appointments a year for football. I think it has already been pointed out that the bill was passed in 1960 by the House and was passed again in 1961 by the House.

The approach is not a new one. It is not a new approach to the problem, and certainly it was not Paul Dietzel's idea, I am sure, because he was in Louisiana at the time the bill was first passed, and for some time thereafter, and certainly was at West Point long after the bill had been considered very thoroughly in the House.

Mr. President, there has been a great deal of criticism with respect to the appointment of football players to the Academy. Personally I see nothing wrong with the appointment of football players to the Academy. The Academy has the best of the future leaders of our country. They are supposed to be bright young boys, healthy boys. They must pass rigid physical examinations. We want healthy boys in our academies. We would have it no other way. Otherwise we would reduce the physical requirements for entrance.

If a boy wishing to enter the Academy meets all the requirements, as he must, and still plays football outstandingly, as many boys have, he has my wholehearted admiration. I am proud to have such boys represent me at the academies, and represent me as some of our prospective military leaders. I think they are to be commended in that respect.

Again I point out for the benefit of Senators that the report of the Middle States Association of College and Secondary Schools in 1959 has very clearly pointed out that the boys do not get any preference for entrance into the Academy. They must meet the requirements that are set up by the board for entrance.

Furthermore, no preferential treatment is accorded them while they are at the Academy. A cadet who plays football at the Academy receives no preferential treatment while he is a member of the cadet corps. He receives no special schedule, courses of instruction, privileges, or emoluments as a result of his athletic activity.

I am sure that could probably not be said about some of the football players at some of the universities throughout the country.

His performance as an athlete is in addition to meeting all the other requirements of his contemporaries. Again quoting from the 1959 report:

> An athlete is first of all a cadet, and the intercollegiate athletic program is in line not only with the objectives of the program itself, but also with those of the Military Academy. As far as one can discover, the program is one which is producing wholesome outcomes.

The report goes on to state:

> Eligibility is determined weekly and cadets on athletic teams are immediately removed from their athletic squads when their academic records show impairment.

In conclusion, I repeat that there is certainly nothing wrong with the appointment of athletes to our outstanding military academies. If the appointees can carry the load they are required to carry, I, for one, will be satisfied.

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

Mr. CANNON. I yield to the distinguished Senator from Pennsylvania.

Mr. CLARK. Before a vote is taken on the bill, I should like the record to show that in my opinion the whole system of Congressional appointments to the academies is wrong. Neither Representatives nor Senators are really adequately qualified to select individuals to go to our service academies. In too

many instances we are under very severe political temptation to select individuals who are not the best qualified. As a result of the discussion today, I hope that the Committee on Armed Services will give serious thought to the question whether this particular privilege which we have taken unto ourselves by congressional legislation is not an obsolete and outmoded way of selecting young men to whom we are going to look to lead our Nation's defense. I have always held competitive examinations. But I am confident that there are many, including the authorities at the Academy, who are far better qualified to select the young men than I am. I hope that the Committee on Armed Services will give some thought to that rather iconoclastic suggestion.

Mr. CANNON. The subject has been given some consideration. In fact, over the years a number of boards of visitors, and certainly the military authorities themselves, have recommended a change in the appointing system. However, in all seriousness and candor, I point out to my good friend, that I doubt very seriously that Congress would look very favorably upon giving up its prerogatives in the appointment of boys to the academies, particularly when the boys must meet very strict entrance requirements, irrespective of how badly the appointing authority may want particular boys in the Academy. They must pass entrance requirements that are established by those in authority and who know what they should be. I think the results of the graduates of the Academy are the best evidence. The fact that our Academy graduates rate so high as compared to the graduates of other colleges throughout the country lends a great deal of credence to the system used in the appointments at the present time.

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

Mr. CANNON. I yield.

Mr. CLARK. I do not disagree with anything my friend from Nevada has said. I suspect that it would be even harder to change the method of appointing candidates to the military academies than to secure a change in the rules of the Senate, which I think is even more important.

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

Mr. CANNON. I yield.

Mr. KEATING. Supplementing what the distinguished Senator from Pennsylvania has said, I share to some degree his feelings. I do not imagine it is the most popular view in this body or would be in the other. But I have serious doubts whether the congressional appointments of cadets has served its purpose. What we want—and I know we are all sincere in trying to arrive at a conclusion—is the best qualified men to lead our forces in the three service academies.

Mr. President, I have been concerned about this problem for some time, and feel that in a period of severe national stress the Congress should be fully informed about this important phase of our defense effort.

The practice of congressional nominations for West Point, and later the other academies, goes back well over a century. Although the President originally made all the appointments himself, it was common procedure by the time of President Jackson for the Secretary of War to accept the recommendations of Members of Congress. This procedure was finally legalized in a statute of 1843, partly as the result of a legislative maneuver to halt congressional criticism of West Point as an "undemocratic" institution.

The point of this brief excursion into history, Mr. President, is that the method of selecting our future officers is mostly the result of tradition and some sharp political dealing, and has never been justified on the grounds that Congressmen are the most eminently qualified for the job. I do not doubt that my colleagues conscientiously attempt to nominate the best possible men to the academies. But might this job not be done as well, or better, by another group with fewer responsibilities and a less hectic workload? It is frequently suggested that some other system might work better—selection by local boards, a nationwide competitive examination, or something similar to the NROTC procedure are often mentioned. There are good cases for all these arguments.

The problem of Academy nominations, Mr. President, is particularly relevant at this time, when a number of new proposals are suddenly presented. During this debate, my colleague from Louisiana has raised several important questions about the criteria for selection, questions which have not been completely answered, questions which his amendments do not answer, either. Given the nature of the charges, and the essentially anomalous position of the Congress in the nomination procedure, it seems sensible to me that an investigation of the entire problem should be undertaken. It may be that after careful consideration, we shall find the present method to be the best. But we must, as we have not in the past, give the matter this careful consideration. We must not turn to untried new proposals without looking into the whole problem.

Mr. President, in these critical days of our Nation's history, we are called upon to meet a great challenge. We have appropriated huge sums of money, and have devoted a good deal of time, to the creation of a strong defense effort. But this effort will be largely in vain if we do not select the best possible men to carry out the mission. Our survival cannot hinge upon material things alone—in the long run, we must depend upon the quality and courage of our people, reflected in the officer corps, for victory. We cannot afford to remain complacent about any phase of our defense, particularly with regard to the service academies, which are a crucial first step in the human effort. And we cannot experiment with unique new methods for drawing our Nation's officers from a hat.

This is not the way to legislate now, by acting on new ideas or gimmicks without study. We need a full investigation. In the meantime, however, it is ridiculous to prevent the Air and Military Academies from maintaining their full strength of cadets. Let us first pass this bill and then properly, and carefully in committee study the whole question of Military, Naval, and Air Academy appointments.

My colleague from New York referred to the resolution which I have had for some time. I think the resolution was first offered in 1957 when I was a Member of the House of Representatives. The resolution would call for a study by the Committees on Armed Services of the two bodies with legislative recommendations as to what changes, if any, should be made in the public interest in the selection and nomination of candidates for the three service academies.

I have prepared an amendment to the bill which would provide for such a study. I would be reluctant to offer that amendment, or at least to press it, if the members of the Armed Services Committee were opposed to such a study, since, after all, primarily it is their problem on our behalf. It seems to me that what we are talking about goes beyond the specific problem of filling a small gap in the Academies and that it really is a part of a bigger problem as to how we should go about the entire matter of selecting candidates for the Academies.

I have no illusions about Members of Congress giving up their powers. That is not the normal practice here, except to give them up to the executive branch of the Government; that is the only way we surrender powers in this body. To surrender power in any other way is probably not very practical.

I personally would feel better as a Member of Congress if I felt that the Armed Services Committee had thoroughly canvassed this entire question and had arrived at a conclusion as to what they would recommend to us as to the manner of selecting nominees.

The Senator from Louisiana has presented a strong, documented case, and I urge that either an amendment be accepted to call for such a study, or, if that does not seem feasible, that the committee take up at some point this whole question, and study it thoroughly. Does the Senator agree?

Mr. CANNON. I could not accept the amendment if it were offered as an amendment. I presume it is not at the moment being offered, because there is another amendment pending.

Mr. KEATING. It has not been offered.

Mr. CANNON. If such a resolution were submitted and referred to the Armed Services Committee for study, I am satisfied that the chairman and the members of the committee would give consideration to it. My personal feeling is that this problem has been considered time and time again over recent years.

Mr. KEATING. A real study has been made?

Mr. CANNON. A thorough study has been made by the various advisory committees and members of the Boards of Visitors to the respective academies, and reports have come back periodically. They come to Congress for the benefit of all of us. I believe there has been consideration enough to disclose at least at this moment that there is little likelihood

of any prospective change in the situation.

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

Mr. CANNON. I yield.

Mr. SALTONSTALL. Even though I have not heard all of the discussion this afternoon, I know that when the Air Force Academy was established the Armed Services Committee went into the subject of appointments very carefully with relation to the Air Force Academy. The system we started in the Air Force Academy was a little different from the system that has been used over the years at West Point and Annapolis. We studied the subject at that time, and we devised a system that we believe is an improvement, but still requires congressional appointment. It is a better system than the one at West Point and Annapolis, but it is along the same principle of allowing Members of Congress to select the candidates.

Mr. KEATING. Has a recent survey been made of this question?

Mr. SALTONSTALL. I do not know.

Mr. LONG of Louisiana. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. KEATING. I should like to inquire whether a recent study has been made of this subject.

Mr. SALTONSTALL. The Air Force Academy study was quite recent.

Mr. CANNON. That study was made within the past 4 or 5 years. It has been under constant consideration. The Air Force Academy was not up to full strength, and this problem was under continuing study and recommendations by the respective Boards of Visitors. It has been given constant consideration. There was no formal hearing devoted directly to that specific point, but the problem was under discussion and study.

Mr. KEATING. Has the Armed Services Committee—possibly the distinguished Senator from Massachusetts could also join in answering this question—focused attention on the question raised by the Senator from Pennsylvania [Mr. CLARK] and myself as to whether it is right to have Members of Congress name these young men? I rather agree with my friend from Nevada that it is not likely that the system will be changed. I wonder whether this question has been considered by the Armed Services Committee.

Mr. CANNON. This subject has been considered by some members of the Armed Services Committee. It has not been considered formally in full committee, to my knowledge, since I became a member of the committee. However, I, as one member, have considered it, along with other members of the committee, in serving as a member of the respective Boards of Visitors, and as Chairman of some of the Boards of Visitors. The subject has been very thoroughly aired. It has been very thoroughly considered. It has been very thoroughly discussed. Some very definite decisions have been made.

Mr. SALTONSTALL. I wish to confirm what the Senator from Nevada has said. I do not believe there has been any formal discussion of the subject in committee as a whole since the Air Force Academy was established. There has been constant discussion in the Board of Visitors and by members of the committee.

Mr. KEATING. As I said before, and possibly before the Senator from Massachusetts came into the Chamber, I would feel considerable reticence about offering an amendment to direct that the Committee on Armed Services conduct an inquiry into this subject if it is not disposed to do so. I am not a member of the committee. It is up to the committee to determine whether it would like to go into the subject. However, I think it would be a very useful accompaniment to this bill.

Mr. CANNON. Mr. President, in opposing the amendment of the Senator from Louisiana I would say that to accept his amendment would degrade our selection system, because it would permit the appointment of 50 cadets by congressional authority from the alternate list and would completely eliminate the element of competition among the 50 candidates; whereas by the system to be followed if the bill is enacted without the amendment we would have competition for the 50 vacancies among the alternates, 95 percent of whom must be selected from congressional sources. Furthermore, the bill would increase competition for the vacancies. I think it is highly important to maintain the highest possible level.

Mr. JAVITS. As a member of the Board of Visitors, I consider the pending bill of great importance to West Point and to our Nation's security. The bill would give us some more officers. I repeat that I admire what the Senator from Louisiana has done. He has rendered a fine service to all of us. Even though I shall have to vote against his amendment, because I believe the selection system for this limited number contained in the bill is a sound one, it in no whit diminishes my determination to stand shoulder to shoulder with him whenever the opportunity presents itself—and I assure the Senator that I will ask embarrassing questions on this point—in seeing to it that the utilization of athletic personnel at West Point is kept within decent and proper and ethical bounds. I respect his diligence, and I am grateful to him for the service he has rendered in his well-documented speech today.

Mr. LONG of Louisiana. I hope the Senator from New York will remain long enough to hear what I am about to say, because I should like to respond to what he said.

The Senators from New York have talked about a study being made. Studies have been going on for years. I refer to page 21 of the hearings, as follows:

Senator SMITH. You mentioned the study that the Defense Department is making. How long have they been on this study, do you know?

General WESTMORELAND. To my knowledge, about 2 years.

Senator SMITH. It seems as though I have been hearing about this study, Mr. Chairman, and making this uniform, the academies uniform, in their procedure for a long time.

Do you have any indication that they expect to come out with a report?

General WESTMORELAND. I cannot forecast when it will be, Senator Smith, that great progress is being made.

And so it goes on; but there is no indication as to when the study will be completed.

West Point is now getting about 70 of the Board's selections. The Board was giving about 35 of the appointments to football players. Now the number has been stepped up so that 47 appointments will be given to football players. According to the former football coach, if the bill passes, 55 of the appointments will be given to football players. That means that of those whom the Board presently appoints, practically all will be football players.

The bill can be used to average out the first alternates against football players in an effort to reach an average that would make it appear that these appointments are as good, on the average, as the appointments made by Senators. But the bill does not give us any reason to encourage the appointment of candidates having merit.

My amendment would allow the Academy the existing academic board appointments with which to play politics. Those appointments would not be touched.

This incident happened in connection with one of the other Academies. I was told I had to submit my appointees by a date in April, and I did so. Much later, a young man came to me who wanted to be appointed as an alternate. I told him I had no vacant alternates, and that, in any event, it was far too late to get into the Academy. The young man said to me, "Do not worry. Have me appointed as an alternate by anyone, and I will get in. All I need is an appointment."

I spoke to a Member of the House, who obtained a list which shows vacant appointments. The young man was designated an alternate 2 months after the list was closed for Senators and Representatives. But the boy was appointed to the Academy, and he is there now. I do not care to mention his name. But that is the kind of politics which is played.

With respect to the 50 new appointments, why not, for once, encourage Senators and Representatives to make appointments based on merit? Assuming that 50 more appointments were to be made to the Academy, the amendment provides that those who are appointed would be appointed by the sponsors of the 50 top men in this year's graduating class. This arrangement would encourage Senators and Representatives to make appointments based on merit. That is how the President makes appointments. If we cannot do this, then let the President make our appointments, because his appointments, generally speaking, are better; even though I would challenge him to make better appointments from Louisiana than I make, because I make appointments based on examinations.

If we want to provide a real incentive, let us adopt my amendment and improve

the bill. Let us encourage Senators and Representatives to appoint men strictly on their merits. Beyond that point, let the board play all the politics it wants with the appointments being made at present.

I thank the committee for its consideration. I regret that I have delayed the Senate so long on this subject; but it seemed to me that someone should take the time and trouble to study the situation to see what might be done to correct it.

A statement was made that the bill was passed previously by the House. It was passed by the House previously. But this took quite some time.

In 1959, when an attempt was made to pass a similar bill, Representative Overton Brooks, of Louisiana, a ranking member of the committee in the House, placed in the RECORD a list of those who were board appointees. The board was so upset that the bill was not acted upon but was put back on the calendar. The House never sent it to the Senate.

That was a football bill. When the Representative from my State raised a question, those who had brought up the bill voted to put it back on the calendar.

Mr. RANDOLPH. Mr. President, will the Senator from Louisiana yield?

Mr. LONG of Louisiana. I yield.

Mr. RANDOLPH. The Senator from Louisiana is always convincing—even in defeat. Comment on gridiron greats and just average players has been spirited this afternoon. I should like the record to disclose that in 1928 at least one of the Academies, with all its so-called football talent, possessed less than was necessary to defeat the Davis and Elkins College football team. I recall that in the opening game at Annapolis, on an afternoon in October when the temperature was approximately 93° the Middies bowed in defeat. That 11 from my hometown in West Virginia won over the Navy by a score of 2 to 0. That in itself is significant because our enrollment was approximately 200 students; but what is of real significance is the fact that 11 stalwarts played for 60 minutes. There were no substitutions on that West Virginia team from the hills which turned back the favored forces of the Navy in that classic contest.

Perhaps in one year or another our service teams may be much improved—in fact they are top foes; but from the mountains, with just 11 players, not performing in platoon, but playing 60 minutes of tough football, we achieved the satisfying result on that epochal afternoon. The Senator now speaking was truly pleased because he was on the sidelines that day as director of athletics of this splendid institution of learning.

Mr. LONG of Louisiana. I thank the Senator from West Virginia.

Mr. President, I am ready to vote.

Mr. BARTLETT subsequently said: Mr. President, since 1945, every class which has graduated from the Military Academy has included additional appointees. In considering the merits of H.R. 7913, it was of interest to me to learn who these young men were, what they did as cadets and how many of them became officers. It is important to know this, since the criteria proposed for selection of cadets by H.R. 7913 is the same as the criteria for those of the past years. Over 95 percent of them have been congressional nominees. In addition to the record of excellence cited by the Senator from Nevada, I should like to comment on the scholarship and military records of additional appointees who have been admitted to the Military Academy in recent years. Of these cadets, 50 percent more of them graduated in the top one-fifth of their class than was the case for other cadets. In terms of successfully graduating from the Academy we again find the additional appointees with an exceptional record—the attrition rate of other cadets exceeds that of the additional appointees by 50 percent.

To me this record of superlative achievement is evidence of what has been said by others—the record of the Members of Congress in nominating young men and of the services in admitting and training them is one of which we can be proud. Let us not let any petty disaffections over the employment of a football coach, or any parochial interest in this or that football player be the cause of denying our young men an opportunity to attend one of these outstanding institutions and serving the Armed Forces upon which so much of our Nation's future depends. We need the best men available for the future of this Nation, and if a man who fills this description also plays football, then more power to him.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

The question is on agreeing to the amendment of the Senator from Louisiana [Mr. LONG].

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from North Dakota [Mr. BURDICK], the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Michigan [Mr. HART], the Senator from North Carolina [Mr. JORDAN], the Senator from Oklahoma [Mr. KERR], the Senator from Ohio [Mr. LAUSCHE], the Senator from Missouri [Mr. LONG], the Senator from Virginia [Mr. ROBERTSON], the Senator from Florida [Mr. SMATHERS], and the Senator from Alabama [Mr. SPARKMAN] are absent on official business.

I further announce that the Senator from New Mexico [Mr. ANDERSON] is necessarily absent.

On this vote, the Senator from North Dakota [Mr. BURDICK] is paired with the Senator from Michigan [Mr. HART]. If present and voting, the Senator from North Dakota would vote "nay," and the Senator from Michigan would vote "yea."

On this vote, the Senator from Florida [Mr. SMATHERS] is paired with the Senator from Oklahoma [Mr. KERR]. If present and voting, the Senator from Florida would vote "yea," and the Senator from Oklahoma would vote "nay."

On this vote, the Senator from Virginia [Mr. ROBERTSON] is paired with the Senator from North Carolina [Mr. JORDAN]. If present and voting, the Senator from Virginia would vote "yea," and the Senator from North Carolina would vote "nay."

Mr. DIRKSEN. I announce that the Senator from Utah [Mr. BENNETT], the Senator from Maryland [Mr. BUTLER], the Senator from Arizona [Mr. GOLDWATER], the Senators from Iowa [Mr. HICKENLOOPER and Mr. MILLER], the Senator from New Hampshire [Mr. MURPHY], and the Senator from Kansas [Mr. PEARSON] are necessarily absent.

The Senator from Kentucky [Mr. COOPER] is absent because of a death in the family.

The Senator from California [Mr. KUCHEL] and the Senator from North Dakota [Mr. YOUNG] are detained on official business.

If present and voting, the Senator from California [Mr. KUCHEL] and the Senator from New Hampshire [Mr. MURPHY] would each vote "nay."

The result was announced—yeas 32, nays 46, as follows:

[No. 148 Leg.]

YEAS—32

Allott	Gruening	McNamara
Boggs	Hartke	Metcalf
Carroll	Hickey	Morse
Church	Holland	Morton
Clark	Hruska	Moss
Curtis	Johnston	Mundt
Dodd	Kefauver	Neuberger
Douglas	Long, Hawaii	Prouty
Eastland	Long, La.	Proxmire
Ellender	McCarthy	Young, Ohio
Gore	McGee	

NAYS—46

Aiken	Fulbright	Russell
Bartlett	Hayden	Saltonstall
Beall	Hill	Scott
Bible	Humphrey	Smith, Mass.
Bottum	Jackson	Smith, Maine
Bush	Javits	Stennis
Byrd, W. Va.	Jordan, Idaho	Symington
Cannon	Keating	Talmadge
Capehart	Magnuson	Thurmond
Carlson	Mansfield	Tower
Case, N. J.	McClellan	Wiley
Cotton	Monroney	Williams, N.J.
Dirksen	Muskie	Williams, Del.
Engle	Pastore	Yarborough
Ervin	Pell	
Fong	Randolph	

NOT VOTING—22

Anderson	Hart	Murphy
Bennett	Hickenlooper	Pearson
Burdick	Jordan, N.C.	Robertson
Butler	Kerr	Smathers
Byrd, Va.	Kuchel	Sparkman
Chavez	Lausche	Young, N. Dak.
Cooper	Long, Mo.	
Goldwater	Miller	

So Mr. LONG's amendment was rejected.

Mr. DIRKSEN. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. CANNON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CANNON. Mr. President, I ask for the third reading.

The PRESIDING OFFICER. Is there further amendment?

If there be no further amendment, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 7913) was read the third time and passed.

The title was amended, so as to read: "An act to amend title 10, United States Code, authorizing the appointment of additional qualified alternate and competitive nominees to the United States Military Academy and the United States Air Force Academy".

Mr. CANNON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ANNOUNCEMENT OF HEARINGS BY PREPAREDNESS INVESTIGATING SUBCOMMITTEE, ON NUCLEAR TEST DEVELOPMENTS, ARMS CONTROL, AND DISARMAMENT MATTERS

During the speech of Mr. LONG of Louisiana,

Mr. STENNIS. Mr. President, as chairman of the Preparedness Investigating Subcommittee of the Senate Committee on Armed Services, I am releasing to the press the announcement that hearings are planned by the subcommittee on nuclear test developments, arms control, and disarmament matters.

In the past, research and development, confirmed through adequate testing, have been vital to the development of future weapon systems. Therefore, the hearings, which will commence as soon as possible, will focus on the basic importance of nuclear test activity as well as on developments in the current nuclear test-ban negotiations.

The Armed Services Committee has legislative responsibility for the common defense generally, and for the size and composition of the Armed Forces. Our committee is therefore concerned with the development of our weapons, their relationship to arms control and disarmament matters, including activities connected with any test-ban negotiations. Decisions on these matters cannot help but be reflected in the size and quality of our defense shield.

The hearings will explore all new technical data available and will feature testimony by top officials of the Arms Control and Disarmament Agency, the Department of Defense, the Joint Chiefs of Staff, and members of the scientific fraternity.

Mr. President, we have received inquiries from Members of Congress, as well as others, with reference to this general subject matter. It has been considered by the members of the subcommittee for many weeks. It has been unanimously agreed that hearings should be held as soon as we reasonably can do so.

We expect to hold as many of the hearings in open session as the security of our country will permit.

The experts disagree about fallout, and about the continuing effects of fallout. They disagree as to the necessity for much of the testing. They disagree as to what concessions, if any, are involved with reference to the test ban.

I am authorized by the Senator from Massachusetts [Mr. SALTONSTALL] expressly to say that he joins in the sentiment of this announcement of the hearings, as do all members of our subcommittee.

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

Mr. STENNIS. The Senator from Missouri is in the Chamber. I am delighted, if I may do so, to yield to him at this time.

Mr. SYMINGTON. Mr. President, I am very glad to have heard the statement made by the distinguished chairman of the Preparedness Subcommittee of the Senate Armed Services Committee.

The Soviets have just fired the world's second largest nuclear explosion. No one can say for sure that the United States is ahead in this nuclear race. We may be—we may not be. Some experts believe we are; some believe we may not have that advantage. We see the smoke of their cooking but that does not tell us of the quality of their food.

Mr. Khrushchev says he now has a defense against missiles. Perhaps he does; perhaps he does not. But we know now that he has been testing extensively in this field, and he may be ahead in this category, and some experts say he may be ahead in other important categories.

Much of the public opinion in this country has been formed as the result of the constant reiteration, in public as well as in private, of the grave dangers current tests cause because of contamination of the atmosphere.

Some authorities in this field, however, deny that the danger of contamination is nearly as serious as others assert. The first group may be right. They may be wrong. In any case, they should be heard, along with those who disagree, because what the American people have the right to know is all truth that will not help a possible enemy.

I thank the able Senator from Mississippi for yielding to me. I also thank my friend the able Senator from Louisiana.

Mr. STENNIS. Mr. President, I am most grateful for the counsel and advice of all members of the subcommittee, and of all members of the Committee on Armed Services as well as for the long weeks of consideration and deliberation which have taken place with reference to this question.

I emphasize that there is a need on the part of Members of Congress, particularly, to know more about what are the pros and cons with reference to this highly important—and increasingly important—matter. Therefore, we shall proceed as quickly as we reasonably can.

Mr. JAVITS. Mr. President, will the Senator yield to me?

Mr. STENNIS. I yield to the Senator from New York.

Mr. JAVITS. What my colleague is doing is most important. I hope that after the information is obtained it will be made available to all Members of the Senate, not only to members of the Committee on Armed Services.

I say this for the reason that the country and the world should know how seriously we take our responsibilities with respect to the ratification of treaties. No matter what is done at Geneva, the world should know that finally the question will have to be resolved in the Senate, with deep conscience, by 100 of us who are Senators of the United States.

The sooner we begin to get the education in depth, of which the Senator from Mississippi and our colleague from Missouri speak so properly, the better it will be for us, the better it will be for the world, and the better it will be for the security of our country.

Mr. STENNIS. I thank the Senator from New York for his kind remarks.

I emphasize that the Senator from Mississippi has already said the information will not be obtained merely for members of the Committee on Armed Services. Its publication will be for all Senators, and for the public so far as security will permit.

Mr. JAVITS. I thank the Senator from Mississippi, and I also thank the Senator from Louisiana.

Mr. SALTONSTALL subsequently said: Mr. President, I should like to support the Senator from Mississippi [Mr. STENNIS] in the statement that he made to the Senate this afternoon that the Preparedness Investigating Subcommittee of the Committee on Armed Services will go into a study of the subject of the development of our weapons and their relationship to arms control and disarmament matters, including activities connected with any test-ban negotiations. That is certainly a part of our responsibility, and I commend the Senator and Chairman of the Preparedness Subcommittee on his statement.

Mr. ENGLE. Mr. President, will the Senator yield to me?

Mr. LONG of Louisiana. I yield to the Senator from California for 1 minute.

EXECUTIVE SESSION

Mr. ENGLE. Mr. President, I ask unanimous consent that the Senate go into executive session for the purpose of considering two nominations to be district judges which are at the desk. This has been cleared with both sides of the aisle.

The PRESIDING OFFICER. Is there objection to the request of the Senator from California?

There being no objection, the Senate proceeded to the consideration of executive business.

DISTRICT JUDGES

The PRESIDING OFFICER. The clerk will state the first nomination.

The legislative clerk read the nomination of Charles H. Carr, of California, to be U.S. district judge for the southern district of California.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Stanley A. Weigel, of California, to be U.S. district judge for the northern district of California.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Without objection, the President will be immediately notified of the confirmation of the nominations.

LEGISLATIVE SESSION

Mr. ENGLE. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

The PRESIDING OFFICER. Is there objection to the request of the Senator from California?

There being no objection, the Senate resumed the consideration of legislative business.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 2135) to authorize the Securities and Exchange Commission to delegate certain functions.

The message also announced that the House had passed a bill (H.R. 3460) to amend section 9(a) of the Trading With the Enemy Act, as amended, in which it requested the concurrence of the Senate.

AUTHORIZATION FOR COMMITTEE ON FOREIGN RELATIONS TO FILE A REPORT ON H.R. 11040 AFTER ADJOURNMENT TODAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be permitted to file a report on H.R. 11040, the communications satellite bill, during the adjournment after today's session.

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

EIGHTY-THIRD BIRTHDAY ANNIVERSARY OF CHARLES L. WATKINS, PARLIAMENTARIAN

Mr. SALTONSTALL. The gentleman sitting in front of the Presiding Officer, the Parliamentarian, Mr. Charles L. Watkins, will celebrate his 83d birthday anniversary tomorrow. As one who has enjoyed his services over the years that I have been in the Senate, and been helped and advised in the discussions we have had, including a few disagreements, I wish him a happy birthday.

LEGISLATIVE PROGRAM

Mr. DIRKSEN. Mr. President, I wish to query the majority leader about the program for the remainder of the day and also the program for tomorrow.

Mr. MANSFIELD. Mr. President, in response to the question raised by the distinguished minority leader, it is anticipated that the Senate will take up bills on the calendar to which there is no objection; and that it will adjourn until 12 o'clock tomorrow, at which time, under the agreement reached on August 1, H.R. 11040, the communications satellite bill, will be laid down and made the pending business. I anticipate that consideration of that bill will take some time.

Mr. DIRKSEN. In that connection, I see the very distinguished Senator from Oregon [Mr. MORSE] in the Chamber. I thought perhaps, for the information and guidance of Senators, since he is the grand captain for whatever procedure may be taken on the bill, he could supply us with some information.

Mr. MORSE. Mr. President, I yield to my boss, director, and teacher, the distinguished Senator from Tennessee [Mr. KEFAUVER].

Mr. DIRKSEN. I yield to the very distinguished Senator from Tennessee, the master strategist on the bill.

Mr. KEFAUVER. I appreciate the adjective the Senator has applied to me. As I said the other day——

Mr. DIRKSEN. I did not apply it. I borrowed it from the distinguished Senator from Oregon 10 days ago.

Mr. KEFAUVER. I include the distinguished Senator from Oregon in my thanks, also.

Of course, we hope that bills involving human welfare, such as the drug bill, or the agriculture bill, might come up first, before the controversial communications satellite bill. There is not too much controversy left with respect to the drug bill. Most of the major issues have been pretty well agreed to. It is of great importance to the people of the Nation that the bill be passed immediately.

I understand that there is controversy on the farm bill, but certain referendums are coming up; so many persons feel that it is necessary to act on the bill one way or the other.

Mr. DIRKSEN. I inform the Senator that I still have the floor.

I wish to inform the Senator from Tennessee that, so far as the drug bill is concerned, the pharmaceutical lawyers who have been sitting with the Judiciary Committee all the time we have been meeting during this past week have been taking up the time, and the bill and the President's suggestions are still in the Judiciary Committee. I do not know whether they will get out this week.

I will say for members of my own party that they have been cooperative and have attended the meetings. I desire to make it plain to the Senator from Tennessee that the fault is not on our side that the bill is in the Judiciary Committee.

Mr. KEFAUVER. It is on the calendar. It is not in the Judiciary Committee.

Most of the President's recommendations have been acted upon. The Senate does not have to wait for the Committee on the Judiciary to act on the two or three which remain. There is no reason why the bill, which has been on the calendar for several weeks, could not be considered. We have received the recommendations of the Committee on the Judiciary with respect to most of the President's recommendations for amendment.

Mr. DIRKSEN. Mr. President, my very good friend from Tennessee stood on the floor the other day and talked about introducing an independent bill with respect to prescription drugs and other things, and said, in the Committee on the Judiciary, "Perhaps that proposal should go over until next year, or we shall have to hold independent hearings, because the prescription drug interests have not been heard on this bill."

The Senator will have to admit that to the Members of the Senate.

Mr. KEFAUVER. The Senator is talking about what drugs?

Mr. DIRKSEN. Prescription drugs.

Mr. KEFAUVER. Not prescription drugs.

Mr. DIRKSEN. They were taken out of the bill by our friend, when the hearings were started.

Mr. HUMPHREY. Proprietary drugs.

Mr. KEFAUVER. The Senator is talking about proprietary drugs.

Mr. DIRKSEN. Yes, proprietary drugs. I thank my pharmacist friend from Minnesota.

Mr. KEFAUVER. Those were the proprietary drugs. We said, in certain sections of the bill, that it was not the intention to include them. They are not included. That question has been satisfactorily adjusted.

As to the prescription drugs, the ethical drugs, the bill is on the calendar. Most of the President's good amendments and recommendations have been acted upon favorably by the Committee on the Judiciary. There is no reason to hold up action on the bill.

I think the Senator would agree that there has been such a unanimity of effort and ideas about the bill in recent days that there is not too much area of controversy left.

Mr. DIRKSEN. Mr. President, let me say to my friend from Tennessee that I know the score. The amendments which would be offered would be committee amendments, as distinguished from amendments to be offered by the distinguished Senator from Tennessee, if the Senate should consider the bill which is now on the calendar without the work being completed in the Committee on the Judiciary.

I want to pay my respects to the distinguished Senator from New York [Mr. KEATING], to the distinguished Senator from Nebraska [Mr. HRUSKA], and to other Senators for the faithful way in which they have attended the hearings every day in order to perfect the bill. I think it would be an affront to the Senate to have the bill considered now, before the work which is still pending at the request of the President of the United States is completed.

Mr. KEFAUVER. I am glad that Senators have been attending the meetings.

Mr. DIRKSEN. They have been.

Mr. KEFAUVER. They have been very diligent. I agree.

Mr. DIRKSEN. Our Members have been in their places.

Mr. KEFAUVER. The fact remains, nevertheless, that all but a few of the recommendations of the President have been acted upon, mostly favorably.

The Committee on the Judiciary will meet in the morning for any further consideration which is necessary. The bill did not go back to the Committee on the Judiciary. It is on the calendar, ready for action. I think there is substantial area of agreement about the bill.

So far as I am concerned, any amendments which are not proposed by the Committee on the Judiciary certainly would not require any extended discussion. Those would include one or two other amendments.

Mr. DIRKSEN. I say to my friend from Tennessee that no Senator on this side asked for further hearings on the bill. The requests came from the President of the United States. We were most willing to consider them. Now it has been suggested that the Senate consider the bill before the seven amendments which came from the White House—not from our side—are first appropriately considered.

We are more than willing to cooperate with the President and with the Food and Drug Administration in regard to this question.

Mr. KEFAUVER. Most of the amendments which have come from the White House would restore the Hart-Kefauver bill to the shape it was in when it came from the Antitrust and Monopoly Subcommittee, as will be seen from the individual views of the Senator from Colorado [Mr. CARROLL], the Senator from Missouri [Mr. LONG], the Senator from Connecticut [Mr. DODD], the Senator from Michigan [Mr. HART], and myself.

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

Mr. DIRKSEN. I have the floor, Mr. President.

Mr. MANSFIELD. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Illinois has the floor.

Mr. KEFAUVER. If the Senator from Illinois and other Senators had not watered down and emasculated certain provisions at the beginning, there would be no necessity for taking up the Presidential recommendations at this time.

Mr. DIRKSEN. Mr. President, I suppose it is felt that we ought to accept the harassing restrictions and provisions which were brought in in a bill which had no patrimony. We knew nothing about its parentage. I have not learned to this day who authored it. But it was about as restrictive as it could have been.

I am always ready to see the bill amended, but I am not willing to undertake the harassment and devastation of a great industry in the United States without some reasonable justification for it.

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

Mr. DIRKSEN. I yield to my distinguished friend from Colorado with the understanding that I shall not lose my right to the floor.

Mr. CARROLL. I should like to ask a question of the Senator from Tennessee.

Not long ago there was an open debate in the Senate. I leveled some very serious charges concerning what was going on in the Senate Committee on the Judiciary. At that particular time I took issue with my own chairman.

Mr. DIRKSEN. Does the Senator refer to the chairman of the committee, or the chairman of the subcommittee?

Mr. CARROLL. I refer to the chairman of the Senate Committee on the Judiciary.

I asked a question before this body then. I wanted to know what the program of the President was, and who was asserting the President's program. The able Senator from Tennessee at that time was fighting, in the Senate Committee on the Judiciary, for a proper drug bill.

What has happened today? As a result of the publicity from the actions on thalidomide by Dr. Kelsey, there has been a great change in sentiment in this body. There has been a change in the attitude of the administration. Now the administration has proposed seven amendments, which sustain the position of the able Senator from Tennessee.

This is why I support the Senator. These are simple amendments. We have now agreed to most of them. May I ask the Senator from Tennessee how many we have agreed to?

Mr. KEFAUVER. Four of them, I think.

Mr. CARROLL. There are about three amendments remaining, which affect the health and safety of the family life of America. We are now being asked to bypass this drug bill to take up another measure, and I ask Senators to believe me when I say that it is a measure which is so technical that few understand it.

We can quickly pass the drug bill. The amendments can come from the committee tomorrow. We can pass the bill in the Senate, in my opinion, in a debate lasting——

Mr. KEFAUVER. I should say 2 hours.

Mr. CARROLL. I was about to say 3 hours. Let us get on with our business.

Mr. DIRKSEN. Mr. President, I do not yield any further.

Mr. CARROLL. I have not finished. The Senator yielded to me.

Mr. DIRKSEN. I have the floor, Mr. President, I do not yield further.

Mr. CARROLL. I am entitled to complete my statement.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry. Who has the floor?

The PRESIDING OFFICER. The Senator from Illinois has the floor.

Mr. CARROLL. The Senator has yielded to me. If the Senator is going to shut off debate——

Mr. DIRKSEN. Yes; I am going to shut off the distinguished Senator from Colorado, and I ask him to take his seat. The Senator from Illinois has the floor, and he knows the rules of the Senate.

Mr. MANSFIELD. Mr. President, will the Senator yield to me?

Mr. DIRKSEN. I yield with pleasure to my distinguished friend.

Mr. MANSFIELD. It seems to me that about a half hour ago I yielded to the Senator from Illinois.

Mr. DIRKSEN. I took the floor.

Mr. MANSFIELD. Since that time I have been unable to get the floor back.

Mr. DIRKSEN. Mr. President, I am distressed.

Mr. MANSFIELD. I should like to transact some business.

Mr. DIRKSEN. I shall wind up, and see to it that the majority leader gets the floor back.

In all fairness, we sat in the hearings for an hour and a half, with all the pharmaceutical lawyers in the Food and Drug Administration, and in the Department of Health, Education, and Welfare. All the Republicans were in their places. I could not see quite as many who were with the New Frontier. But we went on and did the business, with nine Senators in the Committee on the Judiciary. A quorum was present.

How much did we accomplish? We argued about the touch of a word, the emphasis of a phrase, the striking out of a line, the replacing of a semicolon, and whether a comma was in the right place or whether a period ought to take its place. This went on until 12 o'clock, until the rule had to be invoked.

What was accomplished? I suppose we did refine some things.

When Senators talk about the simplicity of the bill and how easy it would be to pass it, I say that there were lawyers sitting around the table who have worked with it, and they had the greatest of difficulty, notwithstanding the presence of George Larrick, the Commissioner of the Food and Drug Administration; Mr. Ellenbogen, a talented draftsmen from the Department of Health, Education, and Welfare; Mr. Sonosky, another talented draftsman; the committee staff members and everyone else who was present.

This problem is so simple that Mrs. Franklin Roosevelt wrote a column, demeaning the Senator from Illinois and making it appear as if doing this job was like picking a plum off a tree. We ought to invite her to come to the Committee on the Judiciary and find out what is involved. A great industry, dedicated to the health of the people of the country, is involved. Bureaucrats too often are willing only to harass, restrict, penalize and use the regulatory power.

They can say what they like about the minority leader, but he will state his case, God willing, whether or no, notwithstanding all the rather captious and carping criticisms that have been made. No one knows that better than does the distinguished Senator from Tennessee. I pay tribute to him for the patience with which he has labored on the subject. I thought he was wrong. Many others thought he was wrong. So we have refining amendments. There has not been an amendment that has come from the White House which has not been refined and changed in the course of the deliberations of the committee—and all for the good, too.

Mr. President, I have finished. The distinguished majority leader wishes to get to the calendar, and I shall forsake the floor.

COMMITTEE REPORT

Mr. MANSFIELD. Mr. President, may I make a request?

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. MANSFIELD. Has unanimous consent been granted permitting the Committee on Foreign Relations to file a report during the adjournment after today's session on H.R. 11040, the communications satellite bill?

The PRESIDING OFFICER. Permission has been granted.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the minority views may be filed on the same basis.

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

LEGISLATIVE PROGRAM

Mr. CARROLL. Mr. President, will the majority leader yield to me?

Mr. MANSFIELD. I yield.

Mr. CARROLL. Mr. President, I wish to sustain the position of the Senator from Tennessee [Mr. KEFAUVER]. For 2 years he has worked on the drug issue. I can tell what has gone on in that committee. I participated not long ago in a debate on the floor of the Senate. At that time I warned that those who asserted they were representing the President of the United States were not, in my opinion, representing the President's viewpoint. I do not wish to put words into the mouth of the Senator from Tennessee, but he said substantially the same thing.

What happened? I have seen what I call junior executives of the executive departments working on the bill. The bill was partially drawn, in my opinion, by those in the pharmaceutical industry. Within the past few weeks suddenly Dr. Kelsey, a courageous woman, has brought to focus the real problem in licensing of drugs. That situation has given impetus to new theory and new thinking.

Mr. McGEE. Mr. President, may we have order?

The PRESIDING OFFICER. The Senator from Colorado will suspend until the Senate is in order.

Mr. CARROLL. Something new has occurred.

Mr. MORSE. Mr. President, the Senate still is not in order.

The PRESIDING OFFICER. The Senator's point of order is well taken. The Senate will be in order.

Mr. CARROLL. If any Senator wishes to be heard, I shall be glad to yield. Otherwise, if I may have the attention of Senators, I have only a few words to say.

Within the past few days something new has developed. The other day President Kennedy decorated Dr. Kelsey. For what? For a courageous act in resisting the pressure of some in the pharmaceutical industry in connection with authorization of a drug that would affect the health and welfare of the family life of our Nation. That action has also brought a great change in the thinking of the people of our Nation. It ought to bring a great change. Within the Senate Committee on the Judiciary it has brought a change. I can say without equivocation that the opposition party on the other side of the aisle has fought the amendments of the able Senator from Tennessee every step of the way. Now what has happened? For the first time we have a clear conception of what the President wants.

The other day I said I was sometimes confused.

I said I did not know who spoke for the President. But at last we now have amendments. The able Senator from Tennessee has said we have passed four amendments. We still have three amendments on a bill which is vital to the family life of America.

But now we are faced with entering a debate on the communications satellite bill. I have not yet participated in that debate. I have not stated my position on that bill. But I think it is a sad commentary to note that we are going into a filibuster when we ought to be considering a subject that is of far greater benefit to our people—our children and our families—than what some have described as premature and vague proposed legislation. It is a sad commentary on the Senate.

Mr. President, I have been engaged in an investigation of the drug issue. I have nothing against the pharmaceutical industry. None of the drug manufacturing industry is located in Colorado. The people of Colorado, however, have felt the effects of high-priced drugs and are threatened, as are families in other States by unsafe drugs.

In the national interest—in the interest of the people—we should pass a drug bill. I believe we could do so within a few hours.

I am not opposed to debate on the communications satellite bill. I think the debate would be good for the country. I have not yet participated. I have not taken a stand against the position of the majority leader. I have not taken a stand against the administration on that bill. I shall read and examine the RECORD in the days ahead. In regard to the farm program, of course, that is important, but it is not of such pressing importance as is the drug bill. I want to study the farm bill to be sure that the cattlemen, the ranchers, the stockgrowers of Colorado are adequately safeguarded against unreasonable invasions of their rights.

I commend the able Senator from Tennessee for his efforts. If we could set aside the satellite bill for a few hours, notwithstanding what the minority leader has said, I think we could accomplish something.

Mr. President, I know who has been blocking the bill for many months. I know who has been playing the game of the pharmaceutical industry for months. Eventually——

Mr. DIRKSEN. Why does not the Senator say so?

Mr. CARROLL. Recently an event has taken place that was so overpowering and overwhelming in the public eye that they have begun to run for cover. That is the situation that we see today.

Mr. DIRKSEN. Mr. President, the Senator has not violated the rules yet.

Mr. CARROLL. I have not yielded the floor.

Mr. MORSE. Mr. President, I rise to a point of order. The Senator from Colorado has the floor, I believe.

The PRESIDING OFFICER. The Senator from Montana has the floor and he has yielded to the Senator from Colorado.

Mr. CARROLL. Those of whom I have spoken are intelligent Senators. I have seen them cradle this corporation, that corporation, and this industry and that industry in my 5 years as a member of the Committee on Antitrust and Monopoly Legislation. They do not fool the junior Senator from Colorado one iota.

The same procedure has been followed in respect to the drug bill. The record is clear to anyone who wishes to investigate. The record is crystal clear.

On the other hand, I wish to extend my thanks and my congratulations. They are changing their opinion. They are accepting the amendments recently proposed by the President. They are working them over. As the able Senator from Tennessee has said, we can settle the question in 3 hours, and all the crocodile tears and protestations will be meaningless unless we pass the bill quickly. It is very important. That is the testimony of Commissioner Larrick. It is the testimony of the experts and the scientists. Let us get the bill underway now. We must get it over to the House of Representatives. We must pass the bill at this session and not hold it up waiting for particular concepts of some Senators on the question of a communications satellite. Let us get the important drug bill underway soon in the Senate.

If I am permitted to do so by the majority leader, I should like to yield to the able Senator from Tennessee.

Mr. MANSFIELD. I yield for that purpose.

Mr. KEFAUVER. The minority leader said he did not know where the bill had come from. The bill arose from the need shown by hearings over a long period of time, by many physicians, some of them in the administration. After the needs were shown, the bill was drawn up. It was worked over and revised in the Antitrust and Monopoly Subcommittee. It went to the full committee, and then it was referred to the Patent Subcommittee. Some sections of the bill were eliminated. It came back to the full committee. Some of the provisions were taken out and others were changed, and I thought some were substantially watered down.

Mr. CARROLL. Over what period of time?

Mr. KEFAUVER. Over a period of 3 years now. That is the length of time

that we have worked on it. On April 10 the President, in a letter to the Senator from Mississippi [Mr. EASTLAND] has substantially approved the bill as it came from the Antitrust and Monopoly Subcommittee. After the thalidomide episode, knowing that drugs would go on the market automatically unless turned down within a certain length of time, and knowing also that other drugs had gone on the market which are dangerous and have caused side effects——

Mr. CARROLL. How recently was that?

Mr. KEFAUVER. That was in the past 3 weeks. I commend the President for sending his amendments to Congress. He sent up seven amendments, which restored some of the provisions that had been taken out of the bill, and they would add other provisions.

The language was not always identical. In some cases it was identical with what the bill originally had contained. Both sides in the committee have striven sincerely to discuss and consider the President's recommendations. In the bill certain very important provisions had been restored. The automatic taking effect of a new drug application and putting it on the market has been eliminated. That has been adjusted, not exactly as I would have done it, but I believe satisfactorily. At the present time, under present law, we have no control over effectiveness. It is possible to market a drug which has no beneficial effect at all. We have added effectiveness. That is an improvement. Also added to the bill has been the power to make regulations, so that the Food and Drug Administrator can keep track and get records from doctors when medicines are put out for experimental purposes, so that they will not be marketed on a hit-and-miss basis without anyone knowing how much is being put out and to whom they are being given.

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

Mr. KEFAUVER. I would just like to add one or two other things. A few other things have been added to the bill. We have adjusted other differences. One of the evils in the drug industry has been that some companies in their advertisements and in their promotion have said that there were no side effects, when there might be very serious side effects. This morning we drafted an amendment to provide for regulations setting forth the side effects, or condensations of them. We also have drafted an amendment with respect to certifying antibiotics. At the present time only a few antibiotics are certified.

Some of the other amendments of the President have to do with factory inspection. The President has recommended a little stronger factory inspection provision, which I believe ought to be adopted without discussion.

There is also the matter of quality control procedure, dealing with the proper kind of quality control. The bill is on the calendar, and I believe there is much uniformity of opinion about these provisions, after they have been worked over for many days by the Judiciary Committee. Public opinion has been focused on the problems we face at the present time. I do not believe there would be any controversy which would require a substantial time to resolve. We have worked upon the President's amendments.

I agree with the Senator from Colorado that unless the bill is passed drugs will be going on the market automatically, which might cause a catastrophe. The law is deficient. Of all the laws that ought to be strong and fair and effective, this law is the most important, because it vitally affects the health of our people.

I am sure we can enter into agreements for a short length of time to discuss the amendments. I anticipate that the bill would not take more than 2 or, at most, 3 hours to dispose of. As the Senator from Colorado has said, it must go to the House, and undoubtedly the bill would have to go to conference. The House is holding hearings on the subject at the present time. The House wants our bill before it acts.

I think it would be almost a catastrophe to have the bill tied up behind a highly technical and controversial issue, on which many Senators have not had an opportunity to speak. I know that at least five or six Senators who are opposed to the satellite bill do not like it in its present form, or believe it greatly needs amendment, want to discuss it at considerable length. I believe it ought to be discussed at considerable length. There is a great deal of misunderstanding and wrong information about it. The public is only now finding out about it. To place the drug bill behind the satellite bill would be to put human values second. I believe they ought to come first. I therefore implore the leadership on both sides to try to see to it that in one way or another the drug bill will come before us.

Mr. CARROLL. Mr. President, will the Senator yield for a question?

Mr. MANSFIELD. I yield.

Mr. CARROLL. I wish the Senator from Tennessee would inform the Senate whether it is true that the amendments which have been approved have come up within the past few days.

Mr. KEFAUVER. Yes; within the past week.

Mr. CARROLL. Within the past week. I commend the minority leader and I commend the Republican side for considering the new amendments. Whatever mistakes were made in the past on both sides, the fact is that five amendments have been approved.

Mr. KEFAUVER. Yes; five of them have been substantially agreed upon.

Mr. CARROLL. What I have been trying to say to the majority leader and to the minority leader is that I have not taken a position on the communications satellite bill. I have not the slightest desire to delay consideration of the bill. However I say, after some of us have worked on the drug problem in committee, that this problem is vital to the public. I hope the minority leader will correct me if I am wrong. I have found to my amazement that pharmaceutical manufacturers are issuing experimental medicines and pills to doctors, with no check upon them by the Food and Drug Administration; and these medicines are being put out to doctors by salesmen. Human beings are being used as guinea pigs, and there is no check by the Federal Government. It does not even know what the doctors are putting out, or where the drugs are going. Except for the individual integrity of the doctor or the hospital, my family and the family of every Senator could be used as guinea pigs to test the safety of a drug.

Mr. KEFAUVER. Without their even knowing that they are being used.

Mr. CARROLL. The patient is never told that he is being used as a guinea pig.

I have strong feelings on this question, as does the able Senator from New York [Mr. JAVITS] who raised this issue last Sunday. I had been away from Washington for 2 weeks. When I returned to the committee Monday I raised the same question with Commissioner Larrick. His answers are recorded, and they are to the effect that the pharmaceutical manufacturers are distributing experimental drugs that we—our children and our families—do not know about, and that we are being used as guinea pigs. I do not like that, despite the amendment which came from the President. I also have drafted an amendment to cure this defect in our drug testing system and I shall offer it to the drug bill.

I say to the majority leader in all sincerity that while the communications satellite bill is the pending business before the Senate—I think the parliamentary situation is that the communications satellite bill is now the pending business—is it not?

Mr. MANSFIELD. It will be tomorrow at noon.

Mr. CARROLL. I believe the question that has been raised can be settled in a very few hours. It would not in any sense delay Senators who desire to speak on this important issue. I believe the question can be settled. The amendments which the able Senator from Tennessee is seeking to have considered are not difficult. I do not think there is a Member of the Senate on either side of the aisle who would dare to vote against the bill if it were brought before the Senate, because the bill has been carefully thought out. It is in the public interest, in the national interest, and in the family interest.

I commend the able Senator from Tennessee for the wonderful work he has done through the years, under great stress and in the face of considerable and persistent opposition. He has shown great courage and tenacity, despite what has happened in recent years, in sustaining his position on the bill.

AMENDMENT OF THE TARIFF ACT OF 1930

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1550, H.R. 3508.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 3508) to amend the Tariff Act of 1930, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed at the appropriate place, after each bill is considered, a statement with respect to the bill.

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

Mr. MORSE. Mr. President, I was in conversation and did not hear what bill was taken up.

The PRESIDING OFFICER. H.R. 3508.

Mr. MANSFIELD. The purpose of the bill is to permit the Secretary of the Treasury to designate any freight forwarder, authorized to act as such by any agency of Government, as a carrier of bonded merchandise for the final release of which from customs custody a permit has not been issued.

Mr. MORSE. I have no objection.

The PRESIDING OFFICER. Without objection, the request of the Senator from Montana is granted.

The general statement is as follows:

GENERAL STATEMENT

Section 551 of the Tariff Act of 1930, as amended (19 U.S.C. 1551), deals with carriage in bond of merchandise not finally released from customs custody. As originally enacted, section 551 authorized the Secretary of the Treasury to designate as carriers of bonded merchandise only common carriers who owned or operated railroad, steamship, or other transportation lines or routes. Public Law 285, 79th Congress (59 Stat. 667), broadened this authority to permit the Secretary to designate freight forwarders under the jurisdiction of the Interstate Commerce Commission to handle bonded merchandise in transit. No other freight forwarders were authorized to be so designated.

When Congress considered the above amendment to section 551 in 1945, other freight forwarders (for example, those handling airfreight) were much less important in that field than at present. There seems to have been no special reason why the privilege at that time was limited to freight forwarders under the jurisdiction of the Interstate Commerce Commission. In any event, under present complex international trade arrangements it would greatly facilitate the movement of goods if the Secretary of the Treasury was authorized to extend the privilege of handling bonded merchandise to any freight forwarder licensed to act as such by any agency of the Government, subject, of course, to such regulations and terms as the Secretary of the Treasury may find necessary.

Government departments favor this legislation and no opposition has been found. The committee recommends the passage of the bill.

The bill was ordered to a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I am calling up only those bills on the calendar to which there is no objection.

INTERSTATE COMMERCE ACT THROUGH ROUTES AND JOINT RATES

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1756, H.R. 11643.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 11643) to amend sections 216(c) and 305 (b) of the Interstate Commerce Act, relating to the establishment of through routes and joint rates.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

LEGISLATIVE PROGRAM—FARM LEGISLATION

Mr. MORSE. Mr. President, while H.R. 11643 is before the Senate, I should like to comment on another subject.

I have listened with great interest to the discussion of the past 30 minutes or so on the floor of the Senate concerning whether the drug bill should be taken up prior to its being reported by the Committee on the Judiciary. I think there will be adequate time to take it up in the very next few days, if the Committee on the Judiciary completes its work; and I think all doubts should be resolved in favor of giving the Committee on the Judiciary reasonable time to report the bill to the Senate.

But after listening to the statement of the Senator from Tennessee that only two amendments are left, I see no reason why that bill should not be before the Senate, ready for action, by Monday or Tuesday of next week at the latest.

However, there is another subject which I think is also of a great emergency nature, more of an emergency than the satellite bill, and that is the farm bill. I wish to make this statement about the farm bill tonight, because from reading the press I judge that an interesting attempt is being made politically to place the blame for any delaying action on the farm bill upon those of us who are opposed to the satellite bill.

I wish to make it very clear that I think the motion that should be made tomorrow, after the satellite bill has been made the pending business—and by a unanimous-consent agreement it will become the pending business—is a motion to lay aside the satellite bill until the Senate disposes of the proposed farm legislation, for the American farmers are entitled to immediate action on that bill.

We have already been told that certain planting dates make it very unwise to have a long delay in the consideration of the farm bill, particularly with respect to wheat.

But let the RECORD show tonight—and I speak in behalf of Senators who are opposed to the satellite bill—that the responsibility for not taking action on the farm bill is not ours, but is the responsibility of those in charge of the schedule of the Senate. The RECORD will speak for itself as to what the spokesmen on the other side of the aisle said in the Senate the other night with respect to their opposition to the farm bill, when they were bargaining in public, for all America to hear and see, and were making very clear to the leadership of the Senate that if the farm bill were brought up, they proposed to engage in a lengthy debate on it. Let Senators read the RECORD and determine for themselves what the intention is. I have no hesitancy in saying what my interpretation of the RECORD is; namely, that Republican spokesmen on the floor of the Senate threatened to filibuster the farm bill if it was brought up. Let the farmers of America understand that.

In my judgment, the farm bill should be brought up immediately. In my judgment, tomorrow, after the satellite bill has become the pending business of the Senate, the farmers of the country are entitled to a motion to lay aside consideration of the satellite bill and to have the farm bill brought up for action by the Senate. After that bill has been disposed of, the Senate can return to any other business it wishes to take up.

But the senior Senator from Oregon has no intention of letting any group in the Senate, on either side of the aisle, seek to place on the group of us who are opposing the satellite bill the responsibility for not calling up the farm bill for consideration starting tomorrow, August 10.

I say to the farmers of America: Take a look at who is responsible in the Senate of the United States for not taking immediate action on the farm bill. As soon as a reasonable time has been given the Committee on the Judiciary for action on the drug bill, I would then agree that the farm bill ought to be temporarily laid aside for the immediate consideration of the drug bill, because that bill is essential to the immediate protection of the health of the people of the country.

Much was said in debate this afternoon about what has happened as a result of certain policies of the pharmaceutical industry. I read with alarm reports concerning the serious effects of a certain birth-control pill which apparently has been released by the pharmaceutical industry and, in some instances, is having a dangerous, detrimental effect upon the health of those who have taken the pill. If the stories are accurate—and I am waiting to see what the reports show—it appears that the pharmaceutical industry has not adequately protected the American people by means of adequate tests of that pill and study of the effects it might have.

After we take care of the drug bill, I think the Senate should resume consideration of the farm bill; and then let us see where Members of the Senate stand in regard to the final position they will take at this session in connection with the interests of the farmers. In my judgment the farmers are entitled to have whatever farm legislation is finally passed at this session, passed by the Senate without further delay.

Mr. DIRKSEN. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. DIRKSEN. First, let me say to the Senator from Oregon that the chairman of the House Interstate and Foreign Commerce Committee has announced that hearings on the drug bill will not begin in that committee until August 20. Second, let me make clear that the only Members of the Senate who now are raising the bogymen of the drug bill and the farm bill are those who are opposing the satellite bill.

Mr. KEFAUVER. Mr. President, if the Senator will yield, that is not quite

correct. The Senator from Colorado [Mr. CARROLL]——

Mr. DIRKSEN. It was so reported today in the newspapers, and I have eyes with which to read. If the reports are mistaken, of course I am mistaken on that point. But until that matter is determined otherwise, I still stand on the statement made by OREN HARRIS that his committee will begin hearings on the drug bill on August 20.

Mr. President, the only Members of the Senate who are trying to defer action on the satellite bill and are trying to confuse us and to talk about the drug bill and the farm bill are Senators who are filibustering the satellite bill. Where are the rest of them? Who stand in their places and make this plea before the Senate? Only Senators who have been definitely identified with the Fabian action of filibustering. That fact should be known by all the world; and it will not be easy for them to put the monkey on the back of any other Senator.

Finally, Mr. President, the satellite bill will be the pending business of the Senate tomorrow; and insofar as it lies within the power of the minority leader to keep it the pending business, it will remain the pending business.

If that is the way those Senators want it—and they want it that way, because they laid it down in that fashion—we will take it. The Senator from Oregon said, "We will use everything in the rule book." I responded; I said "Good. We know something about the rules, too."

So, Mr. President, if that is the way they want it, they shall have it, and the country will know where the responsibility and the culpability will lie.

So when the satellite bill comes before us tomorrow, insofar as it lies within my jurisdiction and my feeble authority, I shall do everything I can to see to it that the satellite bill remains before the Senate until the issue is resolved one way or the other.

Mr. KEFAUVER. Mr. President, will the Senator yield for a correction?

Mr. DIRKSEN. I yield with pleasure to the Senator from Tennessee.

Mr. KEFAUVER. I thank the Senator from Illinois. He was incorrect when he said that only those who are opposing the satellite bill want the drug bill to be brought up and passed. I think every Member of the Senate wants—or should want—early action on the drug bill.

Also, the Senator from Michigan [Mr. HART], the Senator from Colorado [Mr. CARROLL], the Senator from Connecticut [Mr. DODD], and the Senator from Missouri [Mr. LONG] have joined in the report of the Judiciary Committee urging immediate consideration and passage of the drug bill; and they have also urged such action on the floor of the Senate.

I do not know the attitude of those Senators toward the satellite bill. I think some of them have not decided. Some have told me that they favor the satellite bill.

At any rate, the statement to which I have referred was not quite factual.

Also, Representative HARRIS has held substantial hearings on the drug bill in the House Interstate and Foreign Commerce Committee; and I understand that the announcement he made was that he would finish the hearings immediately, even if there had to be night sessions.

Mr. DIRKSEN. Mr. President, what is wrong with my statement that Representative HARRIS said he would begin the hearings on August 20? Was that statement right, or was it wrong?

Mr. KEFAUVER. I thought he said he would start them immediately. At any rate, very full hearings have been held on both the antitrust and monopoly and the judicial aspects of the bill, as well as the food aspects, by the House Judiciary Committee; and those hearings have been printed, and are very complete. So there are complete hearings by one committee, and partially finished hearings by another committee.

Mr. DIRKSEN. Mr. President, the Senator from Tennessee knows there are four drug bills pending in the House: The Sullivan bill, the two Harris bills, and the Celler bill—three in the Committee on Interstate and Foreign Commerce and one in the Judiciary Committee. So the Senator should not attempt to confuse us by bringing the Celler bill into this picture. All day in the Senate Judiciary Committee we have talked about the Harris bill and its various facets.

Mr. KEFAUVER. But the Celler bill——

Mr. DIRKSEN. Mr. President, let us not go into it. The majority leader wants to proceed with the legislative calendar.

Mr. KEFAUVER. I merely wish to correct the RECORD.

Mr. DIRKSEN. But it does not need correction. I know the score.

Mr. KEFAUVER. I know the Senator from Illinois usually does, but perhaps he is mistaken once in a while.

Mr. DIRKSEN. I yield.

Mr. KEFAUVER. The Celler bill is a companion bill, and it was introduced on the same day Senate bill 1552 was introduced. It has been amended until it is almost like the bill as it came from the Antitrust and Monopoly Subcommittee, which is the bill which was approved by the President; and it is substantially the bill the President has wanted, by virtue of the inclusion of the amendments the President has sent here.

The House bill is also very much the same, I concede.

Mr. DIRKSEN. But the House Judiciary Committee has done nothing about the Celler bill, and the Senator is depending on Representative HARRIS, of Arkansas, to hold hearings.

Mr. KEFAUVER. The House Judiciary Committee has held about 3 weeks of hearings.

Mr. DIRKSEN. But it has done nothing about the bill.

Mr. KEFAUVER. It has marked up the bill.

Mr. DIRKSEN. No, it is standing in its tracks.

Mr. KEFAUVER. The Senator is mistaken.

Mr. DIRKSEN. No, I am not.

Mr. KEFAUVER. Only yesterday I talked to Representative CELLER, and they are ready to go.

Mr. DIRKSEN. All this week our own Judiciary Committee has been meeting and discussing the Kefauver bill, the Harris bill, and the amendments which have come from the White House. The Celler bill has not been mentioned.

Mr. KEFAUVER. But when Senators talk about the Kefauver-Hart bill, they are talking about the Celler bill, because they are the same.

Mr. DIRKSEN. Mr. President, three Senators have in the past few minutes stood in their places and made pleas about the farm bill and the drug bill. The distinguished Senator from Oregon [Mr. MORSE] is one of them. If he is not one of the filibustieros on the satellite bill, I have been an unobserving person. And if the distinguished strategic leader from Tennessee is not another of the filibustieros, then I am mistaken. And if the distinguished Senator from Colorado [Mr. CARROLL] is not also on that side of the fence——

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

Mr. DIRKSEN. I yield.

Mr. CARROLL. I give the Senator my word that I am not in favor of public ownership of the communications satellite——

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

Mr. CARROLL. I wish to say that now, so that Senators may understand that when I make my remarks on the floor of the Senate, I am speaking from deep conviction that action must be taken on the drug bill.

Mr. DIRKSEN. What about the satellite bill?

Mr. CARROLL. I think it is good.

Mr. DIRKSEN. I congratulate the Senator from Colorado; and I congratulate the distinguished Senator from Minnesota; and I congratulate my friend, the majority leader; and I have nothing more to add.

But certainly it is true that those three Senators have made their appeals.

Mr. CARROLL. Mr. President, I wish to get this matter straightened out. I am not here to further any filibuster. I ask the minority leader and the majority leader to understand that. I am talking about a measure which I think is vital to the people of the Nation. That is why I think that in 3 hours the Senate could achieve passage of a drug bill. I commend the minority leader and Senators on his side of the aisle. Amendments have been considered in committee this week and their previous position has been changed. They have seen the light. They are intelligent men. We are going to come forth with a pretty good bill, I believe. I merely say let us do first things first.

Several weeks ago I said—and I say it to the Senator from Oregon and to the Senator from Tennessee—that I do not like the concept of complete public ownership in connection with the satellite bill; and I say that now on the floor of the Senate.

I have not spoken on this issue. I will speak on it later. I may have an amendment that I hope can bridge the differences between the two divergent positions. I am also working on a substitute bill that may be a compromise which all Senators can accept without yielding too much on principle.

I am thinking of a bill providing for the creation of a Space Communications Commission. This Commission would be patterned after the Atomic Energy Commission in organization and operation.

The Commission would be given the responsibility for planning, constructing, owning, managing, and maintaining the satellite communications system. It would be the expressed policy of the bill, however, that the operation of the facilities—satellites, ground stations, and associated equipment—would be by authorized communications carriers. Furthermore, the Commission could contract with private companies for the construction of any and all facilities as desired in the public interest. This means, in effect, that the Government would control the satellite system but would not be in the position of providing communications services directly to customers. Communications services to customers would be provided in the traditional way through private enterprise under the supervision and regulation of the FCC.

Under my proposed bill, the President of the United States would be given the responsibility of supervising the planning and development of a national program and for coordinating work of the Space Commission with other agencies of the Government.

Launch facilities for communication satellites would be provided for by NASA and the bill will provide for full cooperation between NASA, the Space Commission, and the authorized carriers who would furnish consumer service.

The President, through the Secretary of State, would be given the responsibility for the conduct of such negotiations with foreign governments or international bodies as may be necessary for full development of a worldwide satellite system.

The Commission itself would be composed of five members appointed by the President. Their terms would be for 5 years and their compensation would be $22,000 per annum. No individual who is affiliated with a communications common carrier could serve as a member of the Commission.

This bill would provide for the use of appropriated funds for the establishment of the system. However, this could be changed to provide for bond financing without affecting the rest of the bill.

I intend to do much more research on this matter but I should like to have your assistance on refining my proposal as we think through this complex problem.

I sincerely ask the majority leader and the majority whip to believe me when I tell them—one of the last speeches I made in Colorado was to 500 people, with many women in the audience—that the people at home do not have a deep interest in the communications satellite issue. They do not really understand the issue, yet. However, it is beginning to sink in. That is why I say the filibuster, if Senators want to call it that, has some good effect.

The people are beginning to feel that something is wrong with the bill, and they are beginning to get the concept that it is a giveaway.

But I believe there is another issue which is predominant in their minds, and that issue is this: When a pharmaceutical group can give a doctor experimental drugs that are not approved, and that doctor can use one's family and children as guinea pigs, without notifying the people, we have a serious issue. I think Senators had better pay some attention to drug legislation, instead of talking about something that some people feel is premature, for lack of scientific knowledge.

I repeat, I do not like the concept of public ownership. I think we can consider a new and different approach, in which several branches of government can participate.

I urge the Members of this body to think about the proposal I made a few moments ago. I remember many years ago when there was the discovery of what we call nuclear power——

Mr. DIRKSEN. Oh, Mr. President, I hope we do not get into nuclear power.

Mr. CARROLL. I ask the minority leader to restrain himself, if possible, for a while.

Mr. DIRKSEN. I want to yield to the majority leader.

Mr. CARROLL. I have the floor.

Mr. DIRKSEN. No. I have the floor.

Mr. CARROLL. Who has the floor, Mr. President?

Mr. DIRKSEN. I have the floor.

Mr. CARROLL. Who has the floor, Mr. President?

Mr. DIRKSEN. Mr. President, I do not yield the floor any longer.

The PRESIDING OFFICER. The Senator from Colorado has the floor.

Mr. DIRKSEN. The Senator from Colorado?

The PRESIDING OFFICER. Yes.

Mr. DIRKSEN. The Senator from Illinois had the floor.

Mr. CARROLL. The Senator did until he took his seat.

The PRESIDING OFFICER. The Senator from Illinois had the floor and yielded the floor. The Senator from Colorado was recognized.

Mr. CARROLL. I have the floor. I ask for the regular order.

Mr. DIRKSEN. Mr. President, I raise a question of privilege and ask for the record.

Mr. CARROLL. I ask for the regular order.

Mr. DIRKSEN. I raise a question of privilege and ask for the record to see who has the floor; but I am willing to yield to the majority leader.

Mr. CARROLL. I have the floor, and I insist upon it. Mr. President, I ask for a ruling.

The PRESIDING OFFICER. The Senator from Colorado was recognized and has the floor.

Mr. DIRKSEN. I withdraw the point of privilege.

Mr. CARROLL. I ask the majority leader, the minority leader, and all Senators present to consider this: Many years ago there was debate on the floor of the Senate when the Nation had discovered a new source of power. It was called nuclear power. There were forces within this Nation which sought to put it into the hands of a power corporation.

Mr. President, do you know how the Senate and House resolved the problem? They created an Atomic Energy Commission. What did that Commission do?

I ask Senators to pay particular attention to what I have to say. The Commission was created by Congress as an independent agency, its members to be selected by the President. Its orders are subject to review by the courts. That Commission was created, and it built plants all over the Nation.

What else did it do? Those plants have been let out to such companies as Dow Chemical, but the U.S. Government retained control of the nuclear energy.

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

Mr. CARROLL. I am happy to yield.

Mr. MORSE. Would the Senator be interested in knowing that the senior Senator from Oregon offered an amendment in the Foreign Relations Committee this afternoon, as a substitute for the bill, that provided exactly for the system the Senator from Colorado is talking about, and that we were defeated by a vote of 14 to 3?

Mr. CARROLL. The members of the Foreign Relations Committee are noted for their great wisdom in the field of foreign relations. I did not know the Senator had offered such an amendment. I have been laboring all day with lawyers and other persons in an effort to arrive at the very same solution, because I thought I could come to the majority leader and the minority leader and, within the framework of the Constitution, offer to bridge in some way the gap that exists, not only in our own party, but on the other side.

I say, in all frankness, that I am against public ownership, but I want to think out a way to handle another great scientific discovery, in which we can exercise and assert the separation of powers under the Constitution.

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

Mr. CARROLL. I am happy to yield to the Senator from Oregon.

Mr. MORSE. I advise the Senator from Colorado that I offered another substitute this afternoon in the Senate Foreign Relations Committee, supported by such a brilliant international lawyer as Ben Cohen, a proposal that I have discussed for quite some time in recent days, and made it very clear that it would be perfectly satisfactory to the senior Senator from Oregon in protecting the public interest. The substitute bill would enlarge the jurisdiction of NASA, whereby NASA would continue to represent the U.S. Government in the development of the communications satellite system, with the authority, to contract out to all American businesses—not merely a selected monopolistic group, but all—which would come in on the

ground floor, on an equal standing, to help the Government develop a satellite communications system, which I happen to think is vital to the perpetuation of peace in the world in the decades immediately ahead. That substitute was defeated by a vote of 13 to 3, one Senator having been necessarily called out of the room prior to the taking of the vote.

I invite the attention of the Senator from Colorado to the fact that it is not the proposal of the senior Senator from Oregon that there be Government ownership and operation, but it is his proposal, as demonstrated by the two substitute amendments, to see to it that the satellites remain American-flag satellites, with the Government of the United States in the saddle, and private industry, under contract or license or permit, working with the Government to provide a communications satellite system, which is essential if we are to whip Russia in the contest for men's minds in respect to winning them over to the side of freedom.

Mr. CARROLL. I am happy to have these remarks of the able Senator from Oregon. I have been home for 2 weeks. I have been reading about the debate through my home newspapers and in the RECORD. It is evident from the statements that the Senator from Oregon, the Senator from Tennessee, and other Senators waging the alleged filibuster are supposed to have the concept, as the able minority leader has talked about, the Fabian philosophy of government control——

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

Mr. CARROLL. I am happy to yield.

Mr. MORSE. Does the Senator know any formula which would protect us from a press blackout? Our charge on the floor of the Senate is that the American press has failed in its responsibility to the American people to accurately report the position of those of us who have opposed the administration's satellite bill.

Mr. CARROLL. Would the junior Senator from Colorado be at least partially correct in asserting that, as he understands the debate which is going on, what is sought by those who advocate some opposition to the bill is not Government ownership, basically, but Government control and regulation?

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

The PRESIDING OFFICER (Mr. PELL in the chair). Does the Senator yield?

Mr. CARROLL. I am happy to yield.

Mr. MORSE. I think that is a very fair statement of the position of the senior Senator from Oregon.

Mr. CARROLL. When this issue came to my knowledge—I have said this two or three times—I thought it over. I am not for Government ownership. I want that understood. What am I for? I am for control and regulation.

I am the chairman of the Subcommittee on Administrative Practice and Procedure of the Committee on the Judiciary.

We study all the agencies regulating the monopolies in this country, or at least they are supposed to control them. Witness the FCC. Witness the Federal Power Commission.

I have not reached a conclusion on this question, because I want to examine its legal aspects.

We can do more than make an assumption. We can assert a fact.

When the Atomic Energy Commission was established there was a hue and cry for a while to the effect that it represented Government ownership. It did not. It represented Government control of a basic, strategic commodity which was needed. The Government built the plants, in the sense that the Government appropriated the money for the plants. The construction was let out under contract.

There is some work going on now in the Boulder Flats of Colorado. Dow Chemical is situated there, and doing a good job, too.

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

Mr. CARROLL. I yield to the distinguished Senator from Alaska.

Mr. GRUENING. Would the Senator be interested in knowing that the position he has expressed is precisely the position taken by the Senator from Alaska?

We do not want Government ownership, but we do want Government control and regulation, which the present bill does not provide in any sense. We want to protect the public interest. We want to protect the public against exorbitant rates. We want to protect the public against poor programs. We want to protect the public in every sense.

As the Senator from Oregon has stated, that is precisely what most of us want to achieve. We do not want Government ownership, but we want Government regulation and control in behalf of the public interest.

I am glad to welcome the Senator from Colorado to our group.

Mr. CARROLL. I wish to say, before the Senator welcomes me into his arms, that I do not accept the embrace as yet.

Mr. GRUENING. The Senator will.

Mr. CARROLL. The purpose of this presentation tonight is to make clear that I do not stand in opposition to my majority leader or to the administration bill. I did not get into the discussion this evening, I say to my friend the majority leader—and he is my friend—except to emphasize my deep concern and conviction about the drug bill, which would require only 3 or 4 hours to consider.

I see the able Senator from New York [Mr. KEATING] in the Chamber. He has been a great help on the bill. He has been a great help on the Committee on the Judiciary.

I am interested in passing some good legislation, and sending it to the other body. Then we can fight out the communications satellite bill.

I am not looking for delay. I want the Congress to achieve something which will be good for the people. I am not saying that Congress has not done so, but to me it would be a remarkable achievement, under great adversity, to pass the drug bill. If we could have only a few hours, we could end the debate on it. Then we could debate these issues back and forth.

I say to the majority leader that I shall continue to work along this line on the communications satellite bill. I think we have clarified the position. I hope that some of my friends on this side of the aisle, who have very strong convictions, will now begin to think in those terms. Perhaps they have begun. The able Senator from Alaska has been thinking in those terms.

I think the position the Senators have taken has been distorted. I think the position is not known throughout the country. Some look upon this group of Senators, as though they were in favor of public ownership. They are not for that at all.

There is a bridge. There is a way by which Senators on both sides of the aisle can get together in the national interest.

I am not against A.T. & T. It is a big monopoly. We all know that. It operates throughout the Nation. It operates in the West. I am not against the telephone company. It is the only monopoly there is which operates in my State. I do not fear exorbitant rates.

I will tell Senators what I do fear. I fear we may set a pattern by legislation which may inhibit future scientific developments.

Who knows what the future holds?

Mr. President, frankly, I am thinking in terms of a space communications commission comparable to the Atomic Energy Commission. What would be the powers of such a commission? The commission would be an agent of this body. It would be an agent of the legislative body. It would be our independent agent. It would have the expertise to pass upon questions which, frankly, are beyond my comprehension in the scientific field.

What else could the Commission do? We could delegate to it the authority to pass rules and regulations.

Would we cut down the jurisdiction of the FCC? No. The FCC still would have ratemaking authority. The FCC could control through the ratemaking power.

What else could be done? The situation would be like that which existed during the early days of the AEC, when the Government built plants throughout the country. Why could not the Space Communications Commission build the ground stations. It would not do it itself. It would let contracts to the telephone company, to RCA, Western Union or to other firms.

This is something we should consider. These installations could be built under contract.

But where would the ownership be? As in the case of the AEC, it would be in the Government. There would be no socialism involved. Why is that? It is because commissions are independent. They are subject to court review for arbitrary and capricious action. The members are subject to Presidential appointment.

This is a bridge over which I think we can pass. As I say, I have spent all day working on this problem, and I reserve

the right to change my mind, but I assure the majority leader that my talk this evening was not in the slightest premeditated. I had no previous conference. When I heard the drug bill discussed, I thought the Senate should consider it and get it out of the way in 3 or 4 hours.

I assure the majority leader of my sincerity in this regard. I reserve the right to change my mind, even about a Space Communications Commission, but I say these are the lines along which I have been thinking and working all day. I believe we can resolve this question among those in our own party, and, I hope, on the other side of the aisle.

FARM LEGISLATION

Mr. MORSE. Mr. President, I wish briefly to restate my position in regard to the responsibility for no action being taken on a farm bill immediately. I express my opinion that if the farm bill should be brought before the Senate, judging from what the CONGRESSIONAL RECORD shows in regard to statements made by Republican spokesmen the other night, it would be subjected to a very prolonged debate, for reasons generally known; that those who are on the Republican side of the aisle are against the administration proposals for farm legislation, and, also, the Republicans on the House side share that view, as evidenced by the fact that only one Republican in the House voted for the administration's farm program.

I say to the farmers that there is nothing which stops the Senate from proceeding to consider a farm bill, except a failure to make a motion, and agree to it, to lay aside the satellite communications bill until the farm bill has been acted upon.

Then the Senate should pass the drug bill. It can then go back to the satellite bill if it wishes to do so. To use the descriptive term of the minority leader with respect to placing the monkey on someone's back, I wish to say that the monkey is on the back of the Republican side of the aisle so far as proposed farm legislation is concerned. If Republicans which to proceed to consider farm legislation, let them join in a request to lay the satellite bill aside long enough to pass farm legislation, and then go back to the satellite bill.

INTERSTATE COMMERCE ACT THROUGH ROUTES AND JOINT RATES

The Senate resumed the consideration of the bill (H.R. 11643) to amend sections 216(c) and 305(b) of the Interstate Commerce Act, relating to the establishment of through routes and joint rates.

Mr. MANSFIELD. Mr. President, has Calendar No. 1756, H.R. 11643, been disposed of?

The PRESIDING OFFICER. It has not.

Mr. LONG of Louisiana. Mr. President, may we have a report on the bill?

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 11643) to amend sections 216(c) and 305 (b) of the Interstate Commerce Act, relating to the establishment of through routes and joint rates.

Mr. MORSE. Mr. President, I could not understand.

Mr. MANSFIELD. That was the title of the bill. I will explain it.

Mr. MORSE. What is the calendar number of the bill?

Mr. BARTLETT. Does the Senator from Oregon desire an explanation of the bill?

Mr. MORSE. I should like to see what the calendar states.

I am familiar with the bill. I did not understand what bill was being considered. I have no objection.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill was ordered to a third reading, was read the third time, and passed.

GENERAL SUPPLY FUND

The bill (H.R. 8100) to amend section 109 of the Federal Property and Administrative Services Act of 1949, as amended, relative to the general supply fund was considered, ordered to a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1827), explaining the purposes of the bill.

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

PURPOSE

The purpose of H.R. 8100 is to provide the General Services Administration with the authority to use the general supply fund to pay transportation costs of supplies for Government agencies and to obtain reimbursement for those costs from customer agencies on a "delivered price basis" for the supplies distributed through the fund. Under the present wording of section 109 of the Federal Property and Administrative Services Act of 1949, as amended, the transportation costs which are chargeable to the general supply fund and thus recoverable from the customer agencies are limited to those transportation expenses to the first storage point of the merchandise. H.R. 8100, as amended, would expand GSA's authority so as to allow the full recovery of transportation costs for supplies which are furnished to customer agencies.

BILL PASSED OVER

The bill (S. 2369) to release the right, title, or interest, if any, of the United States in certain streets in the village of Heyburn, Idaho, and to repeal the reverter in patent for public reserve was announced as next in order.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration——

Mr. MORSE. Mr. President, I have no objection to proceeding to the consideration of the bill. However, I have not had an opportunity to check into the bill. May I ask the calendar clerk if the bill in any way involves the Morse formula? Will the majority leader permit me to study the bill for a moment while the Senate considers another bill?

Mr. MORSE subsequently said: Mr. President, may I have the attention of the majority leader for a moment? I have talked to the able assistant calendar clerk with regard to Calendar No. 1786. It is not clear from a reading of the committee report whether the Federal Government has in fact any monetary interest in the property concerned. I should like to consult the Senator from Idaho [Mr. CHURCH] about the measure. I am in the position that I have always been careful to protect my record so that no one could say that I knowingly permitted a bill to go through that in fact violated the Morse formula. I am on the floor of the Senate. I cannot be sure from what I consider to be a rather ambiguous report on the bill. Our very able assistant on the calendar committee tells me that he cannot answer my question, either. He does not think the bill involves a Federal monetary interest. I do not think it does, either, but I wish to be doubly sure. I would like to see it get before the Senate before the other bill is taken up tomorrow, but it is the pending business. I do not wish to postpone consideration of the bill for a long time.

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

Mr. MORSE. I yield.

Mr. MANSFIELD. Action on the measure was specifically requested by the Senator from Idaho [Mr. CHURCH].

It was cleared by both sides. I think the Senator's request is reasonable. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

WITHDRAWAL OF CERTAIN PUBLIC LANDS AT LUKE-WILLIAMS AIR FORCE RANGE, YUMA, ARIZ.

The bill (H.R. 3507) to provide for the withdrawal and reservation for the Departments of the Air Force and the Navy of certain public lands of the United States at Luke-Williams Air Force Range, Yuma, Ariz., for defense purposes was considered, ordered to a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1830), explaining the purposes of the bill.

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

PURPOSE

The purpose of H.R. 3507 is to withdraw from the public domain 379,600 acres of land in Pima, Maricopa, and Yuma Counties, Ariz., and reserve them for the use of the Departments of the Navy and Air Force in connection with training at Luke-Williams Air Force Range, Yuma, Ariz.

NEED

The Luke-Williams Air Force Range complex has within it a total of 2,669,300 acres of land of which 2,190,200 acres have previously been withdrawn from the public domain by administrative action. H.R. 3507 describes the remaining 479,100 acres of

which the 379,600 acres of public lands involved were withdrawn in 1943, restored at the end of World War II, and utilized again since shortly after the beginning of the Korean war.

Enactment of this bill is required because the act of February 28, 1958 (72 Stat. 27) provides, among other things, that no withdrawal of more than 5,000 acres for any one defense project or facility may be effected except by act of Congress.

The proposed withdrawal and reservation will be for a period of 10 years with option to renew for an additional 5 years. This assures a review by the administrative agencies involved 10 years from now and a further review at the end of 15 years. If the military departments desire to extend their use beyond this term they will have to request further legislative action, thereby assuring congressional scrutiny of the necessity for such continued use.

KARL HEINZ AGAR

The Senate proceeded to consider the bill (S. 689) for the relief of Karl Heinz Agar which had been reported from the Committee on the Judiciary, with an amendment to strike out all after the enacting clause and insert:

That, in the administration of the Immigration and Nationality Act, Karl Heinz Agar shall be deemed to be within the purview of section 323 of that Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

HIDAYET DANISH NAKASHIDZE

The bill (S. 3071) for the relief of Hidayet Danish Nakashidze was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of the Immigration and Nationality Act, the periods of time Hidayet Danish Nakashidze has resided and was physically present in the United States or any State since June 17, 1957, shall be held and considered as compliance with the residence and physical presence requirements of section 316 of said Act.

ANTONIO DA COSTA

The Senate proceeded to consider the bill (S. 3090) for the relief of Antonio da Costa which had been reported from the Committee on the Judiciary, with an amendment to strike out all after the enacting clause and insert:

That, notwithstanding the provisions of section 212(a)(17) of the Immigration and Nationality Act, Antonio da Costa may be issued an immigrant visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of such Act: *Provided,* That this Act shall apply only to grounds for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SURAJ DIN

The bill (H.R. 2139) for the relief of Suraj Din was considered, ordered to a third reading, read the third time, and passed.

SALVATORE MORTELLITI

The bill (H.R. 2176) for the relief of Salvatore Mortelliti was considered, ordered to a third reading, read the third time, and passed.

AMRIK S. WARICH

The bill (H.R. 3127) for the relief of Amrik S. Warich was considered, ordered to a third reading, was read the third time, and passed.

LEWIS INVISIBLE STITCH MACHINE CO., INC.

The bill (H.R. 7549) for the relief of Lewis Invisible Stitch Machine Co., Inc., now known as Lewis Sewing Machine Co., was considered, ordered to a third reading, read the third time, and passed.

ELIZABETH A. JOHNSON

The bill (H.R. 10308) for the relief of Elizabeth A. Johnson was considered, ordered to a third reading, read the third time, and passed.

DAY FOR OBSERVANCE OF COURAGE DISPLAYED BY THE UPRISING IN THE WARSAW GHETTO AGAINST THE NAZIS

The Senate proceeded to consider joint resolution (S.J. Res. 179) authorizing and requesting the President to designate May 1, 1962, as a day for observance of the courage displayed by the uprising in the Warsaw ghetto against the Nazis, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 3, after the word "the", to strike out "first day of May 1962" and insert "twenty-first day of April 1963"; so as to make the joint resolution read:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the twenty-first day of April 1963 is hereby marked in recognition of the astounding courage displayed by the uprising in the Warsaw ghetto against the Nazis. Through such uprising, the men, women, and children who met death on that tragic day and those who perished in concentration camps and in the gas chambers, symbolize the indestructible spirit of liberty which throughout history has ultimately triumphed against the forces of tyranny.

The President is authorized and requested to issue a proclamation inviting people of the United States to observe such day with appropriate ceremonies and activities.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

The title was amended, so as to read: "Joint resolution authorizing and requesting the President to designate April 21, 1963, as a day for observance of the courage displayed by the uprising in the Warsaw ghetto against the Nazis."

Mr. KEATING. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement I have prepared.

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

STATEMENT BY SENATOR KEATING

In April 1943 the world observed the rebellion of the Jewish inhabitants of the Warsaw ghetto—an epic struggle of incredible valor. Although the members of the ghetto were hopelessly outnumbered from the start, they did not hesitate to rebel against the might of the Nazi armies. The revolt of the Warsaw ghetto embodied the valor of these brave people. Faith and spiritual affirmation filled them; and with the bravery of desperation, they inflicted substantial setbacks on the German Army.

I am pleased that the Senate has approved this resolution to mark the 1st day of May 1962, in recognition of that heroic struggle.

The date which one chooses to celebrate this tragic occasion differs depending on whether one uses the Gregorian calendar or the Hebraic Judaic calendar but whatever the day—the spirit, the dedication, and the honor which we do to these brave men and women who gave their lives to the cause of freedom is unchanged. Their sacrifice will live forever in the hearts and memories of all free people.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1839), explaining the purposes of the bill.

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

The purpose of the joint resolution, as amended, is to call attention to the 20th anniversary of the uprising against the Nazis in the Warsaw ghetto. This heroic effort, doomed from the outset, remains a symbol of man's struggle for freedom. Twenty-eight thousand men, women, and children were killed in this fighting, and 10,000 were deported to later death in concentration camps and gas chambers. Temporarily nazism triumphed. But in the long run the forces of human freedom and dignity were successful.

Out of the ashes of the Warsaw ghetto has come the vigorous, free, courageous State of Israel.

The committee believes it appropriate to mark this anniversary by authorizing the President to designate a day for observance of the courage displayed by these people. Accordingly, the committee recommends favorable consideration of Senate Joint Resolution 179, as amended.

NATIONAL TEACHERS' DAY

The bill (S. 3380) to designate the second Monday in October as "National Teachers' Day", was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the second Monday in October as National Teachers' Day in honor of the teachers of America and inviting the people of the United States to display their esteem and respect on such day in schools and other suitable places with appropriate ceremonies.

Mr. KEATING. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement I have prepared.

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

STATEMENT BY SENATOR KEATING

The bill authorizes the President to issue a proclamation designating the second Monday in October as "National Teachers' Day." The bill invites the American people to display their esteem and respect for the significant contributions made to our national life by teachers throughout the country.

Teachers through their efforts have served not only in providing knowledge for the youth of our Nation, but have also helped to cultivate codes of conduct and principles which strengthen and create a healthy community atmosphere.

We have all too often neglected the many contributions teachers have made in the growth and progress of our Nation. The scientists, businessmen, and Government officials of the future are today being trained in the classrooms of America. The accomplishments and achievements of our Nation 50 years from now will depend to a large extent on the teachers of today. Their responsibility is great and often their recognition limited. The purpose of the bill which I have offered is to set aside 1 day out of the year for national recognition of the teachers of our land.

Education is becoming increasingly more important to the development of our Nation. Increased technology and the demands of a sophisticated society require a more highly trained people. The teachers of America provide the answer to these demands and for their unswerving dedication deserve the thanks of our Nation.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1840), explaining the purposes of the bill.

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

The purpose of the proposed legislation is to authorize the President to issue a proclamation designating the second Monday in October as National Teachers' Day in honor of the teachers of America and inviting the people of the United States to display their esteem and respect on such day in schools and under suitable places with appropriate ceremonies.

STATEMENT

The growth of our Nation has demonstrated that education is becoming more and more a matter of critical importance, not only to our Nation but to each individual citizen of our land, and it is becoming increasingly important that if our Nation is to compete with other nations in science and technology, and if this country is to compete in economic and technical assistance to the world's underdeveloped lands, these goals depend almost entirely on higher quality education of our children. The quality of our education as we know it today depends to a large extent upon the expertise of our teachers who man the frontlines in providing higher standards of education for the American people.

INCORPORATION OF THE AMERICAN SYMPHONY ORCHESTRA LEAGUE

The Senate proceeded to consider the bill (S. 3338) to incorporate the American Symphony Orchestra League, which had been reported from the Committee on the Judiciary, with amendments, on page 11, line 5, after "(a)", to strike out "The financial transactions shall be audited annually by an independent certified public accountant in accordance with the principles and procedures applicable to commercial corporate transactions.", and insert "The accounts of the American Symphony Orchestra League shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants, certified or licensed by a regulatory authority of a State or other political subdivision of the United States."; on page 12, after line 15, to insert a new section, as follows:

EXCLUSIVE RIGHT TO NAME, EMBLEM, SEALS, AND BADGES

SEC. 16. The corporation shall have the sole and exclusive right to the name 'American Symphony Orchestra League' and to have and to use in carrying out its purposes distinctive insignia, emblems and badges, descriptive or designating marks, and words or phrases as may be required in the furtherance of its functions. No powers or privileges hereby granted shall, however, interfere or conflict with established or vested rights.

On page 13, at the beginning of line 2, to change the section number from "16" to "17", and at the beginning of line 10, to change the section number from "17" to "18"; so as to make the bill read:

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

Harold Gregory, Salt Lake City, Utah;
Samuel R. Rosenbaum, Philadelphia, Pennsylvania;
Mrs. Harry Fagg, Beaumont, Texas;
Frank E. Joseph, Shaker Heights, Ohio;
John D. Wright, Phoenix, Maryland;
Doctor George Szell, Cleveland, Ohio;
Henry Denecke, Cedar Rapids, Iowa;
Harry Levenson, Worcester, Massachusetts;
Theodore C. Russell, Jackson, Mississippi;
Stanley Williams, Milwaukee, Wisconsin;
Oliver M. Clegg, Magnolia, Arkansas;
R. Philip Hanes, Junior, Winston-Salem, North Carolina;
Mrs. Ben Hale Golden, Lookout Mountain, Tennessee;
Miles F. Portlock, Junior, Orkney Springs, Virginia;
Mrs. B. H. Littlefield, Bradenton, Florida;
Cecil W. Slocum, Omaha, Nebraska;
Max Rudolph, Cincinnati, Ohio;
Mrs. Ward T. Langstroth, Billings, Montana;
Elden Bayley, Springfield, Ohio;
George Barati, Honolulu, Hawaii;
Mrs. Albert C. Olsen, Buffalo, New York;
John Edwards, Pittsburgh, Pennsylvania;
Mrs. Mignonne P. Ladin, New York, New York;
Leslie C. White, Doraville, Georgia;
Mrs. Fitzgerald Parker, Nashville, Tennessee;
Doctor Peter Paul Fuchs, Baton Rouge, Louisiana;
R. Wilton Billstein, Woodbury, New Jersey;
Mrs. Elizabeth S. Greene, West Hartford, Connecticut;
Gibson Morrissey, Roanoke, Virginia;
Alfred C. Connable, Kalamazoo, Michigan;
Mrs. Holmes Frederick, Greenville, South Carolina;
William Steinberg, Pittsburgh, Pennsylvania;
Virginia Wartman, Allentown, Pennsylvania;
Robert L. Conn, Springfield, Illinois;
Paul O. Grammer, Essex Fells, New Jersey;
Henry Janiec, Spartanburg, South Carolina;
Charles B. Stacy, Charleston, West Virginia;
Doctor James Christian Pfohl, Charlotte, North Carolina;
Frederick I. Moyer, Castle Rock, Colorado;
Thomas D. Perry, Junior, Hingham, Massachusetts;
Carlos Moseley, New York, New York;
Mrs. G. Robert Herberger, Scottsdale, Arizona;
James P. Robertson, Wichita, Kansas;
Myron Levite, Brooklyn, New York;
Mrs. Leo R. Pflaum, Wayzata, Minnesota;

and their successors, are hereby created and declared to be a body corporate by the name of "American Symphony Orchestra League" (hereinafter referred to as the corporation) and by such name shall be known and have perpetual succession and the powers, limitations, and restrictions herein contained.

COMPLETION OF ORGANIZATION

SEC. 2. A majority of the persons named in the first section of this Act are authorized to complete the organization of the corporation by the selection of officers and employees, the adoption of a constitution and bylaws not inconsistent with this Act, and the doing of such other acts as may be necessary for such purpose.

PURPOSES OF THE CORPORATION

SEC. 3. The purposes of the corporation shall be to—

(1) serve as a coordinating, research and educational agency and clearing house for symphony orchestras in order to help strengthen the work in their local communities;

(2) assist in the formation of new symphony orchestras;

(3) through suitable means, encourage and recognize the work of America's musicians, conductors, and composers; and

(4) aid the expansion of the musical and cultural life of the United States through suitable educational and service activities.

CORPORATE POWERS

SEC. 4. The corporation shall have power—

(1) to have succession by its corporate name;

(2) to sue and be sued, complain and defend in any court of competent jurisdiction;

(3) to adopt, use, and alter a corporate seal;

(4) to choose such officers, managers, agents, and employees as the business of the corporation may require;

(5) to adopt, amend, and alter a constitution and bylaws, not inconsistent with the laws of the United States or any State in which the corporation is to operate, for the management of its property and the regulation of its affairs;

(6) to contract and be contracted with;

(7) to take by lease, gift, purchase, grant, devise, or bequest from any private corporation, association, partnership, firm, or individual and to hold any property, real, personal, or mixed, necessary or convenient for attaining the objects and carrying into effect the purposes of the corporation, subject, however, to applicable provisions of law of any State (A) governing the amount or kind of property which may be held by, or (B) otherwise limiting or controlling the ownership of property by, a corporation operating in such State;

(8) to transfer, convey, lease, sublease, encumber, and otherwise alienate real, personal, or mixed property; and

(9) to borrow money for the purposes of the corporation, issue bonds therefor, and

secure the same by mortgage, deed of trust, pledge, or otherwise, subject in every case to all applicable provisions of Federal and State laws.

PRINCIPAL OFFICE; SCOPE OF ACTIVITIES; DISTRICT OF COLUMBIA AGENT

SEC. 5. (a) The principal office of the corporation shall be located in Charleston, West Virginia, or in such other place as may be later determined by the board of directors, but the activities of the corporation shall not be confined to that place, but may be conducted throughout the various States and possessions of the United States.

(b) The corporation shall have in the District of Columbia at all times a designated agent authorized to accept service of process for the corporation; and notice to or service upon such agent, or mailed to the business address of such agent, shall be deemed notice to or service upon the corporation.

MEMBERSHIP; VOTING RIGHTS

SEC. 6. (a) Eligibility for membership in the corporation and the rights, privileges, and designation of classes of members shall, except as provided in this Act, be determined as the constitution and bylaws of the corporation may provide.

(b) Each member of the corporation, other than honorary, sustaining, or associate members, shall have the right to one vote on each matter submitted to a vote at all meetings of the members of the corporation.

BOARD OF DIRECTORS; COMPOSITION, RESPONSIBILITIES

SEC. 7. (a) Upon the enactment of this Act the membership of the initial board of directors of the corporation shall consist of the following persons:

R. Wilton Billstein, Woodbury, New Jersey;
Igor Buketoff, Fort Wayne, Indiana;
Mrs. Ronald A. Dougan, Beloit, Wisconsin;
Mrs. J. W. Graham, Sioux City, Iowa;
Howard Harrington, Detroit, Michigan;
William Herring, Winston-Salem, North Carolina;
Harold Kendrick, New Haven, Connecticut;
Robert MacIntyre, Birmingham, Alabama;
Thomas Perry, Junior, Boston, Massachusetts;
Mrs. H. W. Roberts, Dallas, Texas;
Mrs. Jouett Shouse, Washington, District of Columbia;
Alan Watrous, Dallas, Texas;
John S. Edwards, Pittsburgh, Pennsylvania;
Mrs. Fred Lazarus III, Cincinnati, Ohio;
Charles W. Bonner, Fresno, California;
Alfred Connable, Kalamazoo, Michigan;
Victor Feldbrill, Winnipeg, Manitoba, Canada;
Mrs. Gerald S. Greene, West Hartford, Connecticut;
Mrs. G. Robert Herberger, Scottsdale, Arizona;
Thomas Iannaccone, Rochester, New York;
Doctor Richard Lert, Hollywood, California;
Mrs. Fitzgerald Parker, Nashville, Tennessee;
Mrs. Leo R. Pflaum, Wayzata, Minnesota;
Miss Helen Ryan, Orlando, Florida;
George Szell, Cleveland, Ohio;
Jackson Wiley, Springfield, Ohio;
George Irwin, Quincy, Illinois;
R. H. Wangerin, Louisville, Kentucky.

(b) Thereafter, the board of directors of the corporation shall consist of such number, shall be selected in such manner (including the filling of vacancies), and shall serve for such term as may be prescribed in the constitution and bylaws of the corporation.

(c) The board of directors shall be the governing board of the corporation and, during the intervals between the meetings of members, shall be responsible for the general policies and program of the corporation and for the control of all contributed funds as may be raised by the corporation.

OFFICERS; ELECTION AND DUTIES OF OFFICERS

SEC. 8. (a) The officers of the corporation shall be a president, one or more vice presidents (as may be prescribed in the constitution and bylaws of the corporation), a secretary, and a treasurer, and one or more assistant secretaries and assistant treasurers as may be provided in the constitution and bylaws.

(b) The officers of the corporation shall be elected in such manner and for such terms and with such duties as may be prescribed in the constitution and bylaws of the corporation.

USE OF INCOME; LOANS TO OFFICERS, DIRECTORS, OR EMPLOYEES

SEC. 9. (a) No part of the income or assets of the corporation shall inure to any of its members, directors, or officers as such, or be distributable to any of them during the life of the corporation or upon its dissolution or final liquidation. Nothing in this subsection, however, shall be construed to prevent the payment of compensation to officers of the corporation in amounts approved by the board of directors of the corporation.

(b) The corporation shall not make loans to its officers, directors, or employees. Any director who votes for or assents to the making of a loan or advance to an officer, director, or employee of the corporation, and any officer who participates in the making of such a loan or advance shall be jointly and severally liable to the corporation for the amount of such loan until the repayment thereof.

NONPOLITICAL NATURE OF CORPORATION

SEC. 10. The corporation, and its officers and directors as such, shall not contribute to or otherwise support or assist any political party or candidate for public office.

LIABILITY FOR ACTS OF OFFICERS AND AGENTS

SEC. 11. The corporation shall be liable for the acts of its officers and agents when acting within the scope of their authority.

PROHIBITION AGAINST ISSUANCE OF STOCK OR PAYMENT OF DIVIDENDS

SEC. 12. The corporation shall have no power to issue any shares of stock or to declare or pay any dividends.

BOOKS AND RECORDS; INSPECTION

SEC. 13. The corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its members, board of directors, and committees having any authority under the board of directors; and it shall also keep at its principal office a record of the names and addresses of its members entitled to vote. All books and records of the corporation may be inspected by any member entitled to vote, or his agent or attorney, for any proper purpose, at any reasonable time.

AUDIT OF FINANCIAL TRANSACTIONS

SEC. 14. (a) The accounts of the American Symphony Orchestra League shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants, certified or licensed by a regulatory authority of a State or other political subdivision of the United States. The audit shall be conducted at the place or places where the accounts of the corporation are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the corporation and necessary to facilitate the audit shall be made available to the person or persons conducting the audit; and full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians shall be afforded to such person or persons.

(b) A report of such audit shall be made by the corporation to the Congress not later than March 1 of each year. The report shall set forth the scope of the audit and shall include a verification by the person or persons conducting the audit of statements of (1) assets and liabilities, (2) capital and surplus or deficit, (3) surplus or deficit analysis, (4) income and expense, and (5) sources and application of funds. Such report shall not be printed as a public document.

USE OF ASSETS ON DISSOLUTION OR LIQUIDATION

SEC. 15. Upon dissolution or final liquidation of the corporation, after discharge or satisfaction of all outstanding obligations and liabilities, the remaining assets, if any, of the corporation shall be distributed in accordance with the determination of the board of directors of the corporation and in compliance with the constitution and bylaws of the corporation and all Federal and State laws applicable thereto.

EXCLUSIVE RIGHT TO NAME, EMBLEM, SEALS, AND BADGES

SEC. 16. The corporation shall have the sole and exclusive right to the name "American Symphony Orchestra League" and to have and to use in carrying out its purposes distinctive insignia, emblems and badges, descriptive or designating marks, and words or phrases as may be required in the furtherance of its functions. No powers or privileges hereby granted shall, however, interfere or conflict with established or vested rights.

TRANSFER OF ASSETS

SEC. 17. The corporation may acquire the assets of the American Symphony Orchestra League, Inc., a corporation organized under the laws of the States of Virginia and Michigan, upon discharging or satisfactorily providing for the payment and discharge of all of the liability of such corporation and upon complying with all laws of the States of Virginia and Michigan applicable thereto.

RESERVATION OF RIGHT TO AMEND OR REPEAL CHARTER

SEC. 18. The right to alter, amend, or repeal this Act is expressly reserved.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1841) explaining the purposes of the bill.

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

The purpose of the proposed legislation, as amended, is to confer a Federal charter upon the American Symphony Orchestra League, Inc.

STATEMENT

The American Symphony Orchestra League is the only organization in existence devoted exclusively to the needs of symphony orchestras, their related organizations and arts councils. It is a nonprofit, research, service, and educational association. Its membership consists of symphony orchestras and arts councils, business firms, educational institutions, libraries, individuals representing women's associations and symphony boards, as well as composers, conductors, concert artists, artists' agents, orchestra managers, and musicians—all representing 1,200 symphony orchestras. These range from the smallest college and community orchestra to the largest of the major orchestras. It is maintained solely for the purpose of assisting orchestras and arts councils to strengthen their work, stabilize their financial base, expand their cultural

services within their own communities, and upgrade their artistic standards.

The league's activities and services are many and varied. Its official publication, the Newsletter, reports on the work, problems, research, and activities of orchestras, women's associations, arts councils, and other related arts activities. It issues special publications including authoritative studies of legal documents of symphony orchestras, governing boards of orchestras, survey of arts councils, summary of music critics workshops, conductor study, and training opportunities, and report on recording projects. Other special memorandums are issued periodically, devoted to various aspects of orchestra work and research.

Each year, comparative financial and statistical reports are compiled and issued to participating orchestras within three budget categories—the metropolitan orchestras, the large budget community orchestras, and the small budget community orchestras. Over 100 orchestras participate in the league's monthly exchange of information on concert attendance in relation to the type of concert and specific artist presented. Nearly 200 orchestras participated in a survey on support of orchestras by municipal, county, and State funds. The publication of the 1960 to 1962 concert calendar includes concerts of 203 league member orchestras listing dates, orchestras, conductors, assisting artists, and world premieres.

The league talent pool serves orchestras, musicians, managers, and conductors, and is designed to assist organizations in finding needed personnel. Its individual service program enables members to request and receive advisory service on employment and on special problems.

The league's study and training activities have provided opportunities to enter into cooperative projects with other organizations. For example:

The Rockefeller Foundation has assisted in many of its research and training projects with approximately one-half million dollars in grants over the last 6 years;

The U.S. Government selected the league to develop the work and organization of the music committee of the people-to-people program;

Broadcast Music, Inc., has assisted extensively in presenting musicians' study projects at its national conventions. The American Society of Composers, Artists & Publishers and other business firms have assisted in other projects;

The Avalon Foundation has made a grant to the league for the purpose of developing an in-service training program in orchestra management;

The Music Critics Association & Community Arts Councils, Inc., have selected the league to serve as their administrative agency. The World Music Bank is administered by the league;

The league serves as the coordinating agency for the Alice M. Ditson Fund whose orchestra awards this year were presented to conductors of only four orchestras; and

The league each year conducts an orchestra management course which is the only such training program offered on a professional level anywhere.

Its conductor study programs continue to be in such demand that it cannot accommodate the scores of conductors wishing to attend.

Its advanced conductors' study has proved of enormous interest and help in making available the funds, background education, and training opportunities necessary to the advancement of talented young conductors.

Mainly as a result of the league alerting members and nonmembers of the possible discontinuation of the 1960–61 CBS radio broadcasts of the New York Philharmonic, CBS received 11,000 letters, and the programs were presented for the 31st consecutive year.

The league is represented on the advisory committee for the National Cultural Center for the Arts in Washington, D.C., by its President, Mr. John Edwards. Its executive secretary, Mrs. Helen Thompson, represents the league on the Council of Arts in Government, on the editorial board of Musical America, on the executive committee of the National Music Council, and contributes to the forum lecture programs broadcast throughout the world by the Voice of America, and will be a judge for the Liverpool competitions.

The league has introduced to the orchestra world, a retirement income plan for conductors, orchestra, and arts council managers, and administrative employees. The plan was under study by the league board for 3 years, and is covered under a group annuity contract issued by the Equitable Life Assurance Society of the United States.

A short time ago, a gift was made to the league by Mrs. Jouett Shouse, of Washington, D.C., of 40 acres of beautiful, rolling woodland just 20 minutes from the Nation's Capitol. Edward Durell Stone, world-renowned architect, is preparing the plans for its national headquarters to be known as Symphony Hill.

The league's activities are nationwide and constitute a contribution to the cultural life of our country which is so great as to be immeasurable. Presently incorporated under the laws of Michigan and West Virginia, the league's members feel strongly that their important national activities would be more appropriately carried on under a Federal charter.

RESTORATION OF CERTAIN WIDOWS AND CHILDREN TO ROLLS

The Senate proceeded to consider the bill (H.R. 5234) to amend title 38, United States Code, to provide for the restoration of certain widows and children to the rolls upon annulment of their marriages or remarriages, and for other purposes, which had been reported from the Committee on Finance, with an amendment, on page 1, line 8, after the word "veteran", to insert "and after enactment of the 1962 amendment to this paragraph,".

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1842) explaining the purposes of the bill.

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

Under existing law, payments of benefits to the widow of a veteran are terminated upon her remarriage unless the remarriage is "void."

In some States, annulment of some marriages are considered to relate back to the date the relationship was entered into; however, in such cases no benefits become payable under Veterans' Administration laws unless the marriage was void. Because of the diversity of State laws on the question of which marriages are "void" and which marriages are "voidable" (i.e., require judicial action to declare their nonexistence), identical factual situations can lead in some cases to restoration of widow's benefits and in other cases to continued denial thereof.

The bill provides a uniform rule under which widow's benefits may be restored in such cases if (1) the remarriage is "void," or (2) the remarriage is annulled, unless the annulment is procured by fraud or collusion.

Additionally, the bill provides an identical rule for recognition of a veteran's child as "unmarried" for Veterans' Administration benefit purposes (pursuant to definition in existing 38 U.S.C. 101(4)) as are specified for widows. The desirability of uniformity respecting the two classes of beneficiaries is obvious.

Aside from resolution of the problem respecting treatment of cases involving causes for annulment which are generally recognized as void, the bill permits restoration of benefits following annulment of a merely voidable remarriage or marriage.

Recognition of annulment decrees in the manner proposed would be consistent with the maintenance and promotion of good Federal-State relationships. It would also remove the possible occasion for doubt in the minds of the parties regarding their marital status which might result from a denial of benefits by the Veterans' Administration under the present law. Incidentally, it has been reported to the committee that the restoration provision would permit more simplified administrative procedures, and would accordingly involve less administrative expense than current practices.

The bill also deals with an area in which there have been some abuses. In some cases, in order to avoid the "remarriage" bar to payment of widow's benefits, women have entered into illicit relationships with men, holding themselves out to the public to be their wives, while drawing benefits as the widow of a veteran. The Veterans' Administration has adopted a rule under which it is presumed where certain facts exist that a remarriage has occurred; however, the validity of this practice has been questioned recently in the case *Sinlao* v. *United States* (271 F. 2d 846). The bill establishes a statutory test to be applied by the Administrator in such cases, providing for the termination of benefits where the widow of a veteran lives with another man and holds herself out to the public to be the wife of the other man. Enactment of this provision would amount to statutory confirmation of the Veterans' Administration rule, with the addition of two more restrictive factors. Under the administrative standard, a reputation of marriage is necessary to warrant termination of benefits; and the standard does not apply where it is established that there is a legal impediment to a valid marriage between the widow and her male cohabitant. The matters of reputation and impediment are not material under the bill's provision.

The committee does not believe that the U.S. Government should continue payment of gratuities to a claimant who after her veteran husband's death lives with a man and holds herself out openly to the public as the wife of such man. Accordingly, the more restrictive statutory provision appears proper. The Veterans' Administration has reported that this provision would also permit more simplified administrative procedures, with a consequent lessening of administrative expense.

In order to avoid harsh results which might result from application of the new standard to relationships terminated prior to enactment, the committee has adopted the recommendation of the Veterans' Administration that the bill be amended so that the statutory provision will apply only to the actions of a veteran's widow after enactment. It is understood that the Veterans' Administration will continue to apply the present administrative rule to prior relationships.

The Veterans' Administration has advised that the annulment feature of the bill would increase benefit costs, whereas the "lived with another man" provision would result in savings. It is also stated that there are no adequate data available upon which to base an estimate of the fiscal effect of the bill, but that it is believed that the number of cases affected and the resulting net additional benefit cost would be relatively small.

BOARD OF VETERANS' APPEALS CASES

The Senate proceeded to consider the bill (H.R. 857) to amend section 4005 of title 38, United States Code, to provide that cases appealed to the Board of Veterans' Appeals shall contain a brief statement of the facts of the case appealed, with a citation and application of the law, together with the recommendations of the office appealed from, and for other purposes which had been reported from the Committee on Finance, with an amendment, to strike out all after the enacting clause and insert:

That chapter 71 of title 38, United States, Code, is amended by deleting sections 4005 and 4007 thereof, redesignating section 4006 as 4007, and inserting after section 4004 the following new sections:

"§ 4005. Filing of notice of disagreement and appeal

"(a) Appellate review will be initiated by a notice of disagreement and completed by a substantive appeal after a statement of the case is furnished as prescribed in this section. Each appellant will be accorded hearing and representation rights pursuant to the provisions of this chapter and regulations of the Administrator.

"(b)(1) Except in the case of simultaneously contested claims, notice of disagreement shall be filed within one year from the date of mailing of notice of the result of initial review or determination. Such notice, and appeals, must be in writing and be filed with the activity which entered the determintaion with which disagreement is expressed (hereafter referred to as the "agency of original jurisdiction"). A notice of disagreement postmarked before the expiration of the one-year period will be accepted as timely filed.

"(2) Notices of disagreement, and appeals, must be in writing and may be filed by the claimant, his legal guardian, or such accredited representative, attorney, or authorized agent as may be selected by him. Not more than one recognized organization, attorney, or agent will be recognized at any one time in the prosecution of a claim.

"(c) If no notice of disagreement is filed in accordance with this chapter within the prescribed period, the action or determination shall become final and the claim will not thereafter be reopened or allowed, except as may otherwise be provided by regulations not inconsistent with this title.

"(d)(1) Where the claimant, or his representative, within the time specified in this chapter, files a notice of disagreement with the decision of the agency of original jurisdiction, such agency will take such development or review action as it deems proper under the provisions of regulations not inconsistent with this title. If such action does not resolve the disagreement either by granting the benefit sought or through withdrawal of the notice of disagreement, such agency will prepare a statement of the case consisting of—

"(A) A summary of the evidence in the case pertinent to the issue or issues with which disagreement has been expressed;

"(B) A citation or discussion of the pertinent law, regulations, and, where applicable, the provisions of the Schedule for Rating Disabilities;

"(C) The decision on such issue or issues and a summary of the reasons therefor.

"(2) A statement of the case, as required by this subsection, will not disclose matters that would be contrary to section 3301 of this title or otherwise contrary to the public interest. Such matters may be disclosed to a designated representative unless the relationship between the claimant and the representative is such that disclosure to the representative would be as harmful as if made to the claimant.

"(3) Copies of the 'statement of the case' prescribed in paragraph (1) of this subsection will be submitted to the claimant and to his representative, if there is one. The claimant will be afforded a period of sixty days from the date the statement of the case is mailed to file the formal appeal. This may be extended for a reasonable period on request for good cause shown. The appeal should set out specific allegations of error of fact or law, such allegations related to specific items in the statement of the case. The benefits sought on appeal must be clearly identified. The agency of original jurisdiction may close the case for failure to respond after receipt of the statement of the case, but questions as to timeliness or adequacy of response shall be determined by the Board of Veterans' Appeals.

"(4) The appellant will be presumed to be in agreement with any statement of fact contained in the statement of the case to which no exception is taken.

"(5) The Board of Veterans' Appeals will base its decision on the entire record and may dismiss any appeal which fails to allege specific error of fact or law in the determination being appealed.

"§ 4005A. Simultaneously contested claims

"(a) In simultaneously contested claims where one is allowed and one rejected, the time allowed for the filing of a notice of disagreement shall be sixty days from the date notice of the adverse action is mailed. In such cases the agency of original jurisdiction shall promptly notify all parties in interest at the last known address of the action taken, expressly inviting attention to the fact that notice of disagreement will not be entertained unless filed within the sixty-day period prescribed by this subsection.

"(b) Upon the filing of a notice of disagreement, all parties in interest will be furnished with a statement of the case in the same manner as is prescribed in section 4005. The party in interest who filed a notice of disagreement will be allowed thirty days from the date of mailing of such statement of the case in which to file a formal appeal. Extension of time may be granted for good cause shown but with consideration to the interests of the other parties involved. The substance of the appeal will be communicated to the other party or parties in interest and a period of thirty days will be allowed for filing a brief or argument in answer thereto. Such notice shall be forwarded to the last known address of record of the parties concerned, and such action shall constitute sufficient evidence of notice.

"§ 4006. Administrative appeals

"Application for review on appeal may be made within the one-year period prescribed in section 4005 of this title by such officials of the Veterans' Administration as may be designated by the Administrator. An application entered under this paragraph shall not operate to deprive the claimant of the right of review on appeal as provided in this chapter."

SEC. 2. The table of headings at the beginning of chapter 71 is amended by striking:

"4005. Applications for review on appeal.
"4006. Docketing of appeals.
"4007. Simultaneously contested claims."

and inserting in lieu thereof:

"4005. Filing of notice of disagreement and appeal.
"4005A. Simultaneously contested claims.
"4006. Administrative appeals.
"4007. Docketing of appeals."

SEC. 3. The amendments made by this Act shall be effective January 1, 1963.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended, so as to read: "An act to improve due process in the consideration and final adjudication of disputed claims for veterans' benefits by providing that the claimant shall be furnished a brief statement of the facts and law applicable to the case appealed and afforded an opportunity to reply thereto."

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1843) explaining the purposes of the bill.

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

PURPOSE OF BILL

The bill would require that the Administrator of Veterans' Affairs furnish claimants who are appealing to the Board of Veterans Appeals with a summary of the evidence in the file applicable to their case, together with an explanation of the law and the regulations.

PURPOSE OF AMENDMENT

The committee amendment, as recommended by the Veterans' Administration, merely clarifies the language applicable to the new procedure but does not change its basic intent.

GENERAL EXPLANATION

The bill will afford an added measure of due process in the consideration and final adjudication of disputed claims for veterans' benefits. It will require that in all cases which a claimant files a timely notice of disagreement with a decision by the Veterans' Administration agency of original jurisdiction on any issue, the Veterans' Administration will furnish the claimant or his representative with a statement which would provide a summary of the evidence in the case pertinent to the issue, the citation of the pertinent law and regulation, and the decision on such issues with a summary of the reasons therefor.

The committee has approved an amendment recommended by the Veterans' Administration which clarifies the language applicable to the new procedure without changing its basic content.

As explained by the Veterans' Administration, the essential elements of the veterans' appellate procedures as they will exist after the enactment of this bill are:

(1) A timely filing of a notice of disagreement. (The appeal period would not be changed.)

(2) Review and development of the case by the agency which denied the original claim to the extent proper, and the modification of the original decision to allow the claim, in whole or in part, if such action is found to be in order;

(3) Preparation of the "statement of the case" as proposal by H.R. 857, if the disagreement is not resolved to the satisfaction of the claimant by the agency of original jurisdiction;

(4) The furnishing of such statement to the claimant with notice of his right to perfect his appeal to the Board of Veterans Appeals; and

(5) Consideration of the case by the Board of Veterans Appeals on the basis of the entire record, including the "statement of the case" and the claimant's response thereto as contained in his formal appeal.

This bill will place the veteran or his survivor in a better position to develop new evidence available and to fully prepare and present his appeal. Moreover, the issue should be more clearly delineated which should facilitate appellate procedures in many cases. And as a practical matter some appeals which will go to the Board will be eliminated once the committee fully understands the basis for the decision.

In its report to this committee on the bill, the Veterans' Administration concluded:

"In weighing all considerations, we recommend favorable consideration of H.R. 857, if amended as we have suggested in this report. We estimate that the bill, as worded, would require the preparation of approximately 60,000 'statements of the case' per year at an administrative expense of approximately $1.5 million. The number of statements to be prepared and, consequently, the added expense would be reduced as the result of the changes we have proposed."

MEDICAL ADVISORY PANELS

The Senate proceeded to consider the bill (H.R. 852) to amend chapter 3 of title 38, United States Code, to authorize the Administrator of Veterans' Affairs to establish medical advisory panels to resolve conflicts of evidence in questions involving service connection of disabilities or deaths which had been reported from the Committee on Finance, with an amendment, to strike out all after the enacting clause and insert:

"That chapter 71 of title 38, United States Code, is amended by adding at the end thereof:

" '§ 4009. Independent medical opinions

" '(a) When, in the judgment of the Board, expert medical opinion, in addition to that available within the Veterans' Administration, is warranted by the medical complexity or controversy involved in an appeal case, the Board is authorized to secure an advisory medical opinion from one or more independent medical experts who are not employees of the Veterans' Administration.

" '(b) The Administrator shall make necessary arrangements with recognized medical schools, universities, or clinics to furnish such advisory medical opinions at the request of the Chairman of the Board. Such arrangement will provide that the actual selection of the expert or experts to give the advisory opinion in any individual case will be made an appropriate official of such institution.'

"SEC. 2. Section 3301 of title 38, United States Code, is amended by adding at the end of paragraph (1) thereof the following new sentence: 'And to an independent medical expert or experts for an advisory opinion pursuant to section 4009 of this title.'

"SEC. 3. The table of sections at the end of chapter 71 of title 38, United States Code, is amended by adding at the end thereof: " '4009. Independent medical opinions.' "

"SEC. 4. The amendments made by this Act shall be effective January 1, 1963."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to establish a procedure for the use of independent medical experts by the Board of Veterans' Appeals."

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1844) explaining the purposes of the bill.

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

PURPOSE OF BILL

The purpose of the bill is to improve the appellate procedures applicable to veterans' claims by authorizing the referral of such claims to independent medical experts.

PURPOSE OF AMENDMENT

The committee amendment, which was recommended by the Veterans' Administration, simplifies the proposed procedure by making the use permissive with the Veterans' Administration.

GENERAL EXPLANATION

The bill authorizes the use of independent medical experts when, in the judgment of the Board of Veterans' Appeals, their use is warranted by the medical complexity or controversy involved in an appeal case. To assure the independence of the medical experts used in such circumstances, their services would be secured through arrangements with recognized medical schools, universities, or clinics, by which the individual expert, or experts, who would render the opinion in specific cases would be selected by an appropriate institution official.

The committee adopted an amendment recommended by the Veterans' Administration and endorsed by the Bureau of the Budget which made the use of independent medical experts permissive with the Board rather than mandatory as would have been required by the bill as passed by the House of Representatives. The bill, as approved by the committee, makes no reference to the Board of Veterans' Appeals securing an advisory opinion from the Chief Medical Director of the Veterans' Administration since this is a matter within Agency discretion and ample authority for this practice now exists. In fact, the committee was informed that between 200 and 300 cases per year are currently submitted to the Chief Medical Director by the Board of Veterans' Appeals for expert advisory opinions.

The following excerpts are from the Veterans' Administration report on the bill:

"We cannot precisely estimate the cost of the legislation amended according to our recommendation. At the present time, between 200 and 300 cases per year are submitted to the Chief Medical Director by the Board of Veterans' Appeals for expert advisory opinions. It might logically be expected that enactment of the bill, even as amended, would result in an increase in the number of cases in which medical advisory opinions from either the Chief Medical Director or independent experts would be requested. But we are unable to predict the number in advance, although it is our best judgment that the number would not be excessive from the standpoint of cost—unlike the situation which would exist if the original version of the bill were enacted. Opinions through universities can probably be secured for about $50 for each opinion by a single specialist. Payments would be made under the authority of section 213 of title 38, United States Code, which authorizes the Administrator to secure the necessary services by contract or agreement as he deems practicable.

"In summary, while I must strongly oppose H.R. 852 in its present form I believe the underlying purpose has merit. Accordingly, if it is amended as suggested in this report, I would recommend its enactment.

"We are advised by the Bureau of the Budget that there is no objection from the standpoint of this administration's program to the presentation of this report to your committee."

TOTAL RATING FOR COMPENSATION FOR BLINDED VETERANS

The Senate proceeded to consider the bill (H.R. 3728) to amend title 38, United States Code, so as to authorize the Administrator to assign a total rating for compensation to a veteran granted service connection for blindness of one eye who subsequent to separation from active duty incurs blindness in the remaining eye which had been reported from the Committee on Finance with an amendment, to strike out all after the enacting clause and insert:

That subchapter VI of chapter 11 of title 38, United States Code, is amended by adding at the end thereof the following new section:

"§ 360. Special consideration for certain cases of blindness or bilateral kidney involvement

"Where any veteran has suffered (1) blindness in one eye as a result of service-connected disability and has suffered blindness in the other eye as a result of non-service-connected disability not the result of his own willful misconduct, or (2) has suffered the loss or loss of use of one kidney as a result of service-connected disability, and has suffered severe involvement of the other kidney such as to cause total disability, as a result of non-service-connected disability not the result of his own willful misconduct, the Administrator shall assign and pay to the veteran concerned the applicable rate of compensation under this chapter as if his blindness in both eyes or such bilateral kidney involvement were the result of service-connected disability."

SEC. 2. The analysis of chapter 11 of title 38, United States Code, is amended by adding at the end thereof the following:

"360. Special consideration for certain cases of blindness or bilateral kidney involvement."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended, so as to read: "An act to amend chapter 11 of title 38, United States Code, to authorize special consideration for certain disabled veterans suffering blindness or bilateral kidney involvement."

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1845) explaining the purposes of the bill.

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

EXPLANATION OF THE BILL

Under existing law, if a veteran enters military service with blindness of one eye and incurs blindness in the other eye as the result of that service he is considered to have service-connected blindness of both eyes and certain statutory rates of compensation are payable. On the other hand, if another veteran incurs blindness of one eye in service

and then subsequent to service he suffers blindness of the other eye as the result of non-service-connected cause he is entitled to compensation only for unilateral blindness. This is the present situation even though the ultimate resulting total blindness is the same in both of these cases. In each case the loss of a veteran's sight of one eye in service was a direct causative factor in such total blindness. The equitable purpose of this bill is to equate both types of cases.

EXPLANATION OF AMENDMENT

The committee amendment would extend the same principle to cases involving the loss or loss of use of one kidney in the service where the veteran, following service, suffers a severe involvement of the other kidney from a non-service-connected cause. Under the present law the disability rating in this type of case cannot be more than 30 percent—the rate for unilateral loss only—even though the veteran is in fact totally disabled. The committee amendment would authorize a rating of total service-connected disability in this type of case.

BILL PASSED OVER

The bill (S. 3614) to authorize the temporary suspension of the Jones Act (46 U.S.C. 833) upon certain findings by the Secretary of Commerce, was announced as next in order.

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

Mr. MANSFIELD. Over.

The PRESIDING OFFICER. The bill will be passed over.

CONVEYANCE OF CERTAIN LAND IN VICINITY OF GEORGETOWN, COLO.

The bill (S. 3100) to authorize the Secretary of the Interior to convey certain land situated in the vicinity of Georgetown, Colo., to Frank W. Whitenack, was announced as next in order.

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

Mr. MORSE. Mr. President, may we have an explanation of the bill?

Mr. MANSFIELD. Mr. President, section 2 of the bill states:

SEC. 2. The patent in fee authorized by the first section of this Act shall be issued subject to the payment by the said Frank W. Whitenack to the Secretary of the Interior of an amount equal to the fair market value of the property conveyed as determined by the Secretary after appraisal, exclusive of improvements placed thereon by Frank W. Whitenack and his grantees.

Mr. MORSE. I have no objection.

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

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 1, line 6, after the word "fee", to strike out "including" and insert "exclusive", and on page 2, line 8, after the word "numbered", to strike out "18727" and insert "18737"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized and directed to issue, subject to the provisions of section 2, to Frank W. Whitenack of Georgetown, Colorado, a patent in fee (exclusive of oil, gas, and other mineral rights) to the following described tract of land, situated in the vicinity of Georgetown, Colorado:

Beginning at a stake at corner numbered 1, whence the northeast corner section 5, township 4 south, range 74 west, sixth principal meridian bears north 29 degrees 57 minutes west 761.7 feet, thence east 279.7 feet to corner numbered 2, thence south 176.0 feet to corner numbered 3, thence south 82 degrees 16 minutes west 200.5 feet to corner numbered 4 which is also corner numbered 1, survey numbered 18737, Dora Lode, thence south 7 degrees 44 minutes east 150 feet to corner numbered 5, which is also corner numbered 4, survey numbered 18737 Dora Lode, thence north 82 degrees 16 minutes east 180.1 feet to corner numbered 6, thence south 992.6 feet to corner numbered 7, thence west 660 feet to corner numbered 8, thence north 502 feet to corner numbered 9, thence south 60 degrees 20 minutes east 119.4 feet to corner numbered 10, which is also corner numbered 3 survey numbered 408 Mills Placer, thence north 17 degrees 30 minutes east 919.7 feet to the place of beginning.

SEC. 2. The patent in fee authorized by the first section of this Act shall be issued subject to the payment by the said Frank W. Whitenack to the Secretary of the Interior of an amount equal to the fair market value of the property conveyed as determined by the Secretary after appraisal, exclusive of improvements placed thereon by Frank W. Whitenack and his grantees.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CONVEYANCE OF CERTAIN LANDS TO THE PRINCE GEORGES COUNTY HOSPITAL

The bill (H.R. 7782) to authorize the Secretary of the Interior to convey certain lands in the State of Maryland to the Prince Georges County Hospital, and for other purposes, was announced as next in order.

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

Mr. MORSE. Mr. President, may we have an explanation of the bill?

Mr. MANSFIELD. The purpose of the bill is to transfer to the Prince Georges Hospital 3¼ acres of land upon payment of 50 percent of the fair market value as determined by the Secretary, plus the cost of making the conveyance.

Mr. MORSE. I am delighted that the Morse formula is contained in the bill. I have no objection.

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

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs, with an amendment, on page 1, at the beginning of line 5, to strike out "one dollar" and insert "50 per centum of the fair market value as determined by the Secretary."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1848) explaining the purposes of the bill.

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

PURPOSE

The purpose of H.R. 7782 is to transfer to the Prince Georges County Hospital, Maryland, a parcel of land (about 3¼ acres) adjacent to its present grounds.

NEED

The Prince Georges County Hospital has recently expanded from a 100-bed to a 400-bed institution. Its present 23 acres of land are inadequate for an institution of this size. Additional land, the committee was advised by the hospital's administrator, is needed for residents' quarters, nursing home facilities, and further additions to the hospital.

The 3¼ acres to be transferred were part of a tract acquired by the Government in connection with its construction of the Baltimore-Washington Parkway but are no longer needed for that purpose. The cost of the tract to the Government was $3,500 plus $135 interest or $3,635 for 12.2 acres or about $300 per acre. At the same time that this land was acquired, the hospital donated an adjacent 5.31 acres to the Government for the same purpose. The donated lands had an estimated value of about $2,000 or about $400 per acre.

The committee recognizes the worthy public purpose to which these lands will be put if transferred to the Prince Georges County Hospital. The location of the lands in relation to the parkway is such that they do not add to the scenic beauty of the parkway. The lands lie over the crest of a hill on a slope away from the parkway and cannot be seen from the parkway. Other land being acquired by the hospital will surround this property which is triangular on two sides.

AMENDMENT

The amendment adopted will require the hospital to pay 50 percent of the fair market value of the property plus the cost of conveyance. Prince Georges County has obtained substantial benefits from the Baltimore Washington Parkway, which was constructed with 100 percent Federal financing. The grant by the county of the 5 acres needed for the parkway was without reservation or a request that the granted lands be replaced. It was only recently that the need for additional land developed for the hospital.

The action by the committee is along lines which have been quite consistently and generally followed in similar land transfers in the past.

The lands sought now by the hospital were acquired by the Federal Government as a part of the parkway program in 1947, at a cost of $300 per acre.

While there may have been some advance in the value of this land, the committee notes that the provision it has included will provide the hospital with the land at a price midway between the cost envisioned in the bill as introduced and the cost contemplated in the House bill.

CONVEYANCE OF CERTAIN LAND IN ALASKA TO MRS. WILLIAM E. BELTZ

The bill (S. 1065) to authorize the Secretary of the Interior to convey certain land situated in the vicinity of Unalakleet, Alaska, to Mr. William E. Beltz was announced as next in order.

Mr. MORSE. Mr. President, may we have an explanation of the bill?

Mr. MANSFIELD. I understand that this has to do with a patent which was not completed by the husband of the named beneficiary in the bill, who was a former president of the Alaskan State Senate. Section 2 of the bill states:

The patent shall be subject to outstanding gravel permits and rights-of-way, the patent may be issued only after payment of the fees that the deceased entryman would have been required to pay, and the patent shall be based upon a survey made without cost to Mrs. Beltz.

Mr. MORSE. I have no objection.

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

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 1, line 4, after the word "issue", to strike out "without consideration," and insert "subject to the provisions of section 2,"; in line 5, after the word "fee", to strike out "including all" and insert "exclusive of oil, gas, and other"; and on page 2, after line 11, to insert a new section, as follows:

SEC. 2. The patent shall be subject to outstanding gravel permits and rights-of-way, the patent may be issued only after payment of the fees that the deceased entryman would have been required to pay, and the patent shall be based upon a survey made without cost to Mrs. Beltz.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized and directed to issue, subject to the provisions of section 2, to Mrs. William E. Beltz a patent in fee (exclusive of oil, gas, and other mineral rights) to the following described tract of land, together with all buildings and other improvements thereon, situated in the vicinity of Unalakleet, Alaska: Post numbered 1 located on left limit of North River on sandbar approximately 400 feet east of the North River Bridge; thence 2,640 feet in an easterly direction following the river upstream to a narrow slough and following the slough to post numbered 2; thence 2,640 feet in a southerly direction (through timber) to post numbered 3; thence 2,640 feet in a westerly direction to post numbered 4 located on the bank of the North River; thence upstream in a northerly direction back to post numbered 1 approximately 2,640 feet from post numbered 4; such land being the same land described in the homestead settlement claim (No. F-023595) of the late William E. Beltz.

SEC. 2. The patent shall be subject to outstanding gravel permits and rights-of-way, the patent may be issued only after payment of the fees that the deceased entryman would have been required to pay, and the patent shall be based upon a survey made without cost to Mrs. Beltz.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1849), explaining the purposes of the bill.

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

PURPOSE

The purpose of the bill is to authorize and direct the Secretary of the Interior to issue a patent to Mrs. William E. Beltz to the lands upon which her late husband filed a homestead entry. Mr. Beltz had not brought the entry to the point of completion where existing law would confer upon Mrs. Beltz the rights of a person succeeding to the entry of a deceased entryman. In consideration of the bill Senator GRUENING advanced a rule of reason and equity, which the committee adopted, for deciding the course to follow for this type of case.

NEED

William E. Beltz, Alaska born of Eskimo stock, was the first president of the senate in the new State of Alaska, a post to which he was unanimously elected and occupied when an incurable brain tumor swiftly overcame him. The father of four children, the oldest only 6 at the time of his untimely passing, with his wife, he was engaged in perfecting his homestead entry, as well as serving in the Alaska Senate and in numerous public activities. It was this disabling illness and this alone which nullified his efforts.

In view of the circumstances the committee concluded that reason and equity in this case demonstrated the need for this act.

COSTS

There are no costs to the Government.

AMENDMENTS

The first and third amendments prescribe that the Secretary shall issue the patent to the land to Mrs. Beltz. Inasmuch as Mrs. Beltz has carried forward the agricultural development of the land these amendments propose that the patent be issued under the Homestead Act.

The second amendment, relating to the reservation of the mineral rights, applies the principle used in similar conveyances.

The bill (S. 3615) to authorize the Housing and Home Finance Administrator to provide additional assistance for the development of comprehensive and coordinated mass transportation systems, both public and private, in metropolitan and other urban areas, and for other purposes, was announced as next in order.

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

Mr. MANSFIELD. I ask that the bill go over.

The PRESIDING OFFICER. The bill will go over.

BILL PASSED OVER

The bill (S. 3389) to promote the foreign commerce of the United States through the use of mobile trade fairs, was announced as next in order.

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

Mr. MANSFIELD. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

APPOINTMENT OF JUDGES FOR COURTS IN THE DISTRICT OF COLUMBIA

The bill (S. 3428) relating to the appointment of judges to the municipal court for the District of Columbia, the municipal court of appeals for the District of Columbia and the juvenile court of the District of Columbia was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the second sentence of the first section of the Act entitled "An Act to consolidate the Police Court of the District of Columbia and the Municipal Court of the District of Columbia, to be known as 'The Municipal Court for the District of Columbia', to create 'The Municipal Court of Appeals for the District of Columbia', and for other purposes", approved April 1, 1942 (56 Stat. 190; D.C. Code, sec. 11-752), as amended, is amended to read as follows: "The court shall consist of a chief judge and fifteen associate judges appointed by the President with the advice and consent of the Senate."

(b) The third sentence of section 6 of such Act, as amended (D.C. Code, sec. 11-771), is amended to read as follows: "The said court shall consist of a chief judge and two associate judges appointed by the President with the advice and consent of the Senate, two of whom shall constitute a quorum."

SEC. 2. (a) Subsection (a) of section 19 of the Juvenile Court Act of the District of Columbia, approved June 1, 1938 (52 Stat. 601; D.C. Code, sec. 11-920), as amended, is amended by striking out "three judges" and inserting in lieu thereof the following: "a chief judge and two associate judges".

(b) Subsection (c) of section 19 of such Act is amended by striking out the first sentence thereof.

SEC. 3. Nothing contained in any amendment made by this Act shall be construed as affecting any appointment or designation as a judge or chief judge of the municipal court for the District of Columbia, the municipal court of appeals for the District of Columbia, or the juvenile court of the District of Columbia made prior to the date of enactment of this Act.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1851), explaining the purposes of the bill.

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

The purpose of this bill is to amend existing law relating to the appointment of judges to the municipal court, the municipal court of appeals, and the juvenile court of the District of Columbia, so as to remove the ambiguity that now exists in the law and to make it perfectly clear that the designation of the chief judges of the aforementioned courts shall be made by the President with the advice and consent of the Senate.

Since the enactment of the present law on the composition of the municipal court and the municipal court of appeals in 1942 (Public Law 512, 77th Cong.), the procedure of long standing has been for the President to forward the designation of the chief judge to the Senate for approval. Although this was the practice for almost two decades, the Justice Department in a letter dated October 1, 1961, advised the chairman of the Senate Committee on the District of Columbia of the Attorney General's intention to deviate from such procedure and recommend that the President merely designate a chief judge without submitting the designation to the Senate for approval. In accordance with this announced intention, the President, without soliciting Senate confirmation, designated the Honorable Andrew Hood to be

the chief judge of the municipal court of appeals for the District of Columbia.

In support of its legal interpretation in this matter, the Justice Department concluded that Public Law 512 (77th Cong.) does not require the Senate's approval for the designation by the President of a chief judge to the municipal court and the municipal court of appeals for the District of Columbia, but rather the plain language of the statute authorizes the appointment of a given number of judges with Senate approval, and thereafter authorizes the President to choose one of them to act as chief judge without the necessity of Senate approval.

Contrary to the Justice Department's legal interpretation of the statute, the American Law Division of the Library of Congress, in a memorandum opinion to the committee dated February 13, 1962, came to a completely opposite legal decision in the matter, concluding that the designation of a chief judge by the President under the purview of Public Law 512 requires the approval of the Senate. In formulating its decision in this regard, the American Law Division relied on the legislative history of the existing statute and in connection therewith stated the following in the aforementioned memorandum:

"The above review of the legislative history of Public Law 512 strongly indicates that as regards the municipal court of appeals the offices of chief judge and of associate judges are to be considered as distinct and that the President's designation of a nominee as chief judge is to be made at the time of nomination and hence that an appointment to that office must receive the consent of the Senate. The original bill clearly provided that the chief judge and the associate judges were to be appointed as such by the President with the consent of the Senate. The bill as adopted is ambiguous, but was not intended to effect any change from the original bill in this regard. In addition, the bill as adopted clearly distinguishes between the chief judge and the associate judges as regards their initial appointments. The chief judge is to be appointed for 10 years while the associate judges are to be appointed for 8 and 6 years each. The act gives the President no authority to remove a chief judge during his term and to designate another judge as chief judge in his stead."

In addition to relying heavily on the legislative history of the public law, the American Law Division in formulating its decision also gave weighty consideration to the possibility of diminished compensation of the chief judge that could occur where the designation is not approved by the Senate for a definite time period. In this connection the memorandum opinion stated:

"It should be noted that Public Law 512 both as originally adopted and as amended provides that the chief judges of both courts shall receive a compensation $500 higher than that provided for the associate judges of their courts. It would therefore be extraordinary for the act also to be interpreted as meaning that the persons designated as chief judge shall serve as such at the pleasure of the President. Article III, section 1, of the Constitution provides, for example, that the compensation of Federal judges shall not be diminished during their continuance in office. That article of course applies only to "constitutional courts" whose judges serve during good behaviors, but it evidences a tradition that no one shall be in a position to influence judges through possession of power to reduce their compensation. Interpreting Public Law 512 to mean that the President may designate an individual as chief judge without consent of the Senate leaves open the question of the term for which the designation may be made and may give rise to a situation where the President is asserted to have the power to terminate the designation at his pleasure, thereby giving the President a power as regards District of Columbia courts that he may not constitutionally possess as regards article III courts. If it had been the intention of Congress in enacting Public Law 512, it surely would have been spelled out clearly in the act."

It is the belief of this committee that from the divided legal opinions rendered by the Department of Justice and the American Law Division of the Library of Congress an ambiguity exists in the language of Public Law 512 relating to the appointment of the chief judges of the municipal courts for the District of Columbia. Accordingly, the committee is of the view that the procedures to be followed in appointing the chief judges to the various courts of the District of Columbia should be made clear. This bill, if enacted, would remove the ambiguity that now exists in the statutes and make it perfectly clear that the designation of the chief justices of the municipal court, the municipal court of appeals, and the juvenile court must be with the advice and consent of the Senate.

The bill also provides that any appointment or designation as a judge or chief judge of the municipal court for the District of Columbia, the municipal court of appeals for the District of Columbia, or the juvenile court of the District of Columbia made prior to the date of enactment of the measure, shall not be affected.

The committee is informed that the Justice Department does not oppose the enactment of this legislation.

RAILROAD UNEMPLOYMENT INSURANCE ACCOUNT

The bill (S. 3529) to amend the Manpower Development and Training Act of 1962 with regard to reimbursement of the railroad unemployment insurance account was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (h) of section 203 of the Manpower Development and Training Act of 1962 is amended, effective March 15, 1962, by inserting "(1)" after the subsection designation, and by adding at the end of such subsection the following new paragraph:

"(2) If unemployment benefits under the Railroad Unemployment Insurance Act are paid to a person taking training under this Act and eligible for a training allowance, the railroad unemployment insurance account in the unemployment trust fund shall be reimbursed, from funds herein appropriated, for all of such benefits paid prior to July 1, 1964, and for 50 per centum of the amount of such benefits paid on or after that date. The amount of such reimbursement shall be determined by the Secretary of Labor on the basis of reports furnished to him by the Railroad Retirement Board and such amount shall then be placed in the railroad unemployment insurance account."

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1853), explaining the purposes of the bill.

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

PURPOSE OF THE BILL

The purpose of the bill is to direct that the Railroad Retirement Board shall be reimbured for all unemployment compensation payments made by it to persons taking training under the Manpower Development and Training Act of 1962 (Public Law 87-415; 76 Stat. 23) and eligible for training allowances thereunder. The act provides for reimbursement in compensation cases to any State making such payments, and it is the object of this bill to make identical provision for reimbursement in the case of railroad unemployment benefits paid out of the railroad unemployment insurance account. Reimbursement would be authorized for all payments made prior to July 1, 1964, and for 50 percent of payments paid on or after that date.

BILLS PASSED OVER

The bill (S. 2937) to amend the Civil Service Retirement Act so as to provide for increases in annuities, eliminate the option with respect to certain survivor annuities, and provide for interchange of credits between civil service retirement system and the insurance system established by title II of the Social Security Act, was announced as next in order.

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

Mr. MANSFIELD. I ask that the bill go over. It is not calendar material.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3164) to amend the Civil Service Retirement Act so as to increase, in the case of children attending school, from 18 to 21, the maximum age for receiving benefits under such act was announced as next in order.

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

Mr. MANSFIELD. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

ALTERNATE REPRESENTATION OF SECRETARIAL OFFICERS, MIGRATORY BIRD CONSERVATION COMMISSION

The bill (S. 3504) to provide for alternate representation of secretarial officers on the Migratory Bird Conservation Commission, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Migratory Bird Conservation Act (16 U.S.C. 715a) is amended by inserting, immediately after the first sentence, the following new sentence: "Each of the aforesaid Secretaries may designate the Under Secretary or an Assistant Secretary of his department as his alternate with authority to represent him and to consider and pass upon matters before the said Commission."

SEC. 2. Section 18 of the aforesaid Act (16 U.S.C. 715q) is hereby amended by striking out "commission" and inserting in lieu thereof "commission" and by striking out "$5,000" and inserting in lieu thereof "$10,000".

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1856), explaining the purposes of the bill.

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

The Migratory Bird Conservation Commission was created by section 2 of the Migratory Bird Conservation Act (act of Feb. 18, 1929, 45 Stat. 1222). This act in effect was amended in 1939 by Reorganization Plan No. II, which transferred functions of the Secretary of Agriculture relating to the conservation of wildlife, game, and migratory birds to the Secretary of the Interior, and provided that the Secretary of the Interior shall be secretary of the Migratory Bird Conservation Commission in lieu of the Secretary of Agriculture. In other respects the original composition of the Commission was retained.

In addition to the two Cabinet members (the Secretary of Agriculture and the Secretary of the Interior) mentioned, the Commission consists of the Secretary of Commerce, two Members of the Senate selected by the President of the Senate, two Members of the House of Representatives selected by the Speaker. The statute also provides for representation on the Commission by a State official during consideration and voting on all questions relating to the acquisition of any areas of land and water in his State.

The Commission is authorized to approve areas of land and water for purchase or rental by the Secretary of the Interior, and is required through its Chairman, to make a detailed annual report to Congress on its operations.

Senator HRUSKA and METCALF presently represent the U.S. Senate on the Commission. The Members from the House of Representatives are Congressmen GAVIN and KARSTEN.

PURPOSE OF THE BILL

At a Commission meeting June 27, 1962, the Secretary of the Interior informed the Senate and House of Representative Members that, after an investigation that he had made, he had determined, through studying a 1954 opinion by the Solicitor of his Department that he was authorized to designate anyone to appear and represent him on the Commission.

On the basis of that Solicitor's 1954 opinion the congressional members of the Commission feel that the Migratory Bird Conservation Act (16 U.S.C. 715a) should be amended. They believe, and your committee concurs, that the decisions to spend the money, $105 million collected through "duck stamp" sales should be made on a relatively high level. The four Members of Congress take the position that the conservationists of this country who made possible the "duck stamp" program felt that they were giving the trustee responsibilities to the Secretary of the Interior, the Secretary of Commerce, and the Secretary of Agriculture.

There has been difficulty, at times, in getting a quorum at Commission meetings due to the heavy demands upon the time of Cabinet members.

S. 3504 would provide that the Secretaries may designate the Under Secretary or an Assistant Secretary from their departments, as alternates if they are unable to attend.

Section 18 of the Migratory Bird Conservation Act would be amended to increase the $5,000 authorization in the original act to $10,000. There is going to be an accelerated wetlands program under the 1961 act. This money would cover expenses for the members of State fish and game commissions and others who come to give the Commission information and facts that they need to know about the land they are acquiring.

STUDIES OF THE GENETICS OF SPORT FISHES

The Senate proceeded to consider the bill (S. 1542) to authorize the Secretary of the Interior to conduct studies of the genetics of sport fishes and to carry out selective breeding of such fishes to develop strains with inherent attributes valuable in programs of research, fish hatchery production and management of recreational fishery resources, which had been reported from the Committee on Commerce, with amendments, on page 2, after line 7, to strike out:

SEC. 2. For the purpose of carrying out the provisions of this Act, the Secretary of the Interior is authorized (1) to acquire suitable lands and water rights, to construct or otherwise acquire laboratory or other buildings and structures, to acquire equipment and apparatus and to employ necessary personnel; (2) to cooperate with State and other institutions and agencies upon such terms and conditions as may be appropriate; (3) to make public the results of research and experiments conducted pursuant to the first section of this Act; and (4) to propagate, maintain, and distribute such genetically improved or stabilized strains of fishes as may be developed by the authorized program of selective breeding.

And, in lieu thereof, to insert:

SEC. 2. That for the purpose of carrying out the provisions of this Act, the Secretary of the Interior is authorized—

(a) to acquire in such manner as he shall consider to be in the public interest land and interests in land including but not limited to water rights; to construct or acquire otherwise laboratory or other buildings and structures; to acquire equipment and apparatus; and to employ necessary personnel;

(b) to cooperate with States and with other agencies and institutions upon such terms and conditions as he may consider to be appropriate and in the public interest;

(c) to make public the results of research and experiments conducted pursuant to this Act; and

(d) to propagate, maintain, and distribute to cooperating States and other agencies such genetically improved or stabilized strains of fishes as may be developed pursuant to this Act.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is hereby authorized and directed to establish a fishery research laboratory or laboratories to conduct basic studies of the genetics of sport fishes and to carry out selective breeding programs directed toward the development of strains of fishes having inherent physical characteristics or physiological reactions of specific or general value to the constructive management of the recreational fisheries and to the guiding and implementing functions of research and fish hatchery production.

SEC. 2. That for the purposes of carrying out the provisions of this Act, the Secretary of the Interior is authorized—

(a) to acquire in such manner as he shall consider to be in the public interest land and interests in land including but not limited to water rights; to construct or acquire otherwise laboratory or other buildings and structures; to acquire equipment and apparatus; and to employ necessary personnel;

(b) to cooperate with States and with other agencies and institutions upon such terms and conditions as he may consider to be appropriate and in the public interest;

(c) to make public the results of research and experiments conducted pursuant to this Act; and

(d) to propagate, maintain, and distribute to cooperating States and other agencies such genetically improved or stabilized strains of fishes as may be developed pursuant to this Act.

SEC. 3. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act: *Provided,* That no more than $2,500,000 shall be appropriated for this purpose in any one fiscal year.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1857), explaining the purposes of the bill.

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

PURPOSE OF THE BILL

S. 1542, as amended, would authorize studies by the Department of the Interior, of sport fishes and direct it to carry on valuable research programs relating to selective fish breeding.

The Bureau of Sports Fisheries and Wildlife, Department of the Interior, has this to say in its testimony in support of S. 1542:

"The Department has submitted to the Committee on Interstate and Foreign Commerce a favorable report on S. 1542 (H.R. 7826), and has recommended several perfecting amendments of a clarifying nature.

"We believe the type of study proposed in this legislation will be highly beneficial. In the past, our scientists and those of other agencies have tried in many ways to better the recreational fishery resources of the United States. We have regulated the catch to save fish for more anglers, and have planted fish from hatcheries to increase the number available in the streams, lakes, ponds, and reservoirs. We have tried to improve the environments in these waters so that fish have a better chance to survive, and we have even tried to give them better feeding areas and spawning places.

"Except for a few sporadic efforts, we have not yet tried to improve the fish themselves into hardier, healthier, longer-lived strains. Until we undertake this line of work, we are not doing our utmost to meet the recreational fishing demands which are already upon us.

"Our own limited studies have indicated that by breeding and rearing fish specifically for the streams in which they are to live, and for the natural conditions they will face, we can have better fish survival and the angler will have more attractive fish to catch.

"Greater economy in fish production at hatcheries will come from developing genetically stable strains of fish suitable for artificial rearing. Much progress has been made in this direction by the feeding of low-cost foods, but more progress will come by rearing fish better able to utilize those foods. Disease resistance is another asset which must be developed and fixed in strains of hatchery fish reared under crowded conditions. Brood stock having high fecundity and good egg viability is also desired. Properly organized studies on genetics of fish will help us to develop fish breeding lines for these various purposes. It is entirely possible that with these strains, and through the use of fish hybrids, we can rear fish economically for the put-and-take angler who is becoming increasingly common."

In support of the bill, Senator J. J. HICKEY, of Wyoming, stated—

"The tourist industry in Wyoming and throughout the Rocky Mountain West has increased in magnitude over the years and it is anticipated that the recreational facilities of these States will need to be increased during the coming years to provide for the

growth of this industry. The additional requirements for game fish in supplying the needs of this industry have become a problem of significant magnitude, and the passage of this bill, S. 1542, would assist in obtaining better breeds of fish and enhance the fish hatchery production for this recreational industry."

Gov. Jack Gage, of Wyoming, expressed the views of Wyoming State agencies in the following manner:

"We are of the opinion that the establishment of a research unit in the area would be of great benefit to the Rocky Mountain region, especially in research in trout. The scientific research such a unit could provide would be of inestimable value."

In the long run this bill should save the taxpayers money. It is a well-known fact that a large percentage of fish placed in the streams by fish hatcheries die before they become acclimated to their new surroundings. The result is that a greater number of fish must be planted in order to meet the healthier, hardier strains of fishes, not only will this problem be overcome to a great extent but the pleasure derived by the fisherman in having to exert greater efforts in landing his catch will be magnified.

COSTS

The Department of the Interior made the following estimate of funds required for research in genetics and selective breeding:

"Although no funds are presently available or budgeted for research in genetics and selective breeding, such work is included in our plans as a major function of our fishery research program. Initial studies will concentrate on the rainbow trout, a logical choice because of its wide distribution, great popularity, importance in production of Federal, State, and private hatcheries, and adaptability to culture. We anticipate that at a site affording a water supply of the required temperature, volume, and quality, the primary experimental facilities for rearing and testing hundreds of separate small lots of rainbow trout will be built. Costs of major facilities for rainbow trout research, estimated at approximately $1 million, will be divided between 2 or perhaps 3 fiscal years. Concurrently, a permanent staff of about 10 professional and 12 supporting personnel would be assembled. The professional team would include personnel trained in fishery biology, genetics, pathology, serology, physiology, and related disciplines. Annual costs, salaries, and expenses of this program probably will reach the $200,000 level in about 4 years.

"Subsequent expansion of the scope of the genetics and selective breeding to include important warm-water species will benefit from experience gained in the early trout studies and will be facilitated by the results of cultural-methods research now underway. This bill provides for a maximum appropriation of $2,500,000 in any one fiscal year. We believe that full development of the planned program can be accomplished within this limitation."

BILLS PASSED OVER

The bill (H.R. 1171) to assure continued fish and wildlife benefits from the national fish and wildlife conservation areas by authorizing their appropriate incidental or secondary use for public recreation to the extent that such use is compatible with the primary purposes of such areas, and for other purposes, was announced as next in order.

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

Mr. MANSFIELD. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 103) to authorize the Secretary of the Interior to construct, operate and maintain the Auburn-Folsom south unit, American River Division Central Valley project, California, under Federal reclamation law was announced as next in order.

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

Mr. MANSFIELD. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3517) to authorize the Secretary of Commerce to establish and carry out a program to promote the flow of domestically produced lumber in commerce was announced as next in order.

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

Mr. MANSFIELD. Over.

The PRESIDING OFFICER. The bill will be passed over.

STATUE OF EUSEBIO FRANCISCO KINO

The joint resolution (H.J. Res. 439) authorizing the State of Arizona to place in the Statuary Hall collection at the United States Capitol the statute of Eusebio Francisco Kino was considered, ordered to a third reading, read the third time, and passed.

FUNERAL EXPENSES OF THE LATE SENATOR DWORSHAK, OF IDAHO

The resolution (S. Res. 365) to pay certain funeral expenses of the late Senator Henry C. Dworshak, of Idaho was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate is hereby authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the committee appointed to arrange for and attend the funeral of the Honorable Henry C. Dworshak, late a Senator from the State of Idaho, on vouchers to be approved by the chairman of the Committee on Rules and Administration.

PRINTING AS A SENATE DOCUMENT STUDY ENTITLED "TRIAL PROGRAM OF PUBLIC LAND RANGE APPRAISAL"

The resolution (S. Res. 367) authorizing the printing as a Senate document of a study entitled "Trial Program of Public Land Range Appraisal," was considered and agreed to, as follows:

Resolved, That there be printed as a Senate document a study entitled "Trial Program of Public Land Range Appraisal", prepared at the request of the Senate Committee on Appropriations by the Department of Agriculture and the Department of the Interior.

ELECTION OF SENATE MEMBER TO THE JOINT COMMITTEE ON THE LIBRARY

The resolution (S. Res. 372) electing a member on the part of the Senate to the Joint Committee on the Library was considered and agreed to, as follows:

Resolved, That Mr. BOTTUM be, and is hereby, elected a member on the part of the Senate of the Joint Committee on the Library, vice Mr. PEARSON.

ADDITIONAL COPIES OF HEARINGS ON IMPORTS AND EXPORTS

The concurrent resolution (H. Con. Res. 500) authorizing the printing of additional copies of parts 2, 3, 6, and 7 of the hearings held before the Committee on Education and Labor on the impact of imports and exports was considered and agreed to.

PRINTING AS HOUSE DOCUMENT REPORT OF JOINT COMMITTEE ON ARRANGEMENTS TO COMMEMORATE THE 100TH ANNIVERSARY OF THE FIRST INAUGURAL OF ABRAHAM LINCOLN

The concurrent resolution (H. Con. Res. 503) to authorize the printing as a House document the report of the Joint Committee on Arrangements to Commemorate the 100th Anniversary of the First Inaugural of Abraham Lincoln was considered and agreed to.

Mr. MANSFIELD. That completes the call of the calendar.

EDUCATIONAL AND TRAINING FILMS FOR USE BY DEAF PERSONS

Mr. MUSKIE. Mr. President, I move that the Senate proceed to the consideration of S. 2511.

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

The LEGISLATIVE CLERK. A bill (S. 2511) to provide for the production and distribution of educational and training films for use by deaf persons, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Maine.

The motion was agreed to; and the Senate proceeded to the consideration of the bill, which had been reported from the Committee on Labor and Public Welfare with amendments on page 2, at the beginning of line 1, to strike out "That" and insert " "That" "; after line 17, to insert:

(b) Paragraphs (4), (5), and (6) of section 3(b) of such Act are redesignated as paragraph (5), (6), and (7), respectively, and there is inserted after paragraph (3) the following:

"(4) provide for the conduct of research in the use of educational and training films for the deaf, for the production and distribution of training films for the deaf, and for the training of persons in the use of films for the deaf."

And on page 3, line 4, to strike out "(b)" and insert "(c)", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the first section of the Act entitled "An Act to

provide in the Department of Health, Education, and Welfare for a loan service of captioned films for the deaf", approved September 2, 1958 (72 Stat. 1742), is amended to read as follows:

"That the objectives of this Act are—

"(a) to promote the general welfare of deaf persons by (1) bringing to such persons understanding and appreciation of those films which play such an important part in the general and cultural advancement of hearing persons, (2) providing, through these films, enriched educational and cultural experiences through which deaf persons can be brought into better touch with the realities of their environment, and (3) providing a wholesome and rewarding experience which deaf persons may share together; and

"(b) to promote the educational advancement of deaf persons by (1) carrying on research in the use of educational and training films for the deaf, (2) producing and distributing educational and training films for the deaf, and (3) training persons in the use of films for the deaf."

(b) Paragraphs (4), (5), and (6) of section 3(b) of such Act are redesignated as paragraphs (5), (6), and (7), respectively, and there is inserted after paragraph (3) the following:

"(4) provide for the conduct of research in the use of educational and training films for the deaf, for the production and distribution of training films for the deaf, and for the training of persons in the use of films for the deaf."

(c) Section 4 of such Act is amended to read as follows:

"SEC. 4. There are hereby authorized to be appropriated for each fiscal year such funds as may be necessary to carry out the objectives of this Act."

The PRESIDING OFFICER. The question is on agreeing to the amendments.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I wish to extend my congratulations to the distinguished Senator from Maine [Mr. MUSKIE], and the distinguished Senator from Rhode Island [Mr. PELL] for the outstanding work they have done on this matter and the initiative and enthusiasm they have shown. They are to be commended. Certainly, I am grateful for their taking the initiative in this matter.

Mr. MUSKIE. I thank the majority leader for his generous comments. I ask unanimous consent that there may be inserted at this point in the RECORD an explanation of the bill.

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

EXPLANATION

The bill, S. 2511, as reported by the committee, would amend Public Law 85-905, that established a loan service of captioned films for the deaf in the Department of Health, Education, and Welfare. The bill would delete the existing ceiling of $250,000 on appropriations for the captioned films for the deaf program and authorize the Secretary of Health, Education, and Welfare to provide for:

(a) the conduct of research in the use of educational and training films for the deaf;

(b) the production and distribution of training films for the deaf; and

(c) the training of persons in the use of films for the deaf.

These new authorities and the increased level of funds that could be made available would permit a significant expansion in the library of captioned films for the deaf. The films themselves would improve in quality and in usefulness through the newly authorized program of research in captioned films for the deaf. The training of personnel in the use of these films would further enhance their value in educating and training the deaf.

Regional distribution centers for the captioned films for the deaf could be established to provide for the most efficient distribution of the greatly increased library of films.

The new responsibilities that would be carried out through the captioned films program would include special programing for curricula in the education of the deaf. Research that would be pursued under the new authorities of the bill would relate to: (1) selection and utilization of electromechanical devices related to filmed materials; (2) development and validation of film programs and procedures; and (3) the application and integration of such devices and materials into existing and planned curricula.

The level of Federal funds that would be available under the expanded program of captioned films for the deaf would be determined on an annual basis by the Congress.

Although the present program of captioned films for the deaf is limited to $250,000 per year, the Federal Government appropriates sums considerably in excess of this amount in behalf of educational and recreational materials for those afflicted by blindness. In 1962, for example, a total of $1,800,000 was appropriated for the talking books program administered by the Library of Congress and an additional $670,000 was appropriated for the production and distribution of braille textbooks and other educational materials by the American Printing House for the Blind.

HEARINGS

Testimony in favor of the enactments of S. 2511 was presented on August 7, 1962, by representatives of such organizations and associations as the Conference of Executives of American Schools for the Deaf, the Council for Exceptional Children, the Convention of American Instructors of the Deaf, and the National Association of the Deaf.

Mr. MUSKIE. Mr. President, I ask unanimous consent that a copy of my statement before the Committee on Labor and Public Welfare on the bill be printed in the RECORD at this point.

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

Mr. Chairman, I have had a long and continuing interest in the new and revolutionary techniques which are being introduced into educational programs. The more I have studied the potential of new methods, particularly audiovisual aids, the more I have become convinced of the tremendous possibilities of this method in teaching the deaf.

Last year in testimony before the Senate Appropriations Committee I indicated my belief in the favorable impact an improved captioned films program would have on the welfare of this group of handicapped persons.

I would like to state that, with an additional year of experience in the present program, I am even more convinced of the necessity for this amendment.

The need for expanded educational opportunities for the deaf increases and the time has arrived to take some positive action to assist these handicapped persons.

In considering this legislation, we should look at the Federal program for the blind. The existing inequality between that program and the captioned films for the deaf program is clearly evident.

At the present time, the captioned films for the deaf program has a limited annual budget of $250,000. This represents $1 for each deaf person in the United States.

Compared with this sum, the talking books for the blind program in 1962 served 350,000 individuals at a cost of approximately $1,800,000, or a little over $5 for each blind person. The talking books program has an unlimited budget. In addition to Federal assistance, there are many charitable organizations, such as Columbia Lighthouse for the Blind, which are concerned with the special problems of the blind.

I in no way want to imply that assistance to the blind should be curtailed. I merely wish to indicate the wide gap between the two programs.

Enactment of S. 2511 would help to narrow the present inequity in assistance given to these two groups of handicapped individuals.

Under the present captioned films program, some 650 groups of deaf persons utilize the film distribution services. This figure is less than 10 percent of the total deaf population of approximately 250,000.

Currently the program has a mere 14 educational subjects, and some of these are actually more documentary than educational. The remaining subjects are solely entertainment by nature.

Commercial firms are not interested in producing captioned films because of the limited market. They are also not interested in exploring new techniques in the use of films for this special group. The film industry is not in a position to promote teacher training in more effective use of the films.

The present act contains no provision for research or for training personnel who teach the deaf. These are critical and important areas which are forced to go neglected because of narrow budget limitations.

Unique educational problems are involved in teaching a person handicapped by deafness. This student requires better visual materials and more adequately trained teachers.

Teachers of the deaf are faced with unusual problems not always fully realized or understood by the lay public. A child who is either born deaf or rendered deaf at a very early age is inflicted with a double burden to bear throughout life. There is no normal way for such a child to learn how to communicate because sounds have no meaning for him.

By expanding the present captioned films programs, it will be possible to enrich the lives of many more thousands of deaf children and adults. In considering this amendment, we must remember that the Nation benefits as well as the handicapped individual.

In fiscal year 1961, the appropriation for this program was only $185,000. In fiscal year 1962, the Senate saw fit to increase that amount to $250,000. This is the ceiling which has been placed on Public Law 85-905.

S. 2511 would amend Public Law 85-905 and would remove the $250,000 annual appropriation limitation.

The bill would permit the Federal Government to assume responsibility for the production of captioned films for the deaf.

It would authorize research in the use of education and training film for the deaf and would provide for training of persons in the use of those films.

Mr. Chairman, I sincerely believe that the proposed expansion of the existing program is important to the welfare and intellectual development of this group of American citizens. And as we all know, when better opportunities are afforded for educational advancement, better citizenship results.

I strongly urge the committee to take immediate and favorable action in regard to S. 2511.

ORDER OF BUSINESS

Mr. KEATING. Mr. President, I have a question regarding another bill on the calendar in which I am particularly interested. It is Calendar No. 973, H.R. 10. I should like to inquire when we might expect that the bill will be called up for consideration. It passed the House on three occasions by practically a unanimous vote, and was favorably reported by the Senate Committee on Finance in the 86th Congress by a vote of 12 to 5, and in the first session of the 87th Congress by a vote of 14 to 3. It seems to be picking up some ground in the Senate.

I have long been interested in this legislation both in the other body and here. Millions of American citizens are urging action and I strongly believe that they are entitled to it. It is only natural that the 9 million self-employed of the country and their 10 million employees should be interested in H.R. 10 because it has a direct effect on the standard of living which they may expect in their later years. The self-employed cannot look forward to their retirement with the same sense of security as do the approximately 31 million Americans who are covered by private and public retirement plans. H.R. 10 is of paramount importance to these 19 million Americans, and I believe it imperative that we act on this bill whose merit is beyond question and whose passage is long overdue.

I have an interest in the bill. Millions of American citizens are urging action. I strongly believe they are entitled to it. I wish to inquire of the distinguished Senator from Montana whether we may expect that it will be programed shortly.

Mr. MANSFIELD. While it will not be programed shortly, it will be programed at an appropriate time.

Mr. KEATING. I thank the Senator, although that does not give me too great hope of action soon.

AMENDMENT OF SECTION 9(a) OF THE TRADING WITH THE ENEMY ACT

Mr. KEATING. Mr. President, may I ask that H.R. 3460, which passed the House of Representatives today, be laid before the Senate?

Mr. MANSFIELD. Mr. President, reserving the right to object, I should like to hear what the bill provides.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 3460) to amend section 9(a) of the Trading With the Enemy Act, as amended.

Mr. KEATING. Mr. President, I object to a second reading of the bill.

The PRESIDING OFFICER. Under rule XIV, the bill will go over until tomorrow.

Mr. KEATING. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New York will state it.

Mr. KEATING. Will the bill be taken up in the morning hour tomorrow?

The PRESIDING OFFICER. During the morning hour, the bill will be laid before the Senate for a second reading.

Mr. KEATING. I thank the Chair.

COMMITTEE MEETING DURING SENATE SESSION

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the Committee on the Judiciary be permitted to meet during the session of the Senate tomorrow.

Mr. MORSE. I object.

The PRESIDING OFFICER. Objection is heard.

INTERSTATE COMMERCE ACT THROUGH ROUTES AND JOINT RATES

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of Calendar No. 1756, H.R. 11643, which was considered earlier but held up briefly. Now it has been cleared.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 11643) to amend section 216(c) and 305 (b) of the Interstate Commerce Act, relating to the establishment of through routes and joint rates.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

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

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 11643) was ordered to a third reading, was read the third time, and passed.

Mr. BARTLETT. Mr. President, I desire to express my deep appreciation to the distinguished senior Senator from Delaware [Mr. WILLIAMS], who had given consideration to offering an amendment to H.R. 11643, but who later notified the majority leader and me that he did not intend to do so. I am especially grateful because for more than 2 years we have been seeking legislation of this kind, so that certain through routes and joint rates might be established to and from Alaska and Hawaii. Twice before the Senate passed a bill to establish a joint board composed of representatives of the Federal Maritime Commission and the Civil Aeronautics Board. The House of Representatives did not agree that this was the proper procedure that should be followed, and passed the bill which has been before us and was passed only a few minutes ago, permitting the filing of through routes and joint rates with the Interstate Commerce Commission.

The Committee on Commerce thought the need for corrective action was so great that it was decided to acquiesce in the House bill, notwithstanding the fact that the committee felt that the joint board approach might be better, and the Federal Maritime Commission and the Department of Commerce was very decidedly of that opinion.

In essence, the enactment of the bill will permit lower freight rates both to Hawaii and to Alaska. Up until now, it has been possible to file through routes and joint rates via rail and water, but not by motor carrier and water. This procedure will now be permissible, if the bill be enacted.

There was some question on the part of the Hawaii trucking industry, when Hawaii became a State, and the Interstate Commerce Commission made an administrative determination, which emerged as Regulation MC-59, that the Commission would not extend its jurisdiction to the Hawaiian Islands. I am informed that the trucking industry there was fearful that H.R. 11643 might, as it were, permit the Interstate Commerce Commission to come in the back door, and for a time an amendment to the bill was urged, which was before the Commerce Committee in these words:

> The provisions of this subsection shall not be applicable to common carriers by motor vehicle in the State of Hawaii.

Conferences were held with interested individuals and groups, the most recent of them having taken place this afternoon. I had a meeting with representatives from the offices of Senator LONG of Hawaii, and Senator FONG. Representative INOUYE also attended in person. It was our conclusion that we should try to have the bill pass without amendment, especially in light of the letter written to me on this subject under date of July 19, last, by Rupert L. Murphy, chairman of the Interstate Commerce Commission.

Mr. President, I ask unanimous consent that the letter be printed at this point in my remarks.

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

INTERSTATE COMMERCE COMMISSION,
OFFICE OF THE CHAIRMAN,
Washington, D.C., July 19, 1962.

Hon. E. L. BARTLETT,
U.S. Senate, Washington, D.C.

DEAR SENATOR BARTLETT: This is in response to your recent oral request for the Commission's position on a possible amendment to exclude motor common carriers operating in the State of Hawaii from the application of section 1 of H.R. 11643, as passed by the House of Representatives on June 22, 1962. The language of the amendment, which would be added at the end of section 1, is as follows:

"The provisions of this subsection shall not be applicable to common carriers by motor vehicle in the State of Hawaii."

Section 1 of H.R. 11643 was designed to extend to motor common carriers subject to part II of the Interstate Commerce Act the privilege of joining in through routes and joint rates with water common carriers subject to the jurisdiction of the Federal Maritime Commission on traffic moving between Alaska or Hawaii and the other States. Motor common carriers now operating in Hawaii under the exemption granted by the Commission in Ex Parte No. MC-59, Motor Carrier Operations in the State of Hawaii, 84 M.C.C. 5, are not, of course, subject to part II of the act and they would not therefore, be eligible to enter into such joint ar-

rangements under the provisions of the bill. Thus, even without the amendment, enactment of H.R. 11643 would not affect the status of motor carriers in Hawaii operating under the Ex Parte MC-59 exemption.

Since, as it is generally recognized, conditions in the transportation industry seldom remain static, the inclusion of such an amendment in the bill could, as we see it, operate to the disadvantage of the Hawaiian motor carriers by making the statute too inflexible. If, for example, the Commission should at some future date find, after notice and oportunity for all interested parties to be heard, that it would be in the public interest to revoke the exemption as to some or all of these carriers, the carriers could not participate in through route and joint rate arrangements with water carriers serving Hawaii without further legislative action. Such action is, of course, necessarily time consuming and until actually taken would, during the interim period, deprive the shipping public of the benefits of through routes and joint rates.

All circumstances considered, the Commission would not favor the amendment in question.

Sincerely,

RUPERT L. MURPHY,
Chairman.

Mr. BARTLETT. Mr. President, Representative INOUYE returned only this morning from a trip to Hawaii, where he held meetings with truckers and trucking groups. He told us of their concern; but it is his opinion, after our consultations today, that the trucking industry of Hawaii, in which he takes such a deep interest, will not be adversely affected by the provisions of the bill.

I feel certain that if at any later date the Interstate Commerce Commission should decide to extend its jurisdiction to Hawaii, it would give adequate preliminary notice to the Members of the congressional delegation from Hawaii, to the State government, and to the industry of the island.

I hope and believe that would be the case.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, several nominations are at the desk. If the Senate will concur, I move that the Senate proceed to the consideration of executive business to consider the nominations at the desk.

FEDERAL HOME LOAN BANK BOARD

The PRESIDING OFFICER. The first nomination at the desk will be stated.

The legislative clerk read the nomination of John deLaittre, of Minnesota, to be a member of the Federal Home Loan Bank Board for the term of 4 years expiring June 30, 1966, vice Ira A. Dixon.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. HUMPHREY. Mr. President, it is a real privilege to have this opportunity to express my support for the nomination of John deLaittre as a member of the Federal Home Loan Bank Board.

Mr. deLaittre is one of Minnesota's outstanding leaders in the field of finance, a man who has the respect and friendship of every person of consequence in the housing field in the upper Midwest and, indeed, throughout the country. He has a distinguished record as a civic leader, and is known not only for his high professional attainments, but also for his impressive record of good works for his fellowmen and for the welfare of his community.

I know that Mr. deLaittre is making a considerable sacrifice in agreeing to accept this position, and that he is doing so because of his strong sense of public need and responsibility. Mr. deLaittre is a man of complete probity and integrity, who will serve on the Home Loan Bank Board with honor and distinction.

It gives me great pleasure to have this opportunity to support the nomination of my good and respected friend.

I ask unanimous consent that a biographical sketch of the nominee and a number of letters regarding this nomination be printed at this point in the RECORD.

There being no objection, the biographical sketch and letters were ordered to be printed in the RECORD, as follows:

BIOGRAPHICAL SKETCH OF JOHN DELAITTRE

Born on Nicollet Islands, Minneapolis, Minn., on September 7, 1907, as the son of Karl deLaittre and Rosamond (Kimball Little) deLaittre.

Education: Blake School, Minneapolis, 1915–18, 1920–23; Friends School, Washington, D.C., 1918–19; Milton Academy, Massachusetts, 1923–25; Harvard College, A.B., 1925–29; travel around world, 1929–30; Harvard Law School, LL.B., 1930–33.

Professional: Associated with Minneapolis law firm, Kingman, Cross, Morley, Cant & Taylor, 1933–40; member, Hennepin County and Minnesota Bar Associations.

Banking: Farmers & Mechanics Savings Bank of Minneapolis; assistant treasurer, 1940–42; treasurer, 1942–47; vice president, 1947–57; president, 1957–62; trustee, 1952–62; National Association of Mutual Savings Banks, director, 1952–62; president, 1959–60; National Thrift Committee (Chicago) director and treasurer, 1961–62; International Thrift Institute (Amsterdam), director and vice president, 1960–62; Federal Home Loan Bank Board "Task Force," 1961–62.

Business: Western Oil & Fuel Co., director, 1951–60; Great Northern Insurance Co., director, 1955–62; Title Insurance Co. of Minnesota, director, 1960–62.

Civic and welfare: Pillsbury Settlement House, director and former president; Legal Aid Society, director and former president; War Chest of Minneapolis, director, 1941–45; Community Chest, director, 1948–62; United Fund of Minneapolis, director, 1959–62; United Hospital Fund, director and first vice president, 1957–62; American Red Cross, chairman, Hennepin County Chapter, 1950; assistant to director, Foreign Operations, Washington, D.C., 1943–44; Minnesota Historical Society, president, 1960–62; Minneapolis Foundation, trustee; Minneapolis Society of Fine Arts, trustee; Walker Art Center, trustee; Twin City Area Educational Television Corp., trustee and acting president; Lakewood Cemetery, trustee; Harvard Club of Minnesota, director and former president; Smith College, board of counselors, former member.

Family: Married to Carolyn Erminger of Macon, Ga., and Chicago, in 1934; three daughters: Mrs. Henry A. Pillsbury, San Francisco, Calif.; Mrs. Carolyn deL. Hawley, Santa Barbara, Calif., and Miss Lila deLaittre, enters the Madeira School, Greenway, Va., in September 1962.

Residence: 520 West Ferndale Road (Route 5, Box 56), Wayzata, Minn.

U.S. SAVINGS AND LOAN LEAGUE,
CHICAGO, ILL.,
August 8, 1962.

Hon. A. WILLIS ROBERTSON,
Chairman, Banking and Currency Committee, Senate Office Building, Washington, D.C.

DEAR CHAIRMAN ROBERTSON: The officers of the U.S. Savings and Loan League have asked me to communicate to the committee our support of the nomination of John deLaittre as a member of the Federal Home Loan Bank Board. His many years as head of the highly respected Farmers and Mechanics Savings Bank of Minneapolis give him a firsthand knowledge of financial institutions that will be most valuable in his Board service. In numerous important national, State, and local activities he has clearly demonstrated that he has the leadership and executive abilities required for this important assignment. The league will cooperate fully with John deLaittre and the two other distinguished Board members, Joseph McMurray and Joseph Williams.

Some of the financial press have speculated that the appointment of a savings banker to the Federal Home Loan Bank Board is a step in bringing together the savings banks and savings and loan industries or combining their Federal agencies or establishing a new system of federally chartered savings banks. Therefore, we would like to point out that our wholehearted endorsement of Mr. deLaittre is not intended as any endorsement of any proposals with respect to combining the two industries, etc. These are all entirely separate and distinct matters from the appointment of an outstanding and experienced businessman to the Federal Home Loan Bank Board.

Sincerely yours,

STEPHEN SLIPHER,
Legislative Director.

NATIONAL LEAGUE OF INSURED
SAVINGS ASSOCIATIONS,
Washington, D.C.,
August 9, 1962.

The Honorable A. WILLIS ROBERTSON,
Chairman, Senate Banking and Currency Committee, Washington, D.C.

DEAR MR. CHAIRMAN: It is a privilege to add our hearty endorsement to the nomination of Mr. John deLaittre to serve as a member of the Federal Home Loan Bank Board. Mr. deLaittre by education, experience and temperament is ideally qualified for this very important post and we are hopeful that your committee will report favorably on this nomination.

Sincerely yours,

BRYCE CURRY,
General Counsel.

MINNEAPOLIS, MINN.,
August 8, 1962.

Hon. A. WILLIS ROBERTSON,
Chairman, Senate Banking and Currency Committee, Washington, D.C.

I am pleased to inform you that the Savings and Loan League of Minnesota at its annual convention last month unanimously and wholeheartedly endorsed the candidate John deLaittre as a member of the Federal Home Loan Bank Board. We consider Mr. deLaittre a man of high character and unusual ability. He has served his community well and would be an extremely fine asset to the bank board. We therefore trust that your committee will grant approval of his appointment.

VERNON F. WELCH,
Executive Vice President,
Savings and Loan League of Minnesota.

TOPEKA, KANS.,
August 8, 1962.

A. WILLIS ROBERTSON,
Chairman, Senate Banking Committee, Senate Office Building, Washington, D.C.

Delighted to indorse nomination for John deLaittre to Federal Home Loan Bank Board

HENRY A. BUBB,
Chairman of Legislative Committee.

U.S. ARMY

The legislative clerk read the nomination of Gen. Maxwell D. Taylor, U.S. Army, to be chairman of the Joint Chiefs of Staff for a term of 2 years.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Gen. Earle G. Wheeler, U.S. Army, to be Chief of Staff, U.S. Army, for a term of 2 years.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

ASSISTANT SECRETARY OF THE NAVY

The legislative clerk read the nomination of Victor M. Longstreet, of New Jersey, to be an Assistant Secretary of the Navy.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

ASSISTANT PHYSICIAN TO THE PRESIDENT

The legislative clerk read the nomination of Capt. George G. Burkley, Medical Corps, U.S. Navy, to be assistant physician to the President, for temporary promotion to the grade of rear admiral while serving at the White House.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

THE NAVY AND MARINE CORPS

The legislative clerk proceeded to read sundry nominations in the Navy and Marine Corps.

Mr. MANSFIELD. Mr. President, I ask that the nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed.

THE ARMY

The legislative clerk proceeded to read sundry nominations in the United States Army.

Mr. MANSFIELD. Mr. President, I ask that the nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed.

NOMINATIONS ON THE DESK

The legislative clerk proceeded to read sundry nominations in the Navy and Air Force, which had been ordered to lie on the desk.

Mr. MANSFIELD. I ask that the nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

Mr. MANSFIELD. I ask that the President be notified of the nominations which have been confirmed.

The PRESIDING OFFICER. Without objection, the President will be notified.

(For nominations confirmed today, see the end of the Senate proceedings.)

LEGISLATIVE SESSION

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

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

ORDER FOR ADJOURNMENT UNTIL NOON TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the business for today has been completed, the Senate adjourn until 12 o'clock noon tomorrow.

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

ONE MILLIONTH VISITOR TO ALASKA EXHIBIT AT SEATTLE WORLD'S FAIR

Mr. BARTLETT. Mr. President, about an hour or so ago I received a telephone call from Mr. Morris Ford, of Seattle, who is head of the tourist promotion agency of the State of Alaska, and has spent a considerable amount of time in Seattle in the last few months in connection with Alaska's exhibit at the Seattle World's Fair.

Mr. Ford informed me that yesterday a Mrs. Tidwell, of Tigard, Oreg., became the one millionth person to visit the Alaska exhibit—and a very good one, indeed, it is—at the Seattle World's Fair.

She was honored on that occasion, of course. But that will not be all. Tomorrow, Mrs. Tidwell leaves on a trip—a free trip, naturally—to Point Barrow, Alaska; and she will also be an honored guest at the big fair currently being held at Fairbanks, Alaska.

RELEASE OF RIGHT, TITLE, OR INTEREST IN CERTAIN STREETS IN HEYBURN, IDAHO

Mr. MORSE. Mr. President, some minutes ago Calendar No. 1786, Senate bill 2369, to release the right, title, or interest, if any, of the United States in certain streets in the village of Heyburn, Idaho, and to repeal the reverter in patent for public reserve was reached on the Legislative Calendar. I asked that the bill go over until the report could be clarified. I pointed out that our calendar clerk was undecided about whether the Morse formula was involved; and I said I wanted to speak to the Senator from Idaho [Mr. CHURCH] about the bill.

I now have talked with the Senator from Idaho [Mr. CHURCH], who assures, me that no monetary interest of the Federal Government is involved.

This is an old reclamation project; and I understand the Federal interest was disposed of at the time when the reclamation project was established.

There has been left, however, a cloud on the title to certain streets and alleys; and the title insurance companies want the cloud on the title removed, and feel that it is necessary to have this bill passed, in that connection.

The Senator from Idaho assures me that no monetary interest in behalf of the taxpayers of the United States is involved. If that is true—and I am sure it is—then there is no application of the Morse formula; and therefore I have no objection to passage of the bill.

So, Mr. President, with the consent of the minority leader, I ask unanimous consent that the Senate now proceed to the consideration of Calendar 1786.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill (S. 2369) to release the right, title, or interest, if any, of the United States in certain streets in the village of Heyburn, Idaho, and to repeal the reverter in patent for public reserve was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any right, title, or interest of the United States in and to streets that were dedicated upon the filing of the townsite plat for Heyburn, Idaho, a reclamation townsite established pursuant to the Act of April 16, 1906 (34 Stat. 116), as amended, and that adjoin lands which have been sold, which streets have been vacated, or any street that may hereafter be vacated within the original townsite of Heyburn, Idaho, is hereby released and quitclaimed to the adjoining owners by the United States.

SEC. 2. The clause included in patent numbered 1048499, issued by the United States to the village of Heyburn on July 27, 1931, providing for reversion of title to the United States is hereby repealed, and any right, title, or interest of the United States in and to Lincoln Boulevard or any street hereafter to be vacated within said townsite adjoining the lands described in said patent is hereby released.

ADJOURNMENT

Mr. DIRKSEN. Mr. President, under the order previously entered, I move that the Senate do now adjourn.

The motion was agreed to; and (at 8 o'clock and 2 minutes p.m.) the Senate adjourned, under the order previously entered, until tomorrow, Friday, August 10, 1962, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate, August 9, 1962:

U.S. ATTORNEY

James P. Alger, of Utah, to be U.S. attorney for the district of Guam for the term of 4 years.

U.S. MARSHAL

James R. Berry, of Pennsylvania, to be U.S. marshal for the western district of Pennsylvania.

U.S. DISTRICT JUDGES

Stanley A. Weigel, of California, to be U.S. district judge for the northern district of California.

Charles H. Carr, of California, to be U.S. district judge for the southern district of California. (A new position.)

FEDERAL HOME LOAN BANK BOARD

John deLaittre, of Minnesota, to be a member of the Federal Home Loan Bank Board for the term of 4 years expiring June 30, 1966.

ASSISTANT SECRETARY OF THE NAVY

Victor M. Longstreet, of New Jersey, to be an Assistant Secretary of the Navy.

U.S. ARMY

Gen. Maxwell D. Taylor, U.S. Army, for appointment as Chairman of the Joint Chiefs of Staff for a term of 2 years.

Gen. Earle G. Wheeler, U.S. Army, for appointment as Chief of Staff, U.S. Army, for a term of 2 years.

Gen. George Henry Decker, U.S. Army, to be placed on the retired list in the grade of general, under the provisions of title 10, United States Code, section 3962.

The following-named officers to be placed on the retired list, in the grades indicated, under the provisions of title 10, United States Code, section 3962:

To be generals

Gen. James Edward Moore, O15650, Army of the United States (major general, U.S. Army).

Gen. Herbert Butler Powell, O16684, Army of the United States (major general, U.S. Army).

To be lieutenant general

Lt. Gen. Thomas John Hall Trapnell, O16782, Army of the United States (major general, U.S. Army).

The following-named officers for appointment in the Regular Army of the United States, to the grade indicated, under the provisions of title 10, United States Code, sections 3284 and 3306:

To be brigadier generals

Brig. Gen. Walter August Jensen, O19006, Army of the United States (colonel, U.S. Army).

Brig. Gen. Joseph Warren Stilwell, O19117, Army of the United States (colonel, U.S. Army).

Brig. Gen. George Thomas Powers 3d, O19137, Army of the United States (colonel, U.S. Army).

Brig. Gen. Samuel Edward Gee, O19251, Army of the United States (colonel, U.S. Army).

Brig. Gen. William Roberts Calhoun, O19256, Army of the United States (colonel, U.S. Army).

Brig. Gen. Edward Spalding Ehlen, O19286, Army of the United States (colonel, U.S. Army).

Brig. Gen. John Andrew Seitz, O30137, Army of the United States (colonel, U.S. Army).

Brig. Gen. Charles Francis Tank, O19350, Army of the United States (colonel, U.S. Army).

Brig. Gen. Kermit LeVelle Davis, O19386, Army of the United States (colonel, U.S. Army).

Brig. Gen. John Farnsworth Smoller, O19416, Army of the United States (colonel, U.S. Army).

Brig. Gen. Robert Hawkins Adams, O19474, Army of the United States (colonel, U.S. Army).

Brig. Gen. Lloyd Elmer Fellenz, O19485, Army of the United States (colonel, U.S. Army).

Brig. Gen. Harry Lester Hillyard, O19524, Army of the United States (colonel, U.S. Army).

Brig. Gen. Charles Edward Johnson 3d, O19534, Army of the United States (colonel, U.S. Army).

Brig. Gen. Robert Carson Kyser, O19535, Army of the United States (colonel, U.S. Army).

Brig. Gen. Harry Jacob Lemley, Jr., O19756, Army of the United States (colonel, U.S. Army).

Brig. Gen. Hugh McClellan Exton, O19780, Army of the United States (colonel, U.S. Army).

Brig. Gen. Durward Ellsworth Breakefield, O19781, Army of the United States (colonel, U.S. Army).

Brig. Gen. Harry Herndon Critz, O19786, Army of the United States (colonel, U.S. Army).

Brig. Gen. Elmer John Gibson, O19822, Army of the United States (colonel, U.S. Army).

Brig. Gen. James Willoughby Totten, O19834, Army of the United States (colonel, U.S. Army).

Brig. Gen. Hamilton Austin Twitchell, O19843, Army of the United States (colonel, U.S. Army).

Brig. Gen. Joseph Rieber Russ, O19860, Army of the United States (colonel, U.S. Army).

Brig. Gen. John Hart Caughey, O19885, Army of the United States (colonel, U.S. Army).

Brig. Gen. Edward William Sawyer, O19918, Army of the United States (colonel, U.S. Army).

Brig. Gen. Norman Basil Edwards, O19936, Army of the United States (colonel, U.S. Army).

Brig. Gen. Frank Joseph Sackton, O30553, Army of the United States (colonel, U.S. Army).

Brig. Gen. Walter Brown Richardson, O30597, Army of the United States (colonel, U.S. Army).

Brig. Gen. Roy Lassetter, Jr., O51714, Army of the United States (colonel, U.S. Army).

Brig. Gen. Bruce Edward Kendall, O30623, Army of the United States (colonel, U.S. Army).

Brig. Gen. Eugene Albert Salet, O30790, Army of the United States (colonel, U.S. Army).

Maj. Gen. Bruce Palmer, Jr., O20117, Army of the United States (colonel, U.S. Army).

Maj. Gen. William Reeves Shuler, O20118, Army of the United States (colonel, U.S. Army).

Maj. Gen. James Benjamin Lampert, O20147, Army of the United States (colonel, U.S. Army).

Brig. Gen. John Edward Kelly, O20156, Army of the United States (colonel, U.S. Army).

Brig. Gen. David Woodrow Hiester, O20191, Army of the United States (colonel, U.S. Army).

Brig. Gen. Selwyn Dyson Smith, Jr., O20194, Army of the United States (colonel, U.S. Army).

Brig. Gen. Howard McCrum Snyder, Jr., O20213, Army of the United States (colonel, U.S. Army).

Brig. Gen. James Edward Landrum, Jr., O20216, Army of the United States (colonel, U.S. Army).

Maj. Gen. William Childs Westmoreland, O20223, Army of the United States (colonel, U.S. Army).

Brig. Gen. Beverley Evans Powell, O20237, Army of the United States (colonel, U.S. Army).

Brig. Gen. Edward Clare Dunn, O20245, Army of the United States (colonel, U.S. Army).

Brig. Gen. Robert George Fergusson, O20267, Army of the United States (colonel, U.S. Army).

Maj. Gen. John Arnold Heintges, O20281, Army of the United States (colonel, U.S. Army).

Maj. Gen. Creighton William Abrams, Jr., O20296, Army of the United States (colonel, U.S. Army).

Lt. Gen. John Hersey Michaelis, O20328, Army of the United States (colonel, U.S. Army).

Brig. Gen. William Pelham Yarborough, O20362, Army of the United States (colonel, U.S. Army).

Brig. Gen. Charles Billingslea, O20367, Army of the United States (colonel, U.S. Army).

Brig. Gen. Benjamin Franklin Evans, Jr., O20368, Army of the United States (colonel, U.S. Army).

U.S. MARINE CORPS

The following-named officers of the Marine Corps for temporary appointment to the grade of major general, subject to qualification therefor as provided by law:

William P. Battell	Lewis J. Fields
George H. Cloud	Raymond L. Murray
Frank C. Tharin	Frederick E. Leek

The following-named officers of the Marine Corps for temporary appointment to the grade of brigadier general, subject to qualification therefor as provided by law:

Joseph L. Stewart	Hugh M. Elwood
John P. Coursey	Raymond G. Davis
Joseph S. Reynaud	Edward H. Hurst
William K. Jones	

U.S. NAVY

Capt. George G. Burkley, Medical Corps, U.S. Navy, assistant physician to the President, for temporary promotion to the grade of rear admiral while serving at the White House.

The following-named officers of the line of the Navy for temporary promotion to the grade of rear admiral, subject to qualification therefor as provided by law:

Levering Smith	Paul S. Savidge, Jr.
David Lambert	Francis D. Boyle
Horace V. Bird	John H. McQuilkin
Frank L. Pinney, Jr.	Mason B. Freeman
Lester R. Schulz	William F. Petrovic
Lester S. Chambers	Norvell G. Ward
Donald G. Irvine	Constantine A. Karaberis
Marshall W. White	
William S. Guest	Allan F. Fleming
Edward C. Outlaw	John M. Alford
Russell Kefauver	James W. O'Grady
James A. Brown	William F. Bringle

IN THE AIR FORCE

The nominations beginning Roger R. Bate to be permanent professor of the U.S. Air Force Academy, and ending Robert K. Zimmerman to be second lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on August 1, 1962.

IN THE NAVY AND MARINE CORPS

The nominations beginning William R. Walker to be permanent lieutenant commander in the Medical Corps of the Navy, and ending John G. Matlack to be second lieutenant in the Marine Corps, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on July 20, 1962.

EXTENSIONS OF REMARKS

Needed: Simplified Handbook of Farm Laws

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Thursday, August 9, 1962

Mr. WILEY. Mr. President, the Nation regrettably has not yet found any "magic formula" for solving the problems in agriculture.

For this year, the outlook is also problematical.

In a broadcast over Wisconsin radio stations, I was privileged to discuss highlights of pending legislation and, as well, make some suggestions which if adopted, would help make existing programs more effective in meeting the challenges of agriculture.

I ask unanimous consent to have excerpts of the address printed in the RECORD.

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

NEEDED: SIMPLIFIED HANDBOOK OF FARM LAWS

Friends, this is your senior Senator, ALEX WILEY. I welcome the opportunity once again to discuss some of the problems confronting us in agriculture.

On the legislative front, the House of Representatives recently passed a bill called the Food and Agriculture Act of 1962. Currently, the measure,, after some "surgery" by the Senate Agriculture Committee, is pending before the Senate.

Generally, the provisions relate to: extending the existing law on feed grains; a modified wheat program; revising Public Law 480 for shipping food abroad; liberalized farm credit; expanding research for industrial uses of farm commodities; and revised land-use programs.

Realistically, the bill, similar to a major measure defeated earlier in the session, is highly controversial. On the positive side, there are two features which, if adopted, would be of significance to us here in Wisconsin:

1. Expansion of research for industrial uses of agricultural products, including milk and other dairy products. (Earlier this session, I recommended the establishment of a special laboratory here in Wisconsin for expanding research for commercial—industrial uses of dairy products.)

2. Secondly, the land-use recommendations could prove of value. These include: permanent agricultural conservation programs on a national basis; assistance to producers under long-term agreements (not to exceed 15 years) to conserve and develop soil, water, forest, wildlife and recreational resources; appropriations would be restricted to $10 million annually; a loan program to State and local public agencies for carrying out more effective land utilization programs; and special assistance for Federal participation in installation costs of recreation projects and in land costs for fish, wildlife and other purposes.

Tourism increasingly is an aspect of Wisconsin's economy. The creation of close-by, on-the-farm vacation spots could provide more citizens—about two-thirds of whom now live in urban areas—with greater opportunities to: get either weekend, or vacation "breaths of fresh air" in the country; acquaint children with nature and animal life; and generally provide an opportunity for improving the health of our citizens—mentally, spiritually, and physically, through the enjoyment of our out-of-door heritage.

Fundamentally, however, the bill contains seriously controversial provisions—particularly relating to the degree of Federal control over farmers. Consequently, the outlook is problematical on this or any other major legislation this session.

Over the years, the Nation has adopted, if in somewhat "patchwork" fashion, an extensive, complex system of laws relating to agriculture.

Unfortunately, these laws too often, are wrapped or entangled in legalistic redtape and obscured by bureaucratic language.

As a result, programs that might be of assistance often may not be known to farmers; or, if known, the requirement may be too complicated to encourage wide participation. Consequently, these do not adequately serve their originally intended purposes.

For this reason, I am recommending that the Secretary of Agriculture prepare for farmers in clear, not bureaucratic language, a "Handbook of Farm Laws and Programs." The handbook, I believe, could well include: a summary of existing laws and programs; a clear definition of their purposes; illustrations of how these can effectively help the farmer; and simplified ways for participating in such programs.

If this were done, I believe that: (1) many of the existing programs being carried along at the taxpayers' expense administratively could be of greater help to the farm economy; and (2) the handbook would provide a useful guide for review, revision, and, if necessary, repeal of existing or adoption of new programs to improve the economic outlook of agriculture.

The Colombian Lotteries

EXTENSION OF REMARKS

OF

HON. PAUL A. FINO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1962

Mr. FINO. Mr. Speaker, I would like to apprize the Members of this House about the Colombian lotteries.

Colombia is a small and poor country, yet, it realizes the worth of lotteries. The gross receipts from said lotteries in 1961 amounted to over $12 million of which about $3 million went to the Government.

The income received is used for hospital development, homes for the poor, the blind, deaf mutes, the aged and other charitable institutions.

Mr. Speaker, is it not time that we stopped being reckless and careless with the tax and revenue advantages offered by a national lottery? If we would have the courage to wipe out hypocrisy, we could raise over $10 billion in additional revenue which would help to cut our high taxes and reduce our mounting national debt.

The 26th Anniversary of the Spanish Civil War

EXTENSION OF REMARKS

OF

HON. THOMAS E. MORGAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1962

Mr. MORGAN. Mr. Speaker, I am pleased to join with my colleagues in commemorating this important anniversary in the history of modern Spain.

I used the term "modern Spain" in order to contrast the relatively short time that has elapsed since the memorable defeat that international communism suffered on the Iberian Peninsula, with the much older ties of friendship that have existed between our people and the people of Spain.

All of us are conscious, I am certain, of the contribution which Spain has made over the centuries to the establishment and development of Western civilization in the Western Hemisphere. In the United States alone, many of our areas, towns and cities clearly reflect the influence of Spanish culture. Those contributions have enriched our own lives in many ways.

But what is more relevant to the anniversary which we are observing today, is the extent to which Spain of today—modern Spain—can help us in enlarging the area of freedom and in establishing the foundation for lasting peace in the world. This is the task which confronts us today. And I am happy to say that Spain has contributed—and continues to contribute in many ways—to the achievement of those goals.

Our bases in Spain serve as vital links in the chain of free world defenses.

Spain's strategic position, and historic links with millions of peoples living in the developing countries, help our common cause.

And, even more recently, Spain's decision to apply for membership in the European Economic Community, to move into the mainstream of economic life of Western Europe, can result in an important contribution by enhancing the strength, unity, and economic viability of the so-called Atlantic community.

I am very pleased that, during this time of change and challenge, Spain is so ably represented in Washington by

His Excellency, Ambassador Antonio Garrigues. Ambassador Garrigues' friendship for our country, and his extensive experience in many areas of human endeavor, will serve him in good stead in his present assignment.

In concluding my remarks I would like to echo the sentiments expressed by President Kennedy when he accepted Ambassador Garrigues' credentials.

"The continuing cooperation of our two countries in defense of the West," he said, "has been of mutual benefit in many fields and I am confident that the benefits of this collaboration will continue."

I, too, am hopeful and confident that our two countries will continue to cooperate in the interest of freedom and peace in the world.

In conclusion, I want to compliment the gentleman from New Jersey [Mr. GALLAGHER], a distinguished member of the Committee on Foreign Affairs, for his eloquent remarks. I further wish to extend my congratulations to the Spanish nation and its leaders on their important anniversary. It marks, as we all know, one of the serious reverses suffered by the Communist movement in its drive to extend its dominion over the free peoples of the world.

The 32d Division Comes Home

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Thursday, August 9, 1962

Mr. WILEY. Mr. President, the year-ago Berlin crisis resulted in a callup of National Guard and other Reserve Forces—including Wisconsin's 32d National Guard and other State Reserve units.

Now these defenders of freedom are returning home.

In a weekend broadcast over Wisconsin stations, I was privileged to discuss the significance—as well as the problems—involved in the callup of Reserve forces.

I ask unanimous consent to have excerpts of the address printed in the RECORD.

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

EXCERPTS OF ADDRESS PREPARED FOR DELIVERY BY SENATOR ALEXANDER WILEY, REPUBLICAN, OF CHIPPEWA FALLS, OVER WISCONSIN RADIO STATIONS, AUGUST 4–5, 1962

In a world of crises, we—particularly here in Wisconsin—are day by day witnessing personally that the price of liberty is eternal vigilance, yes; but also eternal readiness to defend freedom.

Almost a year ago, Wisconsin's famed 32d Division—and other fighting units—were called up "to the colors" as a result of the Berlin crisis. The majority of these men are scheduled to return home in August.

A cross section of Wisconsin, these soldier-citizens include teachers, students, farmers, engineers, laborers, businessmen, industrialists, and other trades and professions.

The reintegration of these sacrificing citizens, despite the best kind of help by all of us, will, nevertheless, be difficult and require maximum effort and cooperation by all segments of our society. Fortunately, a statewide survey has indicated that, for the most part, employers will honor reemployment rights of reservists and Guard members.

Our challenge, then, is to assure that these defenders of freedom, rather than being unduly penalized for emergency service, should be accorded every assistance, in act and spirit, commensurate with the significance of their sacrifices for our national security, and the difficulties of reestablishing themselves in civilian life.

MISSION: DEFENSE

In these critical times, the mission of our military forces includes: (1) serving as a deterrent force to any would-be aggressors, capable of striking a death-dealing blow to any attacking enemy; and (2) a protective shield—holding the Reds "at bay"—while we strengthen the free and non-Communist world; and seek solution or accommodation of East-West differences on diplomatic, economic or ideological fronts.

MAJOR GOALS OF U.S. DEFENSE POLICY

As a leader of the free world, and major obstacle to the Communist effort to control the globe, the United States must continue to: Maintain powerfully manned ground, air, and naval forces capable of defense, and of striking back against an attacking enemy; create an ever-stronger economy to support the skyrocketing costs of defense, as well as meet the fast-growing needs of an ever-increasing 186-million population; and mobilize our citizens in 'spirit' as well as militarily, to meet the challenge to survival by communism.

REVIEW OF RESERVE POLICY

After the call of the 32d—and similar units around the State and Nation—patriotic citizens and their families, and others concerned with national policy, asked: "Was this necessary?" "Did a callup, resulting in serious disruption of civilian life, serve our national security?"

In the Congress, the Armed Services Committee scheduled hearings to find answers to such questions. There were tremendous amounts of testimony. As yet, unfortunately, there has still been no clarification of national policy.

In the best traditions of America, however, Wisconsin's 32d, and other units', rise to the call enabled America to more strongly "flex its muscles," at a critical time in history. Once again, a show of strength discouraged aggression by demonstrating to the Communists that we stand ready and willing to protect the rights of freedom. For this contribution to the cause of freedom—at considerable personal sacrifice—you, and your families—deserve the gratitude of all America. Now, we are happy that you are home. Along with all fellow citizens, I, as your Senator, stand ready to do everything possible to make less difficult the problems of readjustment to day-to-day life in Wisconsin.

Leading Doctor Favors Medicare

EXTENSION OF REMARKS

OF

HON. HERMAN TOLL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1962

Mr. TOLL. Mr. Speaker, I read a very interesting letter on the editorial page of the Philadelphia Bulletin of August 8. It was written by one of the leading physicians of Philadelphia. His views refer to the position of one-third of the medical profession as favoring the King-Anderson bill.

I have known Dr. Leon Solis-Cohen for a great many years and have observed his outstanding contributions to the public welfare. He has been very active in civic and fraternal affairs and has frequently participated in matters affecting the welfare of the people.

His observations are contained in the remarks by the Honorable JAMES A. BYRNE of Pennsylvania, who has included the newspaper report. I wish to commend Dr. Solis-Cohen for his views and for his strong statement in favor of medical care for the aged under social security.

Radio-TV as Seen From Capitol Hill

EXTENSION OF REMARKS

OF

HON. ROBERT G. STEPHENS, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1962

Mr. STEPHENS. Mr. Speaker, under leave previously granted, I call attention of the House to the fact that on August 6, 1962, the Honorable OREN HARRIS, of Arkansas, the distinguished chairman of the Committee of the House on Interstate and Foreign Commerce, addressed the Georgia Association of Broadcasters, Inc., at its annual convention at Jekyll Island, one of Georgia's fine State parks.

This 1962 convention, presided over by H. Randolph Holder, of Athens, Ga., president of the Georgia Association of Broadcasters, Inc., and owner of radio station WGAU, and guided by the quietly efficient executive secretary, Jack Williams, was unusual in at least three respects. First, under President Holder's leadership the Georgia Association of Broadcasters has achieved the enviable position of being the largest in the United States. Second, as stated by Frank Harden, president of the South Carolina Broadcasters Association, it was "the first occasion when our members have had the pleasure of officially meeting in joint session with our fellow broadcasters in the neighboring State of Georgia." And, third, it was the first time so outstanding a national figure as Representative OREN HARRIS had appeared before the annual convention.

It was my honor to present Mr. HARRIS to the assemblage and his speech was so well given and so vital to the radio and television industry, I requested that I be permitted to insert the following text in the RECORD:

RADIO-TV AS SEEN FROM CAPITOL HILL

(Address by Representative OREN HARRIS, Democrat of Arkansas, chairman, Committee on Interstate and Foreign Commerce, House of Representatives)

Ladies and gentlemen, it is a privilege and pleasure for me to be with you here today. The subject which you have suggested gives me an opportunity of sharing with you some

thoughts about the actions taken by our committee and the Congress during the 87th Congress in the field of radio and television.

Radio and television legislation has assumed a very prominent place among the many subjects over which our committee has jurisdiction.

We have been more active during the 87th Congress with respect to radio and television legislation than perhaps any of the numerous other subjects within our committee's jurisdiction.

Let me be more specific and give you some illustrations.

As of July 4, 1962, a total of 783 bills were referred to our committee. Of this total, 91 bills fell into the category of radio and television. This constitutes a very large percentage considering the fact that our committee jurisdiction includes, among others, subjects such as railroads, aviation, motor transportation, securities and exchanges, trade regulations, public health, food and drug regulation, oil and gas, and electric power, and so forth.

The large number of radio and television bills is only one of several yardsticks by which one can measure the awareness on the part of Congress with respect to radio and television matters.

Another yardstick is the close attention which the Congress is giving to the agency to which is assigned the responsibility of regulating radio and television—the Federal Communications Commission. When, in April of 1961, President Kennedy submitted to the Congress a reorganization plan affecting the organization and procedures of that Commission, Congress disapproved the plan. It was felt that the plan would concentrate too much power in the hands of the Commission Chairman by giving him authority to assign fellow Commissioners and Commission personnel to specific tasks.

Congress realized, however, that the steadily increasing workload of the Commission required some changes in the law governing the Commission's procedures. Also, in order to promote efficiency and to speed up the handling of applications and other cases by the Commission, it was felt that Congress would have to permit the delegation of some functions to qualified and experienced Commission personnel, subject, however, to review and final decision by the Commission itself.

Our committee gave careful consideration to this legislation which passed both Houses of the Congress and was signed into law on August 31, 1961. I believe, and certainly it is my sincere hope, that provisions of the legislation will be used by the Commission to reduce the large backlog of cases pending before it.

Two other measures on which our committee acted and which have become law attest to the interest of the Congress in an expanding broadcasting industry. I have reference to the all-channel television receiver and the educational television legislation.

The purpose of these two acts of Congress is to eliminate a great waste of one of our most valuable natural resources—the radio spectrum. As all of you well know, in 1952 the Federal Communications Commission adopted a nationwide intermixed UHF–VHF allocation structure for television and set aside a number of television channels for noncommercial educational television. Out of a total of 2,225 television assignments, 681 are VHF stations and 1,544 are UHF stations. Ninety-two of the VHF and one hundred and eighty-nine of the UHF station assignments are reserved for educational television. However, only 103 commercial and 16 educational UHF stations are actually on the air.

The principal reason why UHF commercial and educational broadcasting have not been able to develop successfully thus far has been the scarcity of television receivers which are capable of receiving stations operating on UHF channels. In addition, educators interested in operating educational broadcasting facilities have been confronted with a lack of funds to pay for the installation of educational television facilities.

The all-channel television receiver legislation and the legislation providing for Federal matching grants to assist States, local communities, and private nonprofit agencies in the construction of educational television facilities are designed to overcome these difficulties. The enactment of these two measures should, in my opinion, contribute to a vast expansion of UHF television—both commercial and noncommercial. Of course, this expansion will not come overnight, but it is my hope that the growth will be steady and that it will contribute greatly to making available to the American people television service to the fullest degree.

With all the attention which is given these days to television, our committee still has found time to go into certain complex and controversial questions of radio broadcasting.

The character of radio broadcasting has changed very much over the years. Radio has become preponderantly a local service and many persons have come to depend on radio for local news and information.

Our committee held extensive hearings on two subjects which have been of intense interest to radio broadcasters: daytime operations and clear-channel operations. As a result of these hearings and extensive consideration of the problems involved, our committee decided on a course of action with regard to each of these problems.

As you well know, the daytime stations have been asking for years for authority to broadcast at least from 5 a.m. until 7 p.m., and subsequently revised their request downward so that they would be permitted to broadcast at least from 6 a.m. until 6 p.m.

The Commission turned down both of these requests. In spite of repeated urgings on the part of our committee to authorize the conducting of actual limited tests with presunrise and postsunset operations, the Commission has failed to do so.

Our committee decided that the public interest requires that daytime stations located in communities which are not served by full-time stations be authorized to operate presunrise. At present, many persons in the United States residing in areas not served by full-time community radio stations have to do without early morning local news and information programs in wintertime because many daytime stations may not begin operations until after sunrise. In northern localities, which are not as fortunate as we are here down South, sunrise occurs rather late in the morning.

In order to make available to such persons in wintertime vitally needed local news and information programs, under the bill reported by the committee and passed by the House, presunrise operations would be authorized under certain conditions. Such presunrise operations would have to be discontinued or modified if the Commission finds that such operations cause harmful interference to a substantial portion of the area or population in the primary service area of another radio station.

The committee did not find on the basis of the hearings conducted by it that it would be in the public interest to authorize postsunset operations by daytime stations. During the evening hours there is not the same urgent need for local information and news programs which exists in the early morning hours. Furthermore, postsunset operations would cause a greater amount of interference to other stations since during the late afternoon hours more stations are on the air than during the early morning hours.

In view of the fact that we are rapidly approaching the end of this session, it is not at all certain that there will be enough time for the Senate to take up this legislation. It is my judgment, however, that the Federal Communications Commission will make a real effort to work out the problems relating to daytime broadcasting stations along the guidelines laid down in this legislation.

A somewhat related problem was involved in the case of the operations of class I–A clear-channel stations. The Senate adopted in 1938 a resolution to the effect that operations with power in excess of 50 kilowatts would be against the public interest. Relying in part on the Senate resolution, the Federal Communications Commission decided to duplicate 13 of the presently existing class I–A clear channel stations.

Our committee felt after extended hearings that the Commission's decision should be stayed for 1 year and that the Commission should review its decision in the light of a policy declaration passed by the House which would leave the Commission free to authorize operations with power in excess of 50 kilowatts if operation with such higher power is found to be in the public interest. The information given to our committee indicates that better radio service can be rendered to many persons in the United States by several of the clear channel stations if they are authorized to operate with power in excess of 50 kilowatts.

Finally, our committee reported and the House passed a bill providing for the establishment of a Communications Satellite Corporation. This bill, in my opinion, is one of the most important pieces of legislation which has come before the 87th Congress and it is likely to revolutionize the international communications industry. When we considered this legislation it was not thought of as being of primary interest to broadcasters. The outstanding success of Telstar, however, as a relay station for broadcasts demonstrates the terrific impact which communications satellites may have on broadcasting.

Shortly before Telstar was launched one of the technically most experienced Commissioners of the FCC gave a talk in which he pointed out several reasons why, in his opinion, communications satellites would not be used to any considerable extent for international radio and television broadcasting. He mentioned the great cost involved in using satellites for this purpose and the fact that time differentials would make simultaneous broadcasts impractical.

The Commissioner may well be right for ordinary day-by-day television fare, and Telstar was certainly not conceived by the A.T. & T. primarily for use as an international television relay station.

It is a fact, however, that Telstar caught the imagination of the people in the United States and Europe, not because it might some day replace undersea cables in international telephone or telegraph service. Telstar won the tremendous popular acclaim which it received because it has enabled millions of television viewers to participate in their own homes in events taking place thousands of miles away on other continents.

As a matter of fact, there have been reports that Soviet Russia is planning to use four satellites to transmit television programs from Moscow throughout the Russian nation instead of using cables or microwave relays. Of course, these Russian satellites will also relay programs to other captive nations behind the Iron Curtain and thus tie these nations together even more closely.

For that reason alone we should under no circumstances jeopardize the lead which our Nation has achieved with the successful launching of Telstar. It is my fervent hope that the Congress will complete action promptly on the communications satellite legislation so that we may go forward with the organization of the corporation which is expected to be the U.S. instrument through which we will participate in a worldwide in-

ternational communications satellite system.

Apart from making available increased telephone and telegraph facilities, Telstar or its successor satellites, in my opinion, may before long become the medium by which television will expand into an important international force.

Since the end of World War II, developments in the broadcasting field have certainly left a tremendous impact on our present-day lives. They have transformed the leisure habits of a majority of our citizens. They are effectuating important changes in our educational practices. Educational television plays an ever-growing role in the education of our school and college-age children in the sciences, in languages, and in the arts.

Television is affecting our political lives. The televising of the political conventions of our major parties, for example, has led to an insistent demand that convention proceedings be modified to fit them better for television. The televised debates of the two presidential candidates during the 1960 campaign perhaps created a precedent which may be followed in future presidential campaigns.

On-the-spot news coverage of important events has given millions of our citizens an opportunity to be present when these events occur. I need only mention such outstanding events as the space shots of our astronauts and the White House tour conducted by Mrs. Kennedy.

These outstanding events may not be the bread and butter of broadcasters—they may actually cost the broadcasters dearly in dollars and cents—but these are the events which make broadcasting the powerful medium which it has become in this Nation. And now our horizons may be broadened still further by the advent of Telstar which may permit the televising of such newsworthy events on an intercontinental scale.

What do all of these developments mean for you—the broadcasters? They mean that you are holding in your hands tremendous power and with that power must go a growing sense of responsibility.

As broadcasters you constitute a profession and not just a trade. Therefore, you must conduct yourself at all times as members of a profession.

As members of a profession you must deal with problems affecting your industry not only from the point of view of businessmen but also from the point of view of the public whom you serve.

As professional men and women you require a sense of unity. In the marketplace you may compete with one another. Individual television broadcasters may compete with individual radio broadcasters. Individual VHF broadcasters may compete with individual UHF broadcasters. Individual daytimers may compete with full-timers. individual clear channel stations may compete with individual regional stations.

However, this competition among individual broadcasters in the marketplace should not let you forget that in dealing with the public and those who represent the public you are broadcasters and professionals together. If I may suggest, do not permit yourself to become divided into subgroups with one group fighting another group to the detriment of your profession and to the detriment of the public whom you serve.

I am saying these things advisedly on the basis of my legislative experience particularly during the 87th Congress. As broadcasters you will always have the sympathetic ear of the Members of Congress. As groups of broadcasters fighting for advantages over other groups of broadcasters without being mindful to the public interest, you are likely to jeopardize your professional standing and to exhaust in a very short time the tremendous reservoir of goodwill which you have created over the years.

I wish all of you a successful convention. I am happy to have been with you today. I am glad to say in conclusion that the future looks exceedingly bright for the broadcasting profession and I want to congratulate you for it.

Independence Day of Chad

EXTENSION OF REMARKS

OF

HON. ADAM C. POWELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1962

Mr. POWELL. Mr. Speaker, we take this opportunity to send warm felicitations to His Excellency the President of the Council of Ministers of Chad, Francois Tombalbaye; and His Excellency, the Ambassador of Chad to the United States, Adam Malick Sow, on the occasion of the second anniversary of Chad's independence.

Formerly part of French Equatorial Africa, Chad is a landlocked country in central Africa about twice the size of France. But in spite of the fact that it has no outlet to the sea, it has long been an active crossroads of trade since it lays on the main routes between east and tropical Africa. Its location has also made it a meeting place of various ethnic groups and has been a determining factor in its interesting history.

Nomads from the north and sedentary populations from the south mingled in Chad. In pre-European times African empires flourished until Islamic conquerors penetrated in the 14th century. Accounts of European voyagers in the 19th century sound like a tale from the "Arabian Nights" in their descriptions of sultans who displayed their wealth in slaves, ostrich plumes, and ivory. Its people today are as varied as in the past: Arab nomads, Negroid herdsmen, primitive villagers and fishermen, Muslims, Christians, Animists.

Its topography matches its population in variety, for Chad is a land of desert, savannah and forest, mountains, rivers, and plains. The north is a sahara, while vegetation and rainfall increase as one travels southward to actual jungle areas in the far south near the border. One of the most rewarding aspects of the country to the current voyager is that the bird and animal life so rapidly disappearing in other parts of Africa still abound in Chad. There are still hunting areas where herds of antelope, buffalo, elephant, and giraffe are plentiful.

But Chad, like the rest of independent Africa, is engaged in a determined campaign to catch up with the 20th century in political and economic development, and its swift progress forms a striking contrast to the background just painted. To trace briefly its political development since World War II, in 1946 Chad acquired the status of oversea territory of the French Republic. A territorial assembly was created whose powers were gradually broadened. Then, in August 1960 Chad became an independent Republic. Executive power is exercised by the President of the Republic assisted by an appointed Council of Ministers. Legislative authority rests in the National Assembly whose Members are elected by direct universal suffrage for a 5-year term. Soon after independence Chad became a member of the United Nations. Thus, in a few short years Chad has successfully made the political leap to the 20th century and joined the world community of sovereign states.

In the economic field Chad has also moved forward. The year 1961 saw a record cotton crop—Chad's chief export—increased construction activity, and an increment in the national budget. Chad's second largest export is meat, and Chad is encouraging the development of tanneries, meat-processing plants, and cottonseed oil presses.

Thus, on this anniversary of independence we congratulate the Republic of Chad for its successes of the past and extend our very best wishes for its future development.

CAP Dinner for International Air Cadets

EXTENSION OF REMARKS

OF

HON. VICTOR L. ANFUSO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1962

Mr. ANFUSO. Mr. Speaker, on Monday, August 6, I had the great honor and pleasure of attending a dinner at the Statler-Hilton Hotel in Washington by invitation of my good friend Col. Barnee Breeskin, special assistant to Col. Paul Ashworth, national commander of the Civil Air Patrol.

This dinner is an annual event sponsored by the Pan American World Airways for the air cadets and their escorts from 21 foreign countries. These cadets visit Washington each year, after having been guests of the United States, touring most of the States in groups of 5 and in several instances even as many as 25.

On this particular occasion, at the dinner on August 6, Colonel Ashworth presented a plaque award to Adm. Harold Miller, retired, vice president of Pan American World Airways, for meritorious service in the international air cadet exchange program.

Senator HUBERT H. HUMPHREY, of Minnesota, the Senate majority whip, made a wonderful address on the merits of the cadet exchange program. I, too, had occasion to express some views regarding this program which I consider very important to the free world.

I want to take this opportunity to congratulate Pan American World Airways on their great contribution to this worthwhile exchange program. For the past 10 years this company has consistently sponsored projects of great benefit to this program and thereby was instrumental in bringing together many fine citizens of this country in the common bond of brotherhood, thus resulting in a successful exchange of ideas and a better understanding of problems. Mr. Juan

Trippe, president of Pan American World Airways, has long been known for his efforts in the cause of international good will.

We, of New York, are very proud of the fine work being done by the Civil Air Patrol and we are particularly proud that our fair city of New York is one of the host cities, just as is Washington, for these foreign cadets visiting the United States under the exchange program.

Mr. Speaker, I am pleased to list the States that have served as hosts to the foreign cadets. They are as follows: Alabama, Indiana, Maine, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nebraska, New Hampshire, New Jersey, New Mexico, North Carolina, Ohio, Oklahoma, Oregon, Rhode Island, South Carolina, Texas, Virginia, and Wisconsin.

The following is a list of the countries that participated in the program: Belgium, Brazil, Canada, Chile, Denmark, El Salvador, France, Germany, Great Britain, Greece, Guatemala, Israel, Italy, Netherlands, Norway, Peru, Portugal, Spain, Sweden, Switzerland, and Turkey.

Finally, I want to include also the names of the distinguished guests at the head table at the dinner given by the Pan American World Airways:

HEAD TABLE SEATING ARRANGEMENT, CIVIL AIR PATROL DINNER, STATLER HOTEL, WASHINGTON, D.C., AUGUST 6, 1962

1. Mr. Ira D. Mackler, Wilson Co.
2. Col. Dan Evans, wing commander, National Capitol Wing.
3. Col. Edward F. McGinnis, American Legion.
4. Col. Daniel F. Boone, deputy regional commander, Civil Air Patrol.
5. Mr. C. William Martin, Jr., president, Pepsi Cola Bottling Co. of Washington.
6. Maj. Gen. Walter Agee, former national commander.
7. Mr. John R. O'Brien, vice president, Touchdown Club.
8. Mr. Robert G. Baker, secretary to the majority, U.S. Senate.
9. Representative JAMES MORRISON, Louisiana.
10. Col. Paul Ashworth, U.S. Air Force, national commander, Civil Air Patrol.
11. Senator HUBERT HUMPHREY, majority whip, U.S. Senate.
12. Adm. Harold Miller, vice president, Pan American World Airways.
13. Commissioner John B. Duncan, District of Columbia.
14. Representative VICTOR L. ANFUSO, New York.
15. Mr. Fred Black, Blyco Corp.
16. Representative CHARLES McC. MATHIAS, Jr., Maryland.
17. Mr. Glen B. Eastburn, New York Airways.
18. Maj. Gen. Lucas V. Beau, former national commander.
19. Mayor Frank Mann, Alexandria, Va.
20. Col. Milton Kronheim, old friend of Civil Air Patrol.
21. Col. A. Paul Fonda, office, Assistant Chief of Staff of Reserved Forces.
22. Lt. Col. Wm. H. Schulie, special assistant to the national commander, New York phase.
23. Col. Barnee Breeskin, special assistant to the national commander, Washington, D.C.
24. Mr. Lincoln White, press officer, State Department.

SENATE

FRIDAY, AUGUST 10, 1962

The Senate met at 12 o'clock meridian, and was called to order by the President pro tempore.

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

Almighty and everlasting God, at this white altar of peace and quietness, where all divisive cries are stilled, we bow in reverence and humility, praying for the enthronement of brotherhood in all the earth.

May the instrumentalities of justice, mutual understanding, and cooperative endeavor being devised in these anxious, yet hopeful, days, be but the channels of Thy providence, bringing to fulfillment at last the ancient prophet's dream, "Violence shall be no more heard in Thy land, wasting nor destruction within Thy borders."

Save those who minister here from false choices; and guide their hands and minds to heal and bind, to build and to bless.

In the name of the One who maketh all things new, we pray. Amen.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting a nomination was communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting the nomination of Dr. Harvey Brooks, of Cambridge, Mass., to be a member of the National Science Board, National Science Foundation, which was referred to the Committee on Labor and Public Welfare.

CALL OF THE ROLL

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

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

[No. 149 Leg.]

Aiken	Gore	Mundt
Allott	Gruening	Muskie
Bartlett	Hartke	Neuberger
Beall	Hayden	Pearson
Bible	Hickey	Pell
Boggs	Hill	Prouty
Bottum	Holland	Proxmire
Bush	Hruska	Randolph
Butler	Humphrey	Robertson
Byrd, Va.	Jackson	Russell
Cannon	Johnston	Saltonstall
Capehart	Jordan, N.C.	Scott
Carlson	Jordan, Idaho	Smathers
Carroll	Keating	Smith, Mass.
Case	Kefauver	Smith, Maine
Chavez	Kerr	Sparkman
Church	Kuchel	Stennis
Clark	Lausche	Symington
Cotton	Long, Hawaii	Talmadge
Curtis	Long, La.	Thurmond
Dirksen	Magnuson	Tower
Dodd	Mansfield	Wiley
Douglas	McCarthy	Williams, N.J.
Eastland	McClellan	Williams, Del.
Ellender	McGee	Yarborough
Engle	Metcalf	Young, N. Dak.
Ervin	Monroney	Young, Ohio
Fong	Morse	
Fulbright	Moss	

Mr. HUMPHREY. I announce that the Senator from North Dakota [Mr. BURDICK], the Senator from West Virginia [Mr. BYRD], the Senator from Michigan [Mr. HART], the Senator from Arizona [Mr. HAYDEN], the Senator from Missouri [Mr. LONG], the Senator from Michigan [Mr. MCNAMARA], and the Senator from Rhode Island [Mr. PASTORE] are absent on official business.

I further announce that the Senator from New Mexico [Mr. ANDERSON] is necessarily absent.

Mr. KUCHEL. I announce that the Senator from Utah [Mr. BENNETT], the Senator from Arizona [Mr. GOLDWATER], the Senators from Iowa [Mr. HICKENLOOPER and Mr. MILLER], the Senator from New York [Mr. JAVITS], the Senator from Kentucky [Mr. MORTON], and the Senator from New Hampshire [Mr. MURPHY] are necessarily absent.

The Senator from Kentucky [Mr. COOPER] is absent because of a death in the family.

The PRESIDENT pro tempore. A quorum is present.

COMMUNICATIONS SATELLITE ACT OF 1962—REPORT OF A COMMITTEE

Mr. FULBRIGHT. Mr. President——

The PRESIDENT pro tempore. The Chair recognizes the Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, in accordance with the decision of the Senate of August 1, I send to the desk H.R. 11040, an act to provide for the establishment, ownership, operation, and regulation of a commercial communications satellite system, and for other purposes.

The bill which I send to the desk is not at the moment accompanied by a committee report although it will bear today's number. Although the majority of the committee was prepared to submit a written report along with the bill which I have sent to the desk, as a matter of courtesy it was agreed that the minority should have until Monday noon in order to prepare its views so that they might be published jointly with the report of the committee.

At this time, Mr. President, I ask unanimous consent that the minority views may be printed with the report of the Committee on Foreign Relations on H.R. 11040.

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

Mr. FULBRIGHT. I take this opportunity, Mr. President, to call to the at-