

temporarily postponed by the United Nations Special Fund. * * *

The decision not to act now on the Cuban project avoided a fight threatened by the United States, which puts up 40 percent of the Special Fund's resources.

Senator KENNETH B. KEATING, Republican, of New York, contended yesterday that Fidel Castro is "10 times better equipped" militarily now than he was last spring.

HOUSE OF REPRESENTATIVES

TUESDAY, MARCH 12, 1963

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Ephesians 3:17: That Christ may dwell in your hearts by faith and that ye may be rooted and grounded in love.

Almighty God, as we grope our way through these ongoing days, which often seem so dark and dismal, may we cultivate a closer communion with Thee and gain a clearer conception of Thy gracious promises and generous purposes.

Grant that, as finite beings, we may be more sensitive and responsive to the appeals and pressures of Thy infinite grace and truth, which alone can transfigure us and transform us from what we are to what we ought to be.

May we yearn to have Thy spirit dwell in our spirit and may the light and love, the joy and peace of our blessed Lord become kindled and personalized in our human souls.

Hear us in His name. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday, Monday, March 11, 1963, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 20. An act to promote the coordination and development of effective Federal and State programs relating to outdoor recreation, and for other purposes.

The message also announced that the President of the Senate, pursuant to section 1, Public Law 87-883, had appointed Mr. LAUSCHE, Mr. YOUNG of Ohio, Mr. KEATING, and Mr. SCOTT to be members of the Battle of Lake Erie Sesquicentennial Celebration Commission.

The message also announced that the President of the Senate, pursuant to section 1, Public Law 86-420, appointed Mr. MCINTYRE and Mr. MILLER to be members of the U.S. group of the Mexico-United States Interparliamentary Group, vice Mr. SMATHERS and Mr. ALLOTT, resigned.

THE UNIFORM ALLOWANCE ACT OF 1954

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

He said Castro "has 144 missile launchers, 24 bases, and 500 antiaircraft missiles, some of them the most modern in existence, and 20,000 troops."

KEATING made the comments on a program taped for New York television stations.

January 14, 1963: In his state of the Union message to Congress, President Kennedy said that while danger continues, a deadly threat has been removed from Cuba.

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

There was no objection.

Mr. DULSKI. Mr. Speaker, the Uniform Allowance Act of 1954 provided for the first time that the Government pay the cost of uniforms required by law or administrative order to be worn by employees in the performance of their official duties. That act limited the Government's share of the cost of such uniforms to \$100 annually.

Even at that time this amount did not begin to meet the actual cost of the prescribed uniforms in many instances. Since that time the cost of uniforms has gone up along with other commodities. Thus, today, many of our employees are forced to use an unjust portion of their hard-earned wages for the purchase of uniforms prescribed by law or administrative order, and which cannot be worn or used except in the performance of their official duties. This is patently unfair.

The bill I have introduced is designed to alleviate this inequity by raising the amount the Government can pay to \$150 annually, except where overcoats or other special garments are required for protection against the weather, in which cases an additional \$50 annually may be allowed.

BRAZIL

Mr. HARSHA. 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 Ohio?

There was no objection.

Mr. HARSHA. Mr. Speaker, I am again calling on the U.S. Government to deny any financial aid to Brazil which would in any way be used to develop trade with Russia. Brazil has a delegation here headed by Finance Minister Dantas which seeks an \$84 million loan from the United States to help develop a trade program between Brazil and Russia. Minister Dantas admitted in Washington yesterday that one of the purposes of the loan is to develop Brazil-Soviet trade. Although I have not been able to obtain such an admission from our State Department, he also is asking postponement of a \$450 million loan repayment Brazil is scheduled to make this year to the United States.

Today we are voting on a record military construction bill calling for an expenditure of \$15.8 billion designed to help the United States contain communism and protect the security of this Nation, and for the State Department to authorize loans to Brazil for purposes

of developing Communist trade is patently ridiculous. We appear to be spending money in both directions. The enhancement of Red trade will only serve to strengthen the Communist economic and military posture. It will undermine our own economic and defensive efforts. Such a loan will enable Russia to take over our markets with Brazil. This will aggravate the balance-of-payments problem and our own unemployment dilemma. A loan for any such purpose is detrimental to the best interests of this Nation and cannot be justified under any circumstances. The American taxpayer does not want his money used to aid a government dedicated to the destruction of our American way of life.

While we shall never weary in the defense of freedom, neither shall we ever abandon the pursuit of peace.

In this quest, the United Nations requires our full and continued support. Its value in serving the cause of peace has been shown anew in its role in the West New Guinea settlement, in its use as a forum for the Cuban crisis, and in its task of unification in the Congo.

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FOREIGN EXPENDITURES BY ALL GOVERNMENTAL EMPLOYEES—LIMITATIONS AND REPORTING

Mr. KYL. 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 Iowa?

There was no objection.

Mr. KYL. Mr. Speaker, on Thursday, the Subcommittee on Accounts of the Committee on House Administration will consider House Joint Resolution 245, introduced by the chairman of that full committee, the gentleman from Texas [Mr. BURLISON]. This is a resolution which deserves attention of every Member of this body. It deals with the matter of foreign expenditures by all Government employees—their limitations and reporting.

On yesterday the gentleman from Texas inserted in the Record the report on foreign expenditures by the House which is required by law and by rule. Most Members have made full, accurate reports. But even a casual study of the Record indicates the necessity for adoption of the Burleson resolution.

Some of the reports are not signed. One report shows that more committee staff members traveled abroad than did members of the committee. One staff member, according to the report, spent \$104 on transportation in spite of the fact that the original ticket assigned to this person was for an amount in excess of \$1,400.

Members of Congress cannot perform their proper duties without firsthand examinations of foreign programs, problems, and expenditures. Trips by staff members can be completely legitimate and beneficial. But the citizens we represent have a right to know how their money is being spent by all branches of

the Government. They have a right to ask, "Is this trip really necessary?" It is in our own best interest to adopt House Joint Resolution 245.

GOVERNMENT PROCUREMENT

Mr. WILSON of Indiana. 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 Indiana?

There was no objection.

Mr. WILSON of Indiana. Mr. Speaker, though Raleigh, N.C., is not a part of my district, my study into Government procurement has led to my interest in an industry there. Due to a decision by the Comptroller General on a case I submitted last November, that industry is about to get a Government contract and save \$10,000 for the taxpayers.

Due to this firm's efficiency and the Comptroller General's decision to uphold its position, a radio transceiver is going to be built for the Federal Aviation Agency at a lower cost than would have been the case. If there are more decisions with this conclusion, we can expect the cost of Government purchasing to go down in the future.

Many of my colleagues are aware that for months and months I have made a detailed study of electronics purchases by the Government. In many cases the taxpayer has been the loser. In some I have been able to report successes in changed regulations and in savings to the taxpayers. The latter is true today—a happy ending for manufacturer, taxpayer, Government and, yes, this Congressman.

Last November this firm outlined for me a problem it had with the FAA. Quoting for manufacture of a small radio transceiver, it inadvertently neglected to include a detailed description of the equipment with its proposal, as prescribed by FAA regulations. Because of this, it was ruled out of the procurement. At this very same time, this same firm was making the identical equipment for FAA under another contract, and for this reason was able to be low bidder. In other words, because of a technicality, this firm's competence was to be denied, and the price for this equipment was to rise by \$10,000.

After studying the case closely, I contacted the Comptroller General and said, "While the difference between this company's bid and that of the next low bidder does not exceed \$10,000, it appears to me that any award other than to this firm would be a waste of tax dollars."

After a thorough study, the Comptroller General agreed with me and advised me by letter, March 7, 1963, that he had made a determination in favor of the Raleigh firm and it should get the contract. Despite the clerical error, the Comptroller General acted in behalf of saving the taxpayers' money. It is too bad we do not have more such people.

This is another case in a long list I am going to present in this session. I will also suggest legislative corrections,

such as my H.R. 4409. As these cases are compiled, I hope the Rules Committee will take heed and report H.R. 4409 to the floor for action by the House. Its enactment into law, plus enactment of other legislation I shall soon propose, would curtail many abuses now being carried out in the name of national defense and would result in tremendous savings to the taxpayer.

THE LATE MISS MARY I. BARBER

Mr. JOHANSEN. 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 Michigan?

There was no objection.

Mr. JOHANSEN. Mr. Speaker, I have just learned, with deep regret, of the passing of Miss Mary I. Barber, of Battle Creek, Mich., an able and distinguished constituent of mine in the Third Congressional District.

Miss Barber, the Nation's first dollar-a-year woman, died Sunday in Sarasota, Fla., at the age of 76.

She established the home economics department of the Kellogg Co. in 1923 and served as its director until her retirement in 1948. She was a former president of the American Dietetic Association.

From 1941 to 1945, during World War II, Miss Barber served as a special assistant to the Secretary of War, and was in charge of menu planning for American military personnel during that period. She was also editor of an Army cookbook. In 1945 she received the highest civilian award for exceptional service.

Mrs. Johansen joins me in extending sincere sympathy to Miss Barber's sister, Miss Edith Barber, also a distinguished authority in the field of dietetics and the editor of a nationally syndicated food column.

PERSONAL ANNOUNCEMENT

Mr. JOELSON. Mr. Speaker, yesterday on rollcall No. 8 I was not present. I wish the RECORD to indicate that had I been present I would have voted in the affirmative.

LOAN TO BRAZIL

Mr. CHAMBERLAIN. 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 Michigan?

There was no objection.

Mr. CHAMBERLAIN. Mr. Speaker, it was with considerable concern and disappointment that I read the statement in last night's Evening Star by Brazilian Finance Minister Dr. San Tiago Dantas, that part of the financial help he is asking from the United States would be used to develop trade with all countries including Russia. It was re-

ported in an AP story appearing in the Sunday, March 10, State Journal, Lansing, Mich., that Dr. Dantas assured his countrymen before leaving Brazil he would not trade his Government's soft policy toward Cuba for U.S. aid. Added to our knowledge of the close ties maintained by the Brazilian Government with the Castro government, and the suggestion last November by a high Brazilian official that other Latin American countries reopen relations with Cuba, the Finance Minister's statement yesterday cannot help giving rise to some very serious questions. I believe the American taxpayers have a right to the answers.

Over the years we have sent Brazil more than \$2¼ billion in the form of loans and grants—a staggering sum. It is reported that Dr. Dantas is hoping to persuade the United States to add some \$84 million to this figure, and to agree to postponement of the \$450 million Brazil is due to pay to the United States this year on its debts.

Despite the longstanding friendship we bear for our Brazilian neighbors, is it unreasonable to ask, when we are writing such a large check, that it not be negotiable and subject to being cashed and spent in Moscow or in Havana? Surely we might expect our friends to furnish us with some assurances that we are not, by helping them, helping to finance our own enemies.

MEXICAN-UNITED STATES INTER-PARLIAMENTARY GROUP

The SPEAKER laid before the House the following communication:

HON. JOHN W. MCCORMACK,
The Speaker's Rooms, House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: It is with deep regret that I must advise you that I will be unable to serve as a delegate to the meeting of the Mexican-United States Interparliamentary Group, at Guanajuato, Mexico, March 18-21, 1963. I am particularly sorry since I was keenly interested in attending this meeting and had so indicated to the minority leader.

I have just learned that circumstances beyond my control will prevent me from making the trip. Nevertheless, I do appreciate your kindness in designating me as a delegate, and I hope that my inability to serve will not unduly inconvenience you.

With warm personal regards, I am,
Sincerely yours,

CHARLES B. HOEVEN,
Sixth District of Iowa.

The SPEAKER. Without objection, the resignation is accepted.
There was no objection.

APPOINTMENT TO MEXICO-UNITED STATES INTERPARLIAMENTARY GROUP

The SPEAKER. Pursuant to the provisions of section 1, Public Law 86-420, the Chair appoints as a member of the U.S. delegation of the Mexico-United States Interparliamentary Group for the meeting to be held in Guanajuato, Republic of Mexico, beginning on Monday, March 18, 1963, the gentleman from South Dakota [Mr. REIFEL] to fill an existing vacancy thereon.

PROCLAIMING SIR WINSTON CHURCHILL AN HONORARY CITIZEN OF THE UNITED STATES OF AMERICA

Mr. CELLER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 4374) to proclaim Sir Winston Churchill an honorary citizen of the United States of America.

The Clerk read the title of the bill.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, I should like to address a parliamentary inquiry to the Chair.

The SPEAKER. The gentleman will state the parliamentary inquiry.

Mr. GROSS. Mr. Speaker, under what circumstances will this resolution be considered? Will there be any time for discussion of the resolution, if unanimous consent is given?

The SPEAKER. In response to the parliamentary inquiry of the gentleman from Iowa, if consent is granted for the present consideration of the bill, the gentleman from New York [Mr. CELLER] will be recognized for 1 hour and the gentleman from New York may yield to such Members as he desires to yield to before moving the previous question.

Mr. GROSS. Mr. Speaker, further reserving the right to object, is some time to be allocated to this side of the aisle?

Mr. CELLER. I intend to allocate half of the time to the other side.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States is hereby authorized and directed to declare by proclamation that Sir Winston Churchill shall be an honorary citizen of the United States of America.

The SPEAKER. The gentleman from New York [Mr. CELLER] is recognized for 1 hour.

Mr. CELLER. Mr. Speaker, I ask unanimous consent to yield 30 minutes to the gentleman from Virginia [Mr. POFF], and that he may yield such time as he desires.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The SPEAKER. The gentleman from New York [Mr. CELLER] is recognized for 30 minutes.

Mr. CELLER. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I say of Winston Spencer Churchill that I know of no individual possessed of so many facets to his life and character and personality, with so many wondrous achievements in so many fields.

He is a giant in world history.

He is a man for all seasons.

His biography is like a fascinating novel.

He inspired controversy, but not without affection and respect.

His is a dazzling, stormy, but inspired career.

His public life has stretched for more than half a century from the staid and solid Victorian era to the present hopeful second Elizabethan Age.

He is a man for the ages—statesman, soldier, author and historian, artist, philosopher, naval chief, orator and recanteur, parliamentarian, war correspondent, and humorist.

The key to his character is courage, with strategic insight coming second. He is never controlled, save by himself. Generosity, candor, openness of mind come next. He has no reserves and no shams.

He scorned concealment.

He has a passion for humanity.

He wants justice done though the heavens fall and he be buried in the ruins.

He is keenly responsive to noble impulses.

His is a life and career beyond the conventional bounds of a great statesman.

He is one of the greatest Englishmen known to history—and at that, he is half American.

Historians will speak of him as the statesman to whom the whole world looked for guidance when the very skies were about to fall upon civilization. They will recount his mastery of the written and spoken word. Lord Justice Birkett said that he ever spoke with the orator's true instinct, and that he had the "sympathy and concurrence of his time." This is especially true of the speech he made after Dunkirk when we all feared the worst. He said in the House of Commons:

We shall not flag or fail. We shall go on to the end, we shall fight in France, we shall fight on the seas and oceans, we shall fight with growing confidence and growing strength in the air, we shall defend our island whatever the cost may be, we shall fight on the beaches, we shall fight on the landing grounds, we shall fight in the fields and in the streets, we shall fight in the hills; we shall never surrender.

Note his prescience and wisdom in describing the actions of Russia as early as 1939—as they seemed to him as First Lord of the Admiralty—as "a riddle wrapped in mystery inside an enigma."

An incisive humor always accompanied him. He could create laughter with never a fault of tact or taste.

Had his father been American and his mother English, he would undoubtedly have made American history. As it was, his mother was American and his father British and he ascended to the premiership of Great Britain.

In honoring Winston Churchill, we do not confer citizenship in any technical sense. Rather, we give concrete expression of our affection for the man.

Mr. Speaker, I now yield to the gentleman from Virginia [Mr. POFF] such time as he cares to use within the 30 minutes.

The SPEAKER. The gentleman from Virginia [Mr. POFF] under the unanimous-consent request, which was unusual and not a precedent, is recognized for 30 minutes.

Mr. POFF. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today, the American people are speaking their respect for Sir Winston Churchill through their chosen Representatives. But we recognize that the quantity and the quality of that respect are unspeakable dimensions. So, ours is not a tribute by word; ours is a tribute by deed. What we say here is and forever will remain inadequate. What we do here, men will always remember. The richest gift is that dearest to the giver. The gift we make is the greatest treasure in the people's storehouse. It is a gift which cannot be embellished in a fancy verbal package. The gift is its own glory, untarnished by much giving. The donee is honored in the receipt and the donor is honored in the acceptance.

Mr. Speaker, I yield such time as he may consume to the distinguished minority leader, the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, I take pleasure in supporting this bill to confer honorary American citizenship on Sir Winston Churchill.

His magnificent contributions to the cause of freemen assure him a place in history as one of the truly great leaders of this or any other age.

As the son of an American mother he has always been a part of us, and we are, with this action, proclaiming our pride in that fact.

This legislation, I understand, is without precedent. Possibly, too, this is the first time in the record of the Congress of the United States that unique legislation of this sort has met with such unprecedented support from both sides of the aisle.

Possibly, because of his achievements, he has been instrumental in bringing about such a broad area of agreement between the Democrats and Republicans, which would not be the least of his manifold accomplishments. Certainly it is clear evidence of the widespread esteem in which this distinguished gentleman is held by our countrymen.

Beyond that, I trust Sir Winston will recognize in this gesture our admiration for his courage, our high regard for his talents, and our gratitude for his leadership of a gallant ally through one of the most severe ordeals any nation has ever faced.

Mr. CELLER. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. WALTER] may extend his remarks at this point in the Record.

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

There was no objection.

Mr. WALTER. Mr. Speaker, in adopting this legislation today, the House, speaking in behalf of the American people, will bestow upon Sir Winston S. Churchill, in an unprecedented way, the highest honor this land has ever bestowed upon any person, not an American, living or dead.

I shall not endeavor to recite what Sir Winston has done for his own country, for the unity of the English-speaking

world, for the great Atlantic community, and for all the peoples of the West who were and are determined to remain free and never to succumb to a dictatorial or totalitarian rule. It would take a Plutarch to express in words Sir Winston's service to humanity.

It is not the oratory of a statesman that deserves respect, nor the quality of his voice, said the great Greek philosopher Demosthenes, but his support of the policy willed by the people, and the fact that his country's friends and enemies are his own.

It could be, as Sir Winston wrote me back in 1958 when I suggested to him that I might introduce this type of legislation, that—to quote him—"the high regard and affection" in which he holds our country does not need "an official seal," as he expressed it.

It could be that it is indeed difficult to find an appropriate way of expressing our Nation's reciprocal feelings of esteem, high regard and admiration for Sir Winston.

Nevertheless, as this Republic does not grant titles of nobility nor civil honors or decorations, this is the best, the most appropriate and certainly unique way in which we as a nation can honor Sir Winston by adding to all his glory the title of honorary citizen of the United States, the first honorary citizen of the United States in our history. No less can we do to proclaim officially our feelings for the man who always stood for all that we stand for and who has led his country and with it the free world in hours of the gravest trials and tribulations.

It is most gratifying to me personally that I was given the privilege of introducing this legislation and having it brought before the House.

Mr. CELLER. Mr. Speaker, I yield 2 minutes to the gentleman from Mississippi [Mr. COLMER].

Mr. COLMER. Mr. Speaker, the action being taken here today in honoring this outstanding world citizen, Sir Winston Churchill, by conferring upon him honorary American citizenship is most gratifying to me, as I am sure it is to all American citizens.

This action on the part of the Congress of the United States is an unprecedented one. In all the history of this young Republic no other citizen of a foreign government has been so honored—not even the great Lafayette, the splendid friend of this young Nation. But, I can conceive of no one who is more entitled to this signal honor than Sir Winston Churchill. Surely, no world figure who strode across the stage of history throughout the memory of man contributed more to the democratic ideals of the free people than has Sir Winston Churchill. His striking and effective leadership of the Allied cause in the recent tragedy of World War II will be recorded in the annals of history as possibly the greatest factor in the victory of free peoples over nazism and its philosophy of oppression of the liberties of mankind.

Again, Mr. Speaker, being the son of an American mother and an English father, Sir Winston, more than any other, truly epitomizes the union between the two great English-speaking peoples. In fact, when he addressed a

joint session of the Congress on December 26, 1941, in this very Chamber, he referred to his birth in this humorous vein:

The fact that my American forebears have for so many generations played their part in the life of the United States, and that here I am, an Englishman, welcomed in your midst, makes this experience one of the most moving and thrilling in my life, which is already long and has not been entirely uneventful.

I wish indeed that my mother, whose memory I cherish across the vale of years, could have been here to see. By the way, I cannot help reflecting that if my father had been American and my mother British, instead of the other way around, I might have got here on my own. In that case, this would not have been the first time you would have heard my voice. In that case, I should not have needed any invitation; but, if I had, it is hardly likely that it would have been unanimous. So perhaps things are better as they are.

Nature seldom grants to any one mortal being so many talents as she has so bountifully bestowed upon this great world figure. Certainly, he is one of the most versatile characters recorded in the annals of the history of the human race. As a writer, historian, painter, orator, warrior, and statesman, he excels.

Mr. Speaker, if I may be pardoned a personal reference in order to emphasize my own personal admiration for this truly great man, I should like to relate my own personal experience as chairman of the Postwar Economic Policy and Planning Committee during the late war. I had the unusual privilege of interviewing a substantial number of world leaders, including the late, but not lamented, Joseph Stalin. Included in this group was this most unusual and talented statesman, Sir Winston, himself. I can truthfully say that the highlight of this humble Member's existence was the high privilege of being his guest at a family dinner. The memory of that eventful occasion as well as the benefit of his thinking in reference to the necessity for a firm policy in dealing with the Kremlin masters will ever remain with me.

Mr. Speaker, I introduced a resolution in August 1962 to carry out the purposes of this resolution. But, because there was some question raised at that time as to whether this met with Sir Winston's approval, I did not press the matter. However, at the beginning of this new Congress, I reintroduced the resolution, after first corresponding with him and receiving his confidential reply to my letter. I am, I repeat, very happy that the Judiciary Committee, under the leadership of my distinguished colleague, the gentleman from Pennsylvania, FRANCIS WALTER, and the gentleman from New York, Chairman EMANUEL CELLER, has finally brought this timely and appropriate action to the attention of the House. I am confident that it will pass both Houses of the Congress without marked or substantial dissent and that the President of the United States will exercise the mandate of the Congress with pleasure and alacrity.

Mr. POFF. Mr. Speaker, I yield 3 minutes to our distinguished colleague, who has done so much to promote the cause of this legislation, the ranking minority

member of the Committee on Foreign Affairs, the gentlewoman from Ohio [Mrs. FRANCES P. BOLTON].

Mrs. FRANCES P. BOLTON. Mr. Speaker, I rise in the hope that H.R. 4374 will be passed by this House today without a dissenting voice. I am very happy that the Committee on the Judiciary has brought the bill before us today. I realize, of course, that they have rules and regulations of long standing which make it impossible for them to use the whereas clauses which I had hoped might be attached to this bill. I had no pride of authorship in these clauses which I sent to the committee, but I hoped that they might carry to Sir Winston something of the warmth and affection of this body.

Mr. Speaker, I trust that the words we all speak here today will go to Sir Winston Churchill with the assurance that we wish him everything that is good, that we recognize him as one of the great men of our era. He has earned for himself a position of prominence among the leaders of the English-speaking world as a writer, historian, and orator; and being the son of an American mother and an English father, more than any other, truly epitomizes the closeness of spirit between the two great English-speaking peoples.

The Congress of the United States, on behalf of the American people, hereby expresses itself in high appreciation for his outstanding contribution to peace and to freedom and to the courage it takes to wage war. He has served as a challenge and an inspiration to our Nation as well as to his own.

The gift of honorary citizenship in the United States of America is one honor, one token of rare esteem and love which is within this country's power to bestow here through the House of Representatives. That it was never done before makes it all the more cherished in the hearts of all of us who had hoped that this might be brought to pass. Certainly, it is worthy of Winston Churchill's place in history. This is something no man can buy or acquire in any way except through the grateful generosity of the American people. It is the most appropriate gift we can convey to symbolize the warmth and the affection that an appreciative and an admiring people feel toward him.

Mr. Speaker, I hope that the resolution will be passed without a dissenting vote.

Mr. CELLER. Mr. Speaker, I yield 5 minutes to the gentleman from Kentucky [Mr. CHELF].

Mr. CHELF. Mr. Speaker, those of you who have served with me in this Chamber for the past 18 years know that I rarely take the floor to speak and that when I do, I must needs feel very deeply and sincerely about the subject matter at hand. The legislation before us now not only interests me greatly but it is an honor and a privilege for me to urge all of you wholeheartedly to support this bill which would bestow honorary American citizenship upon that great, worldwide statesman, the very honorable Sir Winston Churchill.

This legislation unanimously passed our Immigration and Nationality Subcommittee and, within hours thereafter, it unanimously passed the full Judiciary Committee. I sincerely trust, therefore, that it will pass the House of Representatives unanimously today.

Every American and all free people the world over have a vast store of love, affection and admiration for this magnificent Englishman whose blood coursing through his veins is one-half American through his mother, the former Jennie Jerome, of New York.

During his 88 wonderful years, he has given unstintingly in loyal service to his beloved country. However, his admiration for the United States is well known. He has visited our Nation 16 times. Upon being made a member of the Society of the Cincinnati, composed of descendants of the officers who fought in the American Revolution, he said here in January 1952:

I am deeply grateful and proud of my American ancestry and think it is a wonderful thing that I have the honor to rejoice in that fact, while at the same time I have never failed in the proper observance of correct constitutional duties to my own country.

His "blood, toil, tears, and sweat" speech delivered in the House of Commons on May 13, 1940, sounded the alert which stirred the hearts and inspired to action all people committed to the cause of freedom. This speech stands as a monumental challenge to liberty lovers, which may remain unmatched in brilliance and appeal "forever and a day, till the walls shall crumble in ruin and moulder in dust away."

He continued not only to lead the British people but, also, was a constant source of inspiration to all of our allies during the long, anguished years of World War II. As long as any of us shall live we shall carry the memory of the resolute, valiant Churchill, pictured on land and on sea, emerging even from the ashes of destruction and human misery, but always holding his hand aloft, with his fingers forming his famous V-for-victory sign, standing as a shining symbol of hope and man's determination to remain free. God willing, the young men and women of our own beloved country, including my own son, Frank, Junior, would try to emulate this world-renowned and famous leader.

As you may recall, the British general elections were held in July 1945, and the Conservative Government headed by Mr. Churchill unfortunately was defeated. I was in England during that campaign and it made me sick at heart to hear him criticized and to learn at that time that his own people did not really appreciate him.

At a private gathering at a home in England, during that visit I made a little speech with an impassioned plea. I told them how wrong I knew them to be in taking such an attitude toward him, that as an ally and a friend, I could most certainly understand their bitter disappointment over the lack of food, housing, and clothing, but that they knew in their hearts that these shortages were brought about by the war. I also told them that

while they might be lacking in some material things, they had their honor, their integrity, and their very heads on their shoulders because of the leadership of this wonderful man. I quoted to them from the Bible:

A prophet is not without honor, save in his own country and in his own house.

Oh, how glad I was to get a favorable reaction during my talk when they gave me several rousing "hear, hears." Later on, as I knew they would, the British people rallied around Sir Winston again and took him back into their confidence and their hearts where he has remained ever since and shall forevermore—actually, they had never let him out of their hearts.

While we in America cannot properly honor this well-loved man any more than he has already been honored, nevertheless, this action taken today by the U.S. House of Representatives is without precedent in all of our glorious history and will resound as a 21-gun salute, from those of us here who represent the 190 million Americans who love, respect, admire, and revere this extraordinary Englishman for his successful fight to preserve the peace of the world.

To find words adequate to describe properly this distinguished man is comparable to gilding the lily, bringing cotton to Alabama, the derby to England, and good bourbon to my native Kentucky.

His bravery, his fortitude, his tenacity of purpose, and his unyielding desire to win shall never be forgotten.

In my opinion, his achievements shall stand out forever like the Washington Monument, Big Ben, the Eiffel Tower, and the Pyramids. By his unselfish service to mankind, he has emblazoned his name with honor and everlasting distinction in huge letters of gold on the silver pages of world history. Why? Because during war, travail, "blood and tears and sweat," fear, want, privation, devastation, chaos, and despair—at a time when it seemed all was lost—this incomparable leader was the epitome of hope, the very embodiment of courage, the preserver of time, the protector of faith, the guardian of destiny, the inspiration for victory, and the successful negotiator of the peace.

These and many other attributes have endeared him not only to America, the native land of his sweet and gentle mother, but to all creeds and colors, the rich and the poor, in every nation of the free world, who love liberty, decency, and Christianity.

To paraphrase one of his own famous statements: "Never in the field of human conflict was so much owed by so many to one man."

May he have a full fruition of his dreams and a happy realization of all of his endeavors. "May his leaf never wither and whatsoever he doeth, may it prosper." May God in His infinite wisdom spare and protect our beloved friend, Sir Winston, for many years to come and may He who reigns as the King of Kings, the master of all lodges, nations, and men, smile graciously, abundantly, beautifully, and everlastingly

from His wide blue canopy of heaven upon this, our worthy candidate for the position of the world's most honored peacemaker since that lowly Man walked the shores of Galilee many centuries ago.

It is said in the fifth chapter of Matthew:

Blessed are the peacemakers for they shall be called the children of God.

Sir Winston was a peacemaker but only on honorable terms. And here, my colleagues, I am reminded of those beautiful lines in the wartime song "The White Cliffs of Dover"—remember?

There will be blue birds over
The white cliffs of Dover
Tomorrow—just you wait and see
And there will be love and laughter
And peace forever after
Tomorrow—when the world is free.

Sir Winston helped to make these words come true.

Thank the Lord, he did not place his light "under a bushel, but on a candlestick and it giveth light unto all in the house."

I trust that Sir Winston will forgive my inadequate words of praise—and I say this from a humble heart—because unfortunately, not in America nor in England nor anyplace else, on the face of the globe, is there another Churchill with the command of the King's English which he alone possesses.

May he live to be over 100 years of age and then, God willing, may we be permitted to turn the wheels of the speedometer of time back and start all over with him again.

Hail—noble Englishman.

Hail—great American.

Mr. POFF. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa [Mr. Gross].

Mr. GROSS. Mr. Speaker, I am disturbed by this proposed legislation.

I should like to ask the chairman of the committee, the gentleman from New York [Mr. Celler], a question:

What kind of a precedent do we establish here today by voting for H.R. 4374?

Mr. CELLER. If the gentleman will yield, I will say to the gentleman that this is unprecedented. We confer honorary citizenship upon Sir Winston Churchill, but as the Department of Justice indicated—and you will find the remarks on the bottom of page 3 and top of page 4 of the report—it is not intended to confer citizenship upon Sir Winston in the technical sense of that term so as to impose upon him the legal obligations which ordinarily accompany the acquisition of U.S. nationality.

Mr. GROSS. Then the gentleman is saying, I take it, that by conferring this form of citizenship upon Churchill he will not be called upon to participate in paying some of the debt that he helped us accumulate during the war and thereafter?

Mr. CELLER. I take it that is correct. He would not pay any income taxes or assume any other obligations of citizenship.

Mr. GROSS. I will ask the gentleman if this in any way is connected with renewal of the suspension of the British debt that will have to come up pretty

soon? Some 8 years ago Congress suspended all payments—principal and interest—on some \$4 billion of debt that the British owe to this Government as a result of a so-called loan made to Britain following the war.

Is this in any way designed to influence another extension of the payment on the huge debt the British owe this country? This is in addition to some of their World War I debts that are still unpaid.

Mr. CELLER. This simple resolution has no relevancy in that regard, no relevancy to the subject matter the gentleman indicated.

Mr. GROSS. But Mr. Churchill then will not be called upon to help us pay off some of this war debt, under the terms of this bill?

Mr. CELLER. No, indeed. It has nothing to do with this bill at all.

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

Mr. GROSS. I am glad to yield to the gentleman from Florida.

Mr. HALEY. Mr. Speaker, may I ask the chairman of the full committee this question? He said there would be no obligation to pay income tax. What about estate taxes on the death of this fine man?

Mr. CELLER. I doubt very much whether there is anything in this bill that would include any obligation along any of those lines.

Mr. HALEY. No obligation along those lines?

Mr. CELLER. No.

Mr. HALEY. In conferring this honorary citizenship on Mr. Churchill; what about his heirs, would they receive anything?

Mr. CELLER. They would receive no emoluments, they would receive no benefits at all. This is limited to the person and character of the individual, Sir Winston Churchill.

Mr. HALEY. Mr. Speaker, I thank the gentleman from Iowa for yielding.

Mr. GROSS. Mr. Speaker, I have no desire to detract from the leadership that Mr. Churchill gave to the British Isles and the Commonwealth during World War II, but this, as the chairman of the Judiciary Committee frankly admits, would be an unprecedented action. This apparently would be a granting of U.S. citizenship, no matter how limited, on a basis accorded no other citizen of a foreign country in the history of this Republic. Who will be the next?

I am disturbed by this unprecedented proposal and I do not see how I can vote for it.

Mr. CELLER. Mr. Speaker, I yield such time as he may require to the gentleman from North Carolina [Mr. WHITENER].

Mr. WHITENER. Mr. Speaker, the legislation we have under consideration today in the House of Representatives to authorize the President of the United States to proclaim Sir Winston Churchill an honorary citizen of the United States of America marks a milestone in the legislative history of our country. Never before has the Congress conferred American citizenship on a citizen of another nation.

It is altogether fitting and proper that the first great figure in world history to be honored with the priceless mantle of American citizenship should be Sir Winston Leonard Spencer Churchill. No other living person is more respected, esteemed, and venerated by our people than is Sir Winston.

He was born November 30, 1874, the son of Lord Randolph Churchill and Jenny Jerome, a vivacious, young, American girl from New York City. Sir Winston has always been proud of his American heritage. The American people have shared this pride, and Sir Winston's background has been a tie that has bound him and our people together in a bond of mutual affection.

In the course of American history there has been only one other person who has captured the hearts, the admiration, and the love of the American people as has Sir Winston Churchill. He can take his place in history along with the beloved Lafayette whose life and character have left a profound and lasting impact on the American people.

The unexcelled genius of Sir Winston has made itself felt in journalism, statesmanship, diplomacy, literature, and in the science of war. In each of these fields he has been a remarkable success.

Soon after his graduation in 1894 from Sandhurst, the English West Point, as number 8 in a class of 150, Sir Winston entered the British Army. He combined the talents of a soldier with that of a journalist, and the books and articles he wrote during the late 1890's and early 1900's form a wonderful part of our heritage of English literature.

In time of crisis the English people have always turned to Sir Winston Churchill for leadership. In 1911 he was made First Lord of the British Admiralty, and with foresight and vigor he went to work to make the British Navy ready for the war he felt certain was coming with the Germans. When the fury of World War I broke over England in 1914, the British Navy was ready to defend the island kingdom, thanks to Sir Winston.

In 1916 he went to the front as a lieutenant colonel in command of the Sixth Royal Fusiliers of the British Army. The same year he was recalled from the front and made Minister of Munitions. From 1918 to 1921 Sir Winston was Secretary of State for War and Air.

Following World War I, Sir Winston combined service in the House of Commons with his literary pursuits. As the approaching storm of World War II appeared on the horizon he called upon the British people in dynamic speech after speech to prepare themselves to meet the scourge of Nazism. His was a voice in the wilderness, however, and after Munich he stood in the House of Commons and uttered these words:

You were given the choice between war and dishonor. You chose dishonor, and you will have war.

When the storm that Sir Winston had predicted broke over the English people he was again called to a position of great leadership in his nation. He was reappointed First Lord of the Admiralty on

September 3, 1939. The following year he became chairman of the Armed Services Committee and in the same year assumed the awesome responsibility of Prime Minister.

It was during World War II that Sir Winston reached the zenith of his long and illustrious career. Through his indomitable courage, his inspired oratory, and his unflinching faith in ultimate victory, he led his people, and indeed the people of the free world, to victory.

Throughout his long career Sir Winston Churchill has been an implacable foe of communism. He was one of the first world statesmen after World War II to point out the dangers lurking behind the Iron and Bamboo Curtains. He has consistently urged a strong stand against communism and has never failed to speak out against the Communist conspiracy.

Mr. Speaker, Sir Winston has demonstrated his friendship for the United States time and again in speeches, in the books and articles he has written, and in actions. I think a statement that he made on December 10, 1948, conveys the feelings of this great man toward the United States. In speaking of foreign policy he said:

What are those major themes in foreign policy? The first is an ever closer and more effective relationship, or as I like to call it, fraternal association, with the United States. In the ever closer unity of the English-speaking world lies the main hope of human freedom and a great part of the hope of our own survival.

Again on May 12, 1949, Sir Winston said:

We give our thanks to the United States for the splendid part they are playing in the world.

Mr. Speaker, the American people heartily approve of the action we are taking today in this House to authorize the President of the United States to confer honorary American citizenship upon Sir Winston Churchill. Sir Winston is possibly the greatest living person of our age. His accomplishments and the things for which he stands tower above the ordinary events of our day.

In the broad panorama of human history Sir Winston Churchill will be numbered among the greatest men of all time. It is certain that he will be described as the greatest Englishman.

Let us pass this bill, then, and welcome Sir Winston into the inner circle of American citizenship. In so doing we will have the sure knowledge that posterity will say that England's greatest son was also an American.

Mr. CELLER. Mr. Speaker, I yield such time as he may require to the gentleman from Texas [Mr. ROGERS].

Mr. ROGERS of Texas. Mr. Speaker, it is only after a thorough and exhaustive search of my conscience that I take the floor to oppose this resolution to grant honorary U.S. citizenship to Sir Winston Churchill.

It is not my purpose to cause hurt or injury to anyone and especially to Sir Winston Churchill. I would not for one minute permit my remarks to be used as a reflection on those who take a position opposite to mine with reference to this

resolution. My position is dictated solely by my feeling that U.S. citizenship is something sacred. It is my feeling, in keeping with the basic tenets of international law, that an individual is either a citizen of a country or he is not a citizen of a country. Citizenship does not come in varying degrees. It does not come in varying colors. It is not something that contains many fragmented facets that can be separated one from the other. Citizenship in the United States of America carries with it basic rights, privileges, powers, and immunities that have stemmed from the Declaration of Independence, the Constitution, and the Bill of Rights. These are balanced by the burdens and the responsibilities that must be assumed if the rights, the privileges, the powers, and the immunities are to be preserved and protected. To me, citizenship in the United States of America does not require an adjective before it or an explanatory phrase behind it. It is a single unit that must be viewed as such and not otherwise. It is the highest citizenship to which one can aspire. It should never be associated with a position less than first. Should we adopt this resolution granting honorary citizenship to Sir Winston Churchill we set a precedent, but more than that, we fragmentize U.S. citizenship, and we create another citizenship category by statute. This should only be done, if at all, by the people of the United States of America by amendment to the Constitution.

Sir Winston Churchill is a British subject. His first allegiance is to the British Crown. I am sure that Sir Winston is deeply proud of his citizenship and of the fact that he is a subject of the Queen. I do not believe that he would, under any circumstances, renounce that status, nor do I believe that he would support a proposal to extend honorary British citizenship to any human being unless that person would swear first allegiance to the British Crown. The first allegiance of Sir Winston Churchill will always be to the British Crown. Hence, any status of citizenship granted him by this country must be in second place. I cannot subscribe to the proposition that citizenship of the United States should ever, in whole or in part, be secondary to that of any other government.

The world and the United States are deeply indebted to Sir Winston Churchill for the great contributions that he has made as an individual who has lived during our times. I would not want to detract from his just due in the slightest. I would be one of the first to stand up and request unanimous support for a resolution paying just honor and tribute to a great statesman.

I do not criticize those of you who adhere to different views on this resolution nor do I quarrel with anyone who does not care to join me. I express my views because I feel very deeply on the subject. Whatever may be the consequences or whatever may be the choice of others, my vote will never be cast to dilute the citizenship of the United States of America, nor will it be cast to yield the

sovereignty of this Nation, in whole or in part, to any other individual or entity.

Mr. CELLER. Mr. Speaker, I yield such time as he may desire to the gentleman from Florida [Mr. PEPPER].

Mr. PEPPER. Mr. Speaker, I am proud to have the privilege of joining the Members of this House today in speaking the sentiment of the American people to pay token tribute to one of the colossal figures of history, a man whose striding in seven-league boots through the pages and the record of history is one of the great stories of mankind.

Those of us who have been privileged to have some public or private contacts with this unique, this eminent man, shall cherish those as highlights of our lives, because they were the occasions when we approached near the summit of human personality. His intrepid courage, his indomitable will, his unfaltering faith in the presence of danger and difficulty not only tended to save a good old world but were largely the foundation for the building of a nobler and a grander new.

As long as men in their hearts are thrilled by the epic deeds of heroic men, as long as gallantry and courage shall be emulated by aspiring men, women, and youth, the name of Winston Churchill shall be kept warm in the hearts of men, women, and children everywhere.

Mr. Speaker, if this Republic shall last a decade or a thousand years, its glory and its grandeur shall ever be enhanced by the action of this Congress and our President and this country in our time in adding to the roster of our citizens the imperishable, the magnificent name of Winston Churchill.

Mr. POFF. Mr. Speaker, I yield such time as he may desire to the gentleman from Nebraska [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include a resolution.

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

There was no objection.

Mr. CUNNINGHAM. Mr. Speaker, I am honored to be able to participate in these activities in which the House of Representatives offers honorary citizenship to one of the world's living legends and a man who holds a place of esteem in the hearts of Americans.

Sir Winston Churchill was given a fitting tribute by the Nebraska Legislature on February 12 of this year, when by a unanimous vote citizenship in the State of Nebraska was conferred on him. Nebraska was the first State to so honor Sir Winston.

The resolution of the Nebraska Legislature reads in part:

Whereas Sir Winston Churchill has, by his courage, tenacity, wisdom, and leadership both in war and in peace, assured for himself a place of eminence among the great men of history—

Certainly these words sum up the characteristics which the world has come to know in Sir Winston—courage, tenacity, wisdom, and leadership. In his long career of service to his government

and the free world, Sir Winston has been a guest in this country on several occasions. They have been occasions on which history was made—wartime conferences, his Iron Curtain speech, or his appearance before the Congress.

He will always have a prominent place in history, not only for his achievements, but because of his writings which will give to future generations an appreciation of the events of today and yesterday.

I am pleased to offer now the resolution passed by the Nebraska Legislature.

LEGISLATIVE RESOLUTION 12

Whereas Sir Winston Churchill has, by his courage, tenacity, wisdom, and leadership both in war and in peace, assured for himself a place of eminence among the great men of history; and

Whereas it is proper that the highest honor and acclaim be accorded Sir Winston Churchill during his lifetime; and

Whereas the greatest honor that this legislature can confer is the grant of citizenship in the great State of Nebraska: Now, therefore, be it

Resolved by the members of the Nebraska Legislature in 73d session assembled:

1. That full citizenship in the great State of Nebraska, with all rights and privileges appertaining thereto, is hereby granted Sir Winston Churchill.

2. That a copy of this resolution, suitably engrossed and signed by the President of the legislature be transmitted by the clerk of the legislature to Sir Winston Churchill, Vice President Johnson, Senator Young, Senator Javits, Senator Magnuson, Senator Roman Hruska, Senator Curtis, Congressmen Cunningham, Martin, and Beermann.

DWIGHT W. BURNEY,
President of the Legislature.
HUGO F. SRB,
Clerk of the Legislature.

Mr. POFF. Mr. Speaker, I yield such time as he may desire to the gentleman from Nebraska [Mr. BEERMANN].

Mr. BEERMANN. Mr. Speaker, of course I wish to concur in the remarks made by the senior Member from Nebraska in the House of Representatives [Mr. CUNNINGHAM], and add that I, too, will welcome the Honorable Winston Churchill as an honorary citizen of the United States.

As my distinguished colleague has pointed out, Mr. Churchill is already an honorary citizen of my home State, Nebraska, by virtue of Legislative Resolution 12 passed by the 73d current session of the Nebraska unicameral. This action was noted in the CONGRESSIONAL RECORD for February 18, 1963, on page 2388.

It is my belief that many Nebraskans, particularly those of us who took part in World War II, have a great deal of respect and admiration for Mr. Churchill's strength of character. I think it can be said that it was his hand on the ship of state in England during the 1942 and 1943 bombings that was the prime reason for England's heroic defense of her perimeter.

In addition, Mr. Churchill's indomitable will and his unyielding defiance gave the English people the strength of purpose necessary to carry them successfully through this conflict. I might also add that probably as a result of Mr. Churchill's tenacity, the United States gained a measure of time, time which

was used to prepare for and later win an all-out victory.

In conclusion, I earnestly commend Mr. Churchill's strength of character and purpose to this body and urge that it confer on him the greatest honor that it can possibly bestow; namely, citizenship in the United States.

Mr. POFF. Mr. Speaker, I yield such time as he may desire to the gentleman from Texas [Mr. FOREMAN].

Mr. FOREMAN. Mr. Speaker, I should like to associate myself with the remarks made by my fellow Texan [Mr. ROGERS] in his opposition to this bill. I recognize the good that Sir Winston Churchill has done for this world, but also I recognize the sacredness and the associated responsibility of citizenship in the United States of America. We citizens of Texas are a proud people, and I think we citizens of the United States are a proud people, proud of our country and our citizenship, and the accompanying responsibility. I think that the best we could do in paying Sir Winston Churchill a true tribute would be by a resolution expressing the appreciation of this body to Sir Winston Churchill for his contribution to the things we believe in, but not by giving him honorary citizenship in the United States of America.

In May 1958, Sir Winston Churchill wrote, in answer to an inquiry from Representative FRANCIS E. WALTER asking his views on proposed legislation at that time to make him an honorary citizen of the United States of America, as follows:

MY DEAR MR. WALTER: I was deeply touched at the great honor which you have sought to do me. I am well aware of the historical implications of what you suggested, and it is a remarkable compliment which I shall always remember.

Nevertheless, after most careful consideration, I think that I should decline it. As you know, I am half American by blood. I feel that I would prefer to leave the matter thus rather than have an official seal put on the affection and high regard in which I hold your country.

Pray accept my very warm thanks to you personally, and my good wishes.

Yours very sincerely,

WINSTON S. CHURCHILL.

I respectfully question the advisability of the initiation of this precedent in awarding honorary citizenship of the United States of America to anyone. My high respect, esteem, and honor for that great citizen of the free world and relentless fighter for individual freedom, Sir Winston Churchill, is by no means whatever lessened by my expressions in this instance.

Mr. POFF. Mr. Speaker, I yield such time as he may desire to the gentleman from West Virginia [Mr. MOORE].

Mr. MOORE. Mr. Speaker, I rise in support of the legislation before the House today. In March the Legislature of West Virginia conferred honorary citizenship of our State on Sir Winston Churchill. I am well aware of the apprehension in some minds here today about the wisdom of what we are doing. I can only say, as a member of the subcommittee that recommended this legislation, that this action today does not confer upon Sir Winston United States

citizenship as we know it and as it is referred to in the statutes. There will be no oath of allegiance to the laws of this Nation. This is a token of recognition, by Presidential proclamation solely. What we do today is to authorize by this declaration the bestowing of an honorary title on Sir Winston, rather than an act that would be an obligation, if he were to appear in a court and assume the rights and obligations of U.S. citizenship.

However, Mr. Speaker, it might be appropriate to add just a little footnote to what I have just said. Sir Winston is 88 years old now. But if he were born after May 24, 1934, he would have had a choice to become either a U.S. citizen at birth, or a citizen of Great Britain. Why? When he was born section 1933 of the Revised Statutes of the United States was still in effect and U.S. citizenship could be conferred upon a child born abroad only by his father, if he was a U.S. citizen. No mother, although born in the United States, could then have conferred U.S. citizenship upon her child born abroad. This is why Sir Winston had no claim to U.S. citizenship. That law was changed on May 24, 1934, and the change under which both a father or a mother, a U.S. citizen, could confer citizenship upon a child born abroad is in effect today.

Since we are writing history today rather than passing a bill, I believe that this short explanatory note might be in order, and perhaps interesting for those who seem to nurse qualms or worries about what we are doing today.

Mr. POFF. Mr. Speaker, I yield 1 minute to the gentleman from Iowa [Mr. SCHWENGEL].

Mr. SCHWENGEL. Mr. Speaker, I have been listening with avid interest to the debate here today. I want to rise and voice my opposition to this proposition. I believe like many others do that the citizenship of America is a sacred thing, and I believe that anybody who is a citizen of America should want to carry his full share of the load as part of that citizenship and for that great privilege. Winston Churchill has been recognized and honored both by his people and by us in many ways. He is the only man for instance in the history of our Nation who has addressed a joint session of the Congress three times and in this we, indeed, gave him great honor. We were associated with his nation and with him in a great cause that preserved freedom and liberty. His record is established. He needs no honors that we can bestow on him.

Mr. Speaker, this is a bad precedent and we ought not to establish this precedent. It is one that may embarrass us in some future time.

Mr. Speaker, this is the man who gave to the world a great challenge in his blood and tears speech. Free people from all over the world responded. In this country people volunteered and were drafted to serve the cause of freedom, many gave the last full measure of their devotion. Among them were thousands who did not then nor do their families now have an American citizen's right to vote. We might better spend our

time and effort in giving voteless citizens their rights before we indulge in giving this kind of citizenship to this distinguished world citizen.

Mr. FLOOD. Mr. Speaker, were Sir Winston Leonard Spencer Churchill to accept the offer to become an honorary citizen of the United States—for which there is now pending a bill in Congress—the honor would become a two-way street. This honor is the highest which we in the United States can offer. All this we feel for Sir Winston.

In the opposite direction, it would be difficult to exaggerate the honor which would accrue to the United States in the acquisition of so outstanding a citizen. A mere listing of the professions in which he has served is a source of astonishment. Yet not just in one but in many he has occupied a foremost position. Furthermore, he has served with such distinction that in a variety of fields he has received the highest honors. His tremendous versatility makes even a listing difficult. Where to begin? Statesman, soldier, author, artist, journalist, politician par excellence, lecturer, editor, chancellor or rector in three universities, bricklayer and—less professionally, but nonetheless competently—prophet and soothsayer; all these professions in one man's life, and all creditably performed.

To explain the "prophet and soothsayer" and to take the latter first, there are volumes upon the library shelves around the world consisting of excerpts from his wise remarks, quotations abounding in "The Wit and Wisdom of Winston Churchill"—as one title reads. As prophet, Winston Churchill has foreseen and advised the world about many things good and bad that have been of immense importance recognized only later by others. During World War I, from having been actually in it he retired in 1916 to become the Minister of Munitions. In that capacity he was in a position to promote the use of the tank as a weapon of war. According to Ludendorff, the latter course of the war was decided in no small measure by the development of the tank.

As early as 1925, Churchill had written an essay entitled "Shall We Commit Suicide?", in which he called attention to the potential danger of Germany. During the thirties he continually warned against German armament and aggression. He also argued both in Parliament and on the lecture platform for a powerful air force.

As statesman, Winston Churchill has been three times Prime Minister of the United Kingdom. During the first of these terms he led the Coalition Government through World War II, 1940-45. Through the darkest days in England's history, when the threat of Hitler's invasion was very real and there were no allies to help, it was largely the spirit of Prime Minister Churchill, a giant of faith, of courage, and of inspiration, which led his countrymen through their "finest hour."

As a soldier and Cabinet minister he had had outstanding preparation for the highest post in government in such a crisis. His soldiering had begun at an early age. Entering the British Army

when he was 21 he had served with distinction in India, won an award of Military Merit from Spain when serving with the Spanish forces in Cuba, and taken part in the Nile Expeditionary Force, writing a book about this African experience.

As author, Sir Winston Churchill was awarded the Nobel Prize for Literature in 1953. His histories of both world wars are practically unrivaled in importance. Four volumes of the first, six of the second are only a few among the total of his literary productions. Memoirs, fiction, biography, history, political studies have flowed from his pen. His speeches alone fill volumes. So prolific is his output that it is the more amazing that he is a master of style; his writings are a literary delight.

We have mentioned but a few of his accomplishments. As you are aware, the doings of this talented and energetic personage already have filled various books. By 1945 he was considered by many as the greatest man in the world; and he never rested upon his laurels. His activities have been noteworthy, however, even more for their quality than for their quantity. The phrases that characterize him and his work are manifold and, withal, highly complimentary. He is known as a man who had the ability to do what he advocated; and he advocated patience and firmness; magnanimity to the defeated enemy in war. He said:

We must look through other people's eyes as well as our own.

He has ever been a man of humanity, of courage, intelligence of the highest order, generosity, loyalty, geniality, humor—yes, and impudence. It is safe to say that no one has delighted more people as well as inspired them.

Among the many facets of this man of apparently limitless ability, that for which we in America may be the most thankful is his interest in the promotion of the Anglo-American alliance. He has said:

Let us be united and let our hopes lie in our unity because we understand each other. We understand when things go wrong, or things are said, or anything like that, we really can afford to pass them by.

Sir Winston has here expressed the core of the Anglo-American alliance. Our countries need statesmen with magnanimity to carry us over the rough places. We need such vision and tolerance and geniality as he has ever exhibited to keep the Anglo-American alliance as a living reality, to keep family quarrels on the small squabble level, never letting them undermine the basic friendship so valuable to us and to the world. Sir Winston in his person has made vast contributions to that friendship. What he has done will stand as a bond forever.

Mr. BECKER. Mr. Speaker, there are few men I admire or respect more than the great British statesman, Sir Winston Churchill. In peace and in war, I would also be bold enough to say that no man has done more for his country than Winston Churchill, and my vote and decision on this resolution, certainly, is no reflection on his greatness as a man or as a British subject.

When this subject was broached to Sir Winston some time ago, he said that he would refuse an honorary citizenship in the United States and gave his reasons. I thought he was right at the time and still think he was right.

Secondly, I do not think we should open the doors to extend this honor to the national of any foreign country. Once we do and some Member of the Congress proposes someone else and we do not approve, then it becomes an insult. In all such matters as this, concerning a man of such stature as Sir Winston Churchill, it is not easy to say "no," far easier to take the easy way and say "yes."

Therefore, I want it well understood, that my vote in nowise is a vote against Sir Winston Churchill or Great Britain, as I am an admirer of both.

Mr. BENNETT of Florida. Mr. Speaker, luck is being prepared for opportunity. By such definition, Hon. Winston Churchill was a lucky man. He had prepared himself for great leadership and when world events required a man of colossal stature he was available and gave this opportunity a magnificent fruition. America, England, and all of the free world are and will always be debtors to the courage, wisdom, and superlative character of this noble man. With the enactment of this measure today there will go forward to him and his beloved wife and family the love, affection, and gratitude of every true American.

Mr. CLANCY. Mr. Speaker, I ask unanimous consent that the gentleman from Arizona [Mr. RHODES] 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 Ohio?

There was no objection.

Mr. RHODES of Arizona. Mr. Speaker, I was pleased to note recent remarks attributed to Sir Winston Churchill expressing his desire to accept honorary citizenship should it be tendered to him by the United States. And I support the bill before the House today which proposes a proclamation of honorary citizenship for this great statesman.

Mankind was in one of its darkest hours when Sir Winston Churchill spoke elegant words about "their finest hour." Mankind stood close to a new dark age when Sir Winston Churchill faced a tyrannical enemy poised on the shores of the English Channel and vowed to "fight on the beaches, fight on the landing fields, fight in the fields and in the streets, in the hills; we shall never surrender." But Sir Winston did more than speak—he acted. He transmitted the required "blood, toil, tears, and sweat" to the reality of a positive strategy and strength for victory.

Winston Churchill was among the first to warn that "an Iron Curtain has descended across the Continent" as early as March 5, 1946. Today we realize that we, like the British Empire during World War II, are in a precarious position requiring the leadership of a Churchill—combining words with deeds and necessitating a will to win. For, as Churchill himself once said:

No one can guarantee success in war, but only deserve it.

The lesson of Sir Winston Churchill to us today should give rise to policies deserving success for the entire free world now and in the future.

Mr. Speaker, I gladly support legislation tendering honorary American citizenship to Sir Winston Churchill. He said that:

Never in the field of human conflict was so much owed by so many to so few.

One of the most valiant and gallant of those few was Churchill himself.

Mr. BARRY. Mr. Speaker, I rise in support of this bill to bestow honorary citizenship to one of America's most cherished and respected friends. Mr. Winston Churchill, who so often expresses pride in his American heritage, was the symbol of leadership in the free world during the darkest moments of our time. It seems fittingly appropriate that during the twilight years of his varied and abundant career that the Congress of the United States, reflecting the will of the people, extend America's highest gift—that of honorary citizenship.

When captain of the ship of state his indomitable spirit narrowed the broad expanse of an ocean that separated freedom-loving people, and through his example of courage and leadership he created a bond of unity for the peoples of the Atlantic upon which our future survival depends. Winston Churchill belongs not only to Great Britain, but to the whole world, to each man who reveres liberty and the dignity of the individual. Above all he cherished the rights of the individual. I know that we shall add to a long list this honor as an expression of gratitude and respect from an aware and appreciative Nation.

Mr. VAN DEERLIN. Mr. Speaker, with thousands of other Americans, I am gratified that Congress is about to extend honorary citizenship to Sir Winston Churchill.

No American who served overseas during the war years, and observed the gallant manner in which the British people endured not only the flaring moments of tragedy but the long, grinding years of make-do and do-without could fail to realize how their load was lightened by the never-falling confidence of "Winnie."

On behalf of the people of California, it is with pride that I welcome this great man into fellow citizenship, even though it be but honorary.

Mr. RANDALL. Mr. Speaker, we have never thought that a Member is under an obligation to put in the RECORD his reasons for every record vote; but in the instance of H.R. 4374, which has its purpose to proclaim Sir Winston Churchill an honorary citizen of the United States, it seemed to this Member that a few words were appropriate.

We went to the floor intent upon simply voting present, and when our name was called did vote present on the first call of the roll for the first time on any matter since coming to the Congress. One of the reasons for our action was that we had not read the letter from the Justice Department in explanation

of the fact this was not conferring citizenship or U.S. nationality, but emphasized it was only honorary citizenship and another reason for our preliminary intention to vote present was that we felt there were so many more important things that the Congress should consider first and so much work yet to be done that many other matters should be considered before or ahead of H.R. 4374. On the other hand, we could not vote against the bill, for to do so, would amount to a slap at a person who had been a great statesman and one of the great leaders of the free world during the terrible days of World War II. It was under the leadership of Churchill that Britain held the line until America could arm itself to enter the European theater of operations as an ally. This magnificent holding action under the guidance of Sir Winston was responsible for the ultimate saving of thousands of American lives.

We quickly asked for a copy of the brief report which accompanied H.R. 4374 and finally supported the bill, with some measure of reluctance because of the realization that American citizenship is such an invaluable thing that perhaps we should not set a precedent as we have here today. We think that Sir Winston should have our high regard, affection, and respect but to grant full citizenship is something else.

But again, a close study of the title of the bill and its content reveals an emphasis on the word "honorary." Carefully considered, this means that we are doing nothing more than an appropriate recognition of the outstanding quality of Sir Winston's leadership and his contributions to the free world. The report points out that the bill is not intended to confer citizenship, or to impose the legal obligations of making him a national. It could be said to be similar in effect to conferring a medal or decoration upon him. As the report points out, it is only an honor, or expression of esteem rather than the U.S. nationality in the technical sense.

We should consider that if this bill had been defeated, there would be those among our enemies in the world who would have interpreted this defeat as a breach among the Western allies and it could very well have resulted in damaging repercussions if the bill had failed of adoption. Although we felt that there was more important work to be done first we could not vote against the bill for the reasons mentioned above. One of our earlier decisions not to support the bill was because we were of the belief that Sir Winston had back in 1958 declined the honor in a letter to the chairman of the subcommittee, the gentleman from Pennsylvania [Mr. WALTER]. We felt no person should be given such a great honor who had by letter already declined it.

Then, after a careful reading of the report, we found this situation had been changed and that in an official cable received as late as February 26, 1963, from the British Embassy, Sir Winston said that he would be delighted to be so honored and that he would be deeply moved by such an honor. Apparently, others in the Congress had similar feel-

ings as our own because on the day following the cablegram expressing the change of attitude by Sir Winston, several identical bills were introduced as companion to H.R. 4374. In our quick investigation of the report, we recall that four American States have now offered honorary American citizenship and recalled that after all, Sir Winston is already half American by blood as a son of an American mother and an English father.

Finally, by supporting the passage of such a bill as this, we think it amounts to a backhand slap at one among our Western allies on the continent of Europe that has been engaging in action intended to weaken the European Economic Community and also NATO. The passage of this bill will let the world know that the people of the United States by the action of the Congress today honors this great man for his unswerving loyalty and steadfastness to his friends in these troubled times of 1963 as much as he did during the perilous days of World War II.

Mr. ROOSEVELT. Mr. Speaker, rarely in the history of civilization has there appeared a man of the stature and caliber of Sir Winston Churchill. During his entire lifetime he has demonstrated a selfless devotion to his fellow man. His distinguished career in his own country includes service as a warrior and as a statesman. By his courageous and honorable deeds, he is revered as the inspiration and the moving force which rallied freedom loving peoples of the world during their most perilous period. World over, Sir Winston is known as a man of peace, a statesman of international repute, philosopher, political leader, artist, and a man of letters. And there is no person who has done so much, to the benefit of so many, in promoting and developing the bonds of strength which hold together the union of English-speaking peoples.

President Kennedy, when a U.S. Senator, stated:

I believe now that Sir Winston has left active political office, that a grant of honorary U.S. citizenship to him would be a worthy and fully deserved gesture.

The President has reaffirmed that statement only recently.

Including my joint resolution, five bills were introduced in this session of Congress, both in the House and in the Senate, to honor Sir Winston by declaring him to be a citizen of the United States. A precedent for such action has been established by the granting of honorary citizenship to that great French nobleman, the Marquis de Lafayette, for his invaluable service to our cause. Only in this way is it possible for us to demonstrate formally the affection and high regard the American people hold for this grand old man of our time.

As the world's most honored man, Sir Winston already holds a number of American awards. These include honorary citizenship of Jacksonville, Fla.; the Gold Medal of the city of New York; the Franklin Medal of the city of Philadelphia; the American Freedom House Award; the Distinguished Service Medal; the right to wear a pilot's wings of the

U.S. Air Force. In addition, Sir Winston has been decorated by 11 foreign countries as well as his own, and is an honorary citizen of 10 other cities.

It is indeed fitting that we bestow this added honor to illustrate our respect and admiration.

Mr. CLANCY. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. SCHADEBERG] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. SCHADEBERG. Mr. Speaker, I will cast my vote for granting honorary citizenship to Sir Winston Churchill, fully realizing that one could justifiably oppose this bill.

Citizenship of the United States, honorary or otherwise, should always carry with it responsibilities. Were it not for the fact that Sir Winston so valiantly stood for those precepts of freedom in the dark days of World War II, and was—and still remains—the outstanding symbol of bravery and determination and faith in victory, I would be inclined to vote against this resolution.

I would not vote for this bill if I thought it could set a precedent for conferring honorary citizenship to other persons of other nations for lesser cause or for politically inspired purposes. I will cast a favorable vote, having been assured it is not intended to set such a precedent.

In conferring honorary citizenship upon Sir Winston, we honor a man, a leader, who by his example inspired in his people the will, the determination, to bring to a successful conclusion the struggle in which they were engaged against the kind of tyranny which we in our Nation have consistently opposed.

Sir Winston did not vacillate in his determination to keep his nation free, nor did he accept any appeasement-type diplomacy that could be interpreted by others to mean that freemen lack the will to win or are unwilling to make the sacrifice for that which they believe to be right and honorable.

The tyranny of communism today is the same as the tyranny of nazism against which Sir Winston and the great people of his country, of America, and indeed of all the Allied Nations, so valiantly fought. To be sure, it bears a different name. But it is marked with the same kind of ruthless authoritarianism.

Sir Winston symbolized the truth that only he can effectively lead others to sacrifice, no matter how noble the cause, who is himself willing to share in making that sacrifice.

May I add that no nation can lead other nations to sacrifice for the noble ideal of the preservation and extension of freedom and human dignity unless that nation is willing to take the lead in that sacrifice.

We are well reminded that freedom does not come cheap. It is bought—to use the classic words of Sir Winston himself—with "blood, sweat, and tears." And no generation can ever live secure

in the false belief that freedom is not its responsibility.

I feel privileged to share in conferring upon this great man of history, Sir Winston Churchill, honorary citizenship in the United States of America. I so cast my vote only after soberly weighing the proposal; after deliberating long on the responsibilities that accompany U.S. citizenship, honorary or otherwise; and after seriously considering all implications inherent in the act. I am certain Sir Winston would have it on no other grounds.

Mr. SENNER. Mr. Speaker, as a freshman Member of this esteemed body, it was a great privilege to join with my colleagues on the Judiciary Committee in recommending that Sir Winston Churchill be granted honorary citizenship in the United States of America.

To be able to recognize one of the world's outstanding leaders who has worked and fought for the very ideals we Americans hold so dear—love of God, love of country and love of fellow men—is an honor I shall long treasure.

By our action today, the people of America have again shown the peoples of the world that democracy is a living, vibrant force which always stands ready to embrace those who believe in freedom.

Mr. McCLODY. Mr. Speaker, I am proud to support the legislation honoring Sir Winston Churchill as an honorary citizen. In addition to the great service which Mr. Churchill has rendered to Great Britain and to the entire British Empire, he has contributed substantially to greater understanding between our Nation and the other English-speaking peoples around the world. This understanding and mutual respect which Mr. Churchill advocated is one of the most hopeful developments in the human quest for a peaceful world.

Mr. Speaker, I am proud and happy to associate myself with this—though it be symbolic legislation—and to salute Sir Winston Churchill, a British subject, and an honorary American citizen.

Mrs. FRANCES P. BOLTON. Mr. Speaker, I am informed by a friend of mine that General Eisenhower has authorized the following statement of his views on the proposal to make Sir Winston Churchill an honorary American citizen:

Sir Winston Churchill has been my warm personal friend for more than 20 years. I have known him both in wartime and in peace as an inspirational leader and a man dedicated to the promotion of Anglo-American friendship and the solidarity of the English-speaking community. In a long and varied career he has many extraordinary achievements to his credit, of which his reputation as the political leader of Great Britain during World War II, and his brilliance as an author are unquestionably the most widely known.

All these facts, to which must be added the circumstance that his mother was of American birth, clearly justify in my opinion the awarding to him of an honor that has previously been given to only one other, General Lafayette. It is my further opinion, that in taking this action, the Congress would not in anyway create a precedent. I believe that the circumstances are such as to make the case so exceptional as to stand as practically unique.

Mr. PIRNIE. Mr. Speaker, by granting Sir Winston Churchill honorary American citizenship, the House pays a great man a singular and well-deserved tribute.

His contributions to the preservation of American freedom in a time of supreme crisis, for all of Western civilization, fill the pages of modern history. In the 1930's he courageously defied the appeasement policies of his own country which culminated in the Munich capitulation and the advent of World War II. In the early months of the war, when Hitler's armies had triumphantly subdued the European Continent, leaving England to fight on alone, his eloquent voice and masterful personality provided a rallying point for the hopes of both the free and the enslaved nations. His dogged determination sustained England during her darkest hour and held the Atlantic frontier safe until America entered the war. Thus, he gave his nation one of its finest hours.

For these and other acts born of consummate wisdom and indomitable courage, we owe Sir Winston an immeasurable debt of gratitude which House bill 4374 discharges in part. Our affection for him is deeper, not only because his mother gave him American blood and ancestors who fought side by side with General Washington in our War of Independence, but because he represents one of the finest statesmen produced by the English-speaking peoples. In addressing the Virginia House of Delegates March 8, 1946, Sir Winston gave expression to his hope for union and understanding which we will do well to recall: "Above all, among the English-speaking peoples, there must be the union of hearts based upon conviction and common ideals. That is what I offer. That is what I seek."

In honoring this great man, we also honor ourselves.

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 question was taken.

Mr. ASHBROOK. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. Evidently, a quorum is not present.

The doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 378, nays 21, answered "present" 5, not voting 30, as follows:

[Roll No. 9]

YEAS—378

Abbott
Abernethy
Adair
Addabbo
Albert
Anderson
Andrews
Arends
Ashley

Ashmore
Aspinall
Auchincloss
Avery
Ayres
Baker
Baldwin
Baring
Barrett

Barry
Bass
Bates
Battin
Beckworth
Beermann
Belcher
Bell
Bennett, Fla.

Bennett, Mich.
Berry
Betts
Blatnik
Boggs
Boland
Bolling
Bolton
Bolton, Frances P.
Bolton, Oliver P.
Bonner
Bow
Brademas
Bray
Brock
Bromwell
Broomfield
Brotzman
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Bruce
Burke
Burkhalter
Burton
Byrne, Pa.
Cahill
Cameron
Cannon
Carey
Casey
Cederberg
Celler
Chamberlain
Chelf
Chenoweth
Clancy
Clark
Cleveland
Cobelan
Collier
Colmer
Cooley
Corbett
Corman
Cramer
Cunningham
Curtin
Curtis
Dague
Daniels
Davis, Ga.
Dawson
Delaney
Dent
Denton
Derwinski
Devine
Diggs
Dingell
Dole
Donohue
Dowdy
Downing
Doyle
Dulski
Duncan
Dwyer
Edmondson
Edwards
Elliott
Ellsworth
Everett
Evins
Fallon
Fascell
Felghan
Findley
Finnegan
Fino
Fisher
Flood
Flynt
Fogarty
Ford
Forrester
Fountain
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Fulton, Tenn.
Fuqua
Gallagher
Garmatz
Gary
Gathings
Gavin
Gialmo
Gibbons
Gilbert
Gill
Glenn
Gonzalez
Goodell
Goodling

Grabowski
Grant
Green, Oreg.
Green, Pa.
Griffin
Gubser
Hagan, Ga.
Hagen, Calif.
Haley
Halleck
Halpern
Hanna
Hansen
Harding
Hardy
Harris
Harrison
Harsha
Harvey, Ind.
Harvey, Mich.
Hawkins
Hays
Hébert
Hechler
Hemphill
Henderson
Hoeven
Hollifield
Holland
Horan
Horton
Hosmer
Huddleston
Hull
Hutchinson
Ichord
Jarman
Jennings
Jensen
Joelson
Johnson, Calif.
Johnson, Wis.
Jonas
Jones, Ala.
Jones, Mo.
Karsten
Karth
Kastenmeier
Keith
Kelly
Keogh
Kilburn
Kilgore
King, Calif.
King, N.Y.
Kirwan
Kluczynski
Knox
Kornegay
Kunkel
Kyl
Laird
Landrum
Langen
Lankford
Latta
Leggett
Lennon
Lesinski
Libonati
Lindsay
Lipcomb
Lloyd
Long, La.
Long, Md.
McClary
McCulloch
McDade
McDowell
McFall
McIntire
McLoskey
McMillan
Macdonald
MacGregor
Mahon
Malliard
Marsh
Martin, Calif.
Martin, Mass.
Martin, Nebr.
Mathias
Matsunaga
Matthews
May
Meador
Michel
Miller, Calif.
Milliken
Mills
Minish
Minshall
Montoya
Moore
Moorhead
Morgan
Morris

Morrison
Morse
Morton
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murray
Natcher
Nedzi
Nelsen
Nix
Norblad
Nygaard
O'Brien, N.Y.
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olson, Mont.
Olson, Minn.
O'Neill
Osmer
Ostertag
Passman
Patman
Pelly
Pepper
Perkins
Philbin
Pike
Pilcher
Pirnie
Poage
Poff
Pool
Powell
Price
Pucinski
Purcell
Quile
Quillen
Randall
Reid, Ill.
Reid, N.Y.
Reifel
Reuss
Rhodes, Pa.
Rich
Riehlman
Rivers, Alaska
Rivers, S.C.
Roberts, Ala.
Roberts, Tex.
Robison
Rodino
Rogers, Colo.
Rogers, Fla.
Rooney
Roosevelt
Rosenthal
Rostenkowski
Roudebush
Roush
Roybal
Rumsfeld
Ryan, N.Y.
Ryan, Mich.
St. Germain
St. Onge
Saylor
Schadeberg
Schenck
Schneebeli
Schweiker
Scott
Secrest
Selden
Shelley
Sheppard
Shipley
Shriver
Sibal
Sickles
Sikes
Sisk
Skubitz
Slack
Smith, Calif.
Smith, Iowa
Springer
Staebler
Stafford
Staggers
Steed
Stephens
Stinson
Stratton
Stubblefield
Sullivan
Taft
Talcott
Taylor
Teague, Calif.
Thomas
Thompson, N.J.
Thompson, Tex.
Thomson, Wis.

Thornberry	Watts	Willis
Tollison	Weaver	Wilson, Bob
Trimble	Weltner	Wilson,
Tuck	Westland	Charles H.
Udall	Whalley	Wilson, Ind.
Van Deerlin	Wharton	Winstead
Vanik	White	Wright
Vinson	Whitener	Wylder
Waggonner	Wickersham	Wyman
Wallhauser	Widnall	Young
	Williams	Younger

NAYS—21

Abele	Dorn	Rogers, Tex.
Alger	Foreman	Schwengel
Ashbrook	Gross	Short
Becker	Grover	Siler
Burleson	Hall	Snyder
Conte	Johansen	Tuten
Derounian	Monagan	Utt

ANSWERED "PRESENT"—5

Hoffman	St. George	Van Pelt
Pillion	Ullman	

NOT VOTING—30

Brooks	Gurney	Rhodes, Ariz.
Brown, Calif.	Healey	Senner
Buckley	Herlong	Smith, Va.
Byrnes, Wis.	Kee	Teague, Tex.
Clausen	Madden	Thompson, La.
Daddario	Miller, N.Y.	Tupper
Davis, Tenn.	Multer	Walter
Farbstein	O'Brien, Ill.	Watson
Gray	Patten	Whitten
Griffiths	Rains	Zablocki

So the bill was passed.

The Clerk announced the following pairs:

Mr. Walter with Mr. Tupper.
Mr. Multer with Mr. Clausen.
Mr. Daddario with Mr. Miller of New York.
Mr. Farbstein with Mr. Rhodes of Arizona.
Mr. Gray with Mr. Byrnes of Wisconsin.
Mr. Rains with Mr. Gurney.

Mr. BURKE changed his vote from "nay" to "yea."

Mr. RANDALL changed his vote from "present" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. CELLER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on the bill just passed.

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

There was no objection.

PERMISSION TO SIT DURING SESSIONS OF THE HOUSE

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that the subcommittees of the Committee on Interstate and Foreign Commerce may be permitted to sit during general debate this afternoon.

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

There was no objection.

AUTHORIZING APPROPRIATIONS FOR AIRCRAFT, MISSILES, AND NAVAL VESSELS

Mr. COLMER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 288 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. 2440) to authorize appropriations during fiscal year 1964 for procurement, research, development, test, and evaluation of aircraft, missiles, and naval vessels for the Armed Forces, and for other purposes. 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 Armed Services, 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. COLMER. Mr. Speaker, I yield the customary 30 minutes to the minority, to the gentleman from Ohio [Mr. Brown], and pending that I yield myself such time as I may briefly consume.

Mr. Speaker, House Resolution 288 provides for consideration of H.R. 2440, a bill to authorize appropriations during fiscal year 1964 for procurement, research, development, test, and evaluation of aircraft, missiles, and naval vessels for the Armed Forces, and for other purposes. The resolution provides for an open rule with 4 hours of general debate.

H.R. 2440 provides authorization in the amount of \$15,856,391,000 for defense programs for fiscal year 1964 in two major areas. It includes authorization of appropriation for the procurement of aircraft, missiles, and naval vessels in form identical to previous enactments of the fund authorizations required. It also includes a similar authorization of appropriations for the research, development, test, and evaluation of aircraft, missiles, and naval vessels as required for the first time by the amendment to sec. 412(b) contained in Public Law 87-436. This, then, is the first bill to be presented to the House in which the Armed Services Committee has exercised this additional authority.

Of the total \$15,856,391,000, the bill includes \$1,761,549,000 for the Army; \$6,612,024,000 for the Navy and Marine Corps; and \$7,482,818,000 for the Air Force.

Mr. Speaker, I shall not attempt at this time to comment on the merits of the bill. I can only say in passing that I am alarmed at the enormity of the amount of money involved. Surely the Defense Department could get along with less.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself such time as I may use, and ask unanimous consent to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BROWN of Ohio. Mr. Speaker, the gentleman from Mississippi [Mr.

COLMER] has explained the provisions of the rule. It is an open rule. It provides for 4 hours of general debate, to be followed by discussion under the 5-minute rule, with the offering of any and all amendments that may be germane to the measure.

Mr. Speaker, this is an important piece of legislation. I feel your attention should be called to the fact that this is an authorization bill, not an appropriation bill.

It does, however, authorize later appropriations of not more than \$15,456,391,000 to be used for the purchase of aircraft, missiles, naval vessels, and other similar equipment for the use of the Armed Forces of the United States.

This is a historic report filed by this committee, if my memory serves me correctly for it is seldom any bill is ever reported out of the Committee on Armed Services which does not carry the absolutely unanimous support of all 37 Members agreeing fully with everything that may be in the bill, and especially all those provisions of a bill which are favored, of course, by the most illustrious chairman who has ever served any committee in the history of parliamentary practices in the House of Representatives of the United States, the Honorable chairman of the Committee on Armed Services, the gentleman from Georgia [Mr. VINSON], who is credited with knowing more about the needs and the strength of our Armed Forces than any other individual in America. Yet, history has been made by this report, because I see that while there is not a minority report filed, there have been additional views filed by five members of the committee which is indeed unusual. Frankly, I do not agree with the additional views, but nevertheless I think we should mark here that there have been additional views filed by members of this committee.

After this bill is approved today, as undoubtedly it will be, and after it clears the other body and is signed into law by the President, being an authorization bill only, as I explained a few moments ago, the Committee on Appropriations of the House must then pass judgment on each and every line and item contained in this measure and determine, in its wisdom, just what appropriation should actually be made under the authorization granted.

When the chairman of this illustrious Armed Services Committee was before the House Committee on Rules asking for the rule which makes consideration of this bill in order, he did make some statements that caused some alarm among the members of our own committee and, I believe, among those who were in attendance at the hearing when he pointed out provisions of the bill which authorized the building of so-called killer submarines for the purpose of destroying Russian or some other enemy submarines that could easily attack and virtually destroy by missiles cities within 300 or 400 miles of our seacoast. That statement gave concern to all of us.

However, after some questioning, Chairman VINSON did point out, as shown in this report, that we also have a great many Polaris missile firing sub-

marines of our own and those submarines, I understand, can send our missiles a distance of anywhere from 1,000 to 1,500 miles, and even farther. Of course, as was pointed out by the chairman, under questioning, the greatest deterrent to an all-out war is the power of retaliation, and the United States does have the power to retaliate against any enemy that might decide to attack this country and, in turn, we have the power to completely destroy the enemy.

I am saying these things today on the floor of the House not because I feel that we are giving away any military secrets, for I am sure the Russians, and other nations as well, have all the information contained in this report, and a great deal more, and probably know more about our defensive and offensive strength by far than the average Member of Congress, but rather to assure the American people that from all the information some of us have been able to obtain it appears we are not in anything like the grave danger first described by the gentleman from Georgia, Chairman VINSON, when he appeared before the Rules Committee and frightened us by his discussion of how the Russians, because of the number of submarines they have could wreak great destruction against the United States and cities near our coasts.

I hope that as general debate progresses the chairman of the Armed Services Committee, the gentleman from Georgia [Mr. VINSON], and other members of the committee who speak on the bill will make it clear to the American people at least, and perhaps to the peoples of the entire world, that the United States is not defenseless as has been suggested, that this country is in position, not only to defend itself against any attack, but also to retaliate in such force as to make it unprofitable for any enemy to attack the United States at any time, and that if such an attack should come that in the end, it would not be the United States but the enemy that would be the greatest sufferer, from any mistake made by starting World War III.

I want to recommend, if I may, Mr. Speaker, in conclusion, that every Member of the House read carefully the report of the committee which has been filed with this bill, perhaps keep it on file in his or her office, because it contains information that will be of great value, not only now, but also in the future, in connection with answering questions about our own strength and these proposals of the Congress of the United States to increase our Nation's offensive and defensive strength for the future.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER. The gentleman has consumed 9 minutes.

Mr. BROWN of Ohio. Mr. Speaker, I yield 7 minutes to the gentleman from Kansas [Mr. AVERY].

Mr. AVERY. Mr. Speaker, there is no reason to impose upon the House this afternoon to delineate in detail the purposes of the bill, because such detail will be clearly spelled out, I am sure, by the members of the Armed Services Com-

mittee. As I read this report and review the statements made by the chairman of the committee in his appearance before the Rules Committee it appears as though there are about four principal policy propositions enunciated in this bill: No. 1, that the military procurement program will first be authorized by the Congress before the Department of Defense proceeds to request funds from the Appropriations Committee.

Some new Members may ask, "What do you mean?" I mean this: This was the procedure previous to 1961. The executive department would submit a classified request to the Appropriations Committee and the Members of the House were pretty much kept in the dark as to the nature and extent of these requests until the Department of Defense appropriation bill, involving maybe \$40 or \$50 billion came on the floor. This was the first information any Member had as to what the procurement requests by the administration were going to be for any fiscal year.

This is the third authorization bill for military procurement. I think it is good for the House, and I do not think it will be any news or of any comfort to our adversaries to have this authorization. It is the right of the American people, the American taxpayers, to know for what purpose their money is being contemplated to be spent in the next fiscal year.

The second policy position deals with authorization of research and development. This is the first time that research has been specifically authorized by the Congress before it was undertaken or contracted by the Department of Defense. Have they been proceeding without authorization? No. But they have been proceeding on basic or general authorization. This is the first time, may I repeat, Mr. Speaker, that the Committee on Armed Services has outlined in detail the authorization for research and development for a fiscal year.

I wonder if you have any idea what research is costing? There will be \$7 billion authorized for research in fiscal 1964. A little over \$4 billion presently authorized, and there is in excess of \$3 billion in new authorizations for research in this bill.

Mr. Speaker, I certainly concur with the third policy position of the committee that relates to the RS-70 bomber. Those of you who were present in the 87th Congress will remember this was a matter of considerable disagreement, we were advised, between the administration and the Committee on Armed Services. But the night before this bill was on the floor a year ago, there was some agreement reached and there was a limited amount of money made available for further research on the RS-70. But really no final decision established as far as the future of the manned bomber program is concerned.

The amount of money in this bill for the RS-70 for fiscal 1964 I understand to be some \$630 million and a total additional authorization of \$1.2 billion for this bomber of the future. This is a most important aspect of this section as it

specifically relates to the RS-70. The most significant thing in my judgment is, it reaffirms a position of the Congress as to the future of the whole manned bomber program.

I think Members of the House are probably aware of the fact that the B-47's are now being gradually deactivated. The last L-52 was delivered in 1962. Since that time there have been no replacements in our manned bomber program or known to be contemplated for the future. It may be said that we are commencing to phase out our earlier concept of a manned bomber retaliatory force. By the inclusion in this bill of funds to program two additional RF-70's—in addition to the three that are presently authorized—and the further authorization for a weapons system to complement the craft.

I think it is a clear statement of policy by the Congress that we are not yet convinced that the usefulness of the manned bomber has been terminated. I will support the committee in this position.

In the fourth category the bill is not a clear reflection of a policy position but I think it is a very important aspect of the bill. I inquired of the chairman if there was any manifest—perhaps I should say any tangible concern on the part of the Committee on Armed Services as to the recent award of the \$7 billion TFX contract, a plane with slight modification to be suitable for both Navy and Air Force employment.

The chairman replied there was not; that any tangible expression of concern on this matter was to be left to a committee of the other body. So, if that is the case, there is no need to further trespass on the time of the House this afternoon.

Mr. Speaker, those of us from the Middle West are deeply concerned about this, and for a very understandable reason. Had this contract been awarded on the basis of a unanimous recommendation by the military and to the low bidder, the contract work would have been performed in Kansas and in a Government-owned facility. So, for this reason, we do have an interest in it.

But, Mr. Speaker, certainly there is no opposition to this bill. The rule should be adopted.

Mr. BROWN of Ohio. Mr. Speaker, I yield such time as she may desire to the gentleman from New York [Mrs. ST. GEORGE].

Mrs. ST. GEORGE. Mr. Speaker, I am reluctant to speak here this afternoon because, for the first time, I am a little bit disappointed with a bill coming out of this great committee, and I am disappointed for this reason:

Many of us here, myself included, have been anxious to see certain cuts made in these enormous authorizations and appropriations. Now, here we have a bill which is by no means small. This bill is merely for procurement. This bill, according to the committee report, states the following:

The fiscal year 1964 request for new obligational authority for the entire Department of Defense totals \$52,180,637,000. Of this amount, \$15,358,691,000 was requested

by the executive branch for authorization under the provisions section 412(b) of Public Law 86-149, as amended.

Now, this is this particular bill. The committee modified the original request by adding \$497,700,000. Now, I am sure that the committee had what they considered good and sufficient reason for doing this. I am in sympathy with the committee's position as far as the manned bombers are concerned; I am in great sympathy with it. But, it does seem to me, Mr. Speaker, that if they had applied themselves a little, they could have still gotten what they wanted, with which I sympathize 100 percent, and yet perhaps shaved off a little so that they did not have to come in to this House and ask for more than the administration is asking for the Defense Department.

Mr. Speaker, that, quite frankly, is my disappointment. How can we go out to our people, the harassed taxpayers of this country—and we do, all of us, on both sides of the aisle—and tell them that things have got to be cut; that we have got to slow down on these authorizations, and then have one of our greatest committees come in and say, "Oh, yes, we are bringing a bill in to you, and we have, quite frankly, upped it almost \$500 million over what was asked by the administration." For this reason I am a little disappointed.

On the other hand, Mr. Speaker, knowing well the work, the dedication, and the knowledge of this committee, I imagine that very little can be said, and I am inclined to think that the bill as written will pass.

There is one novel thing also about this piece of legislation. That is, that for the first time in the memory of many Members of this House there is a minority report. So, perhaps, some people have become a little anxious about these appropriations and, perhaps, there is beginning to be a little wave toward the side of economy, although I do not believe it is too economical when we appropriate for procurement alone and research \$15,358,691,000.

Mr. Speaker, I yield back the balance of my time.

Mr. COLMER. 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.

Mr. VINSON. 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. 2440) to authorize appropriations during fiscal year 1964 for procurement, research, development, test, and evaluation of aircraft, missiles, and naval vessels for the Armed Forces, and for other purposes.

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

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 con-

sideration of the bill H. R. 2440, with Mr. SHELLEY 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 Georgia [Mr. VINSON] is recognized for 2 hours, and the gentleman from Illinois [Mr. ARENDT] is recognized for 2 hours.

The Chair recognizes the gentleman from Georgia [Mr. VINSON].

Mr. VINSON. Mr. Chairman, I yield myself 30 minutes.

Mr. Chairman, I would like to call to the attention of the gentleman from New York [Mrs. ST. GEORGE], the fact that Secretary of Defense McNamara said in his testimony:

Management improvement action instituted in the fiscal year 1962 and planned for fiscal year 1963 should ultimately produce annual savings of \$1.9 billion. Our goal for end of fiscal 1965 is to initiate actions which will increase the rate of savings to over \$3.4 billion each year.

Mr. Chairman, I am happy to advise the Committee that out of this \$52 billion budget for the security and defense of the Nation, through the superb business-management that is going on in the Department of Defense, there will be and there should be large savings, because we are making better contracts.

Mr. Chairman, it does not necessarily follow that we should reduce the hardware, reduce the personnel to get the savings. We can accomplish this savings by making better contracts than in the past.

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

Mr. VINSON. I yield to the gentleman from Iowa.

Mr. GROSS. And, when does the gentleman from Georgia say this savings will show on the books?

Mr. VINSON. It will show, based upon the statement of the Secretary of Defense—for the years following fiscal year 1963. I shall be glad to read the statement again.

Mr. GROSS. No. When does the gentleman think this saving will come about?

Mr. VINSON. He says for actions taken during fiscal year 1963—and fiscal year 1963 runs until July—should show a savings of \$1.9 billion per year in the future.

Mr. GROSS. In this fiscal year?

Mr. VINSON. No; not this year. What he says here is, "and plans for fiscal year 1963 should ultimately produce savings of about \$1.9 billion." Our goal for end of fiscal year 1965 is to initiate actions which will increase the rate of savings to over \$3.4 billion each year.

Mr. GROSS. The figure this year, if the gentleman will yield further, is based on what? To what will the savings be applied?

Mr. VINSON. Based upon the budget of 1963.

Mr. McNamara continues, in the statement which I have been quoting from, to enumerate the many ways in which he intends to effect these savings. For example, he refers to "buying only what we need—refining the requirements cal-

culations—increased use of excess inventories—eliminating 'gold plating' of technical specifications" and things of this kind.

Mr. GROSS. I thank the gentleman.

Mr. VINSON. And I think he is going to do it, because we are spending as the gentleman will note when the appropriation bill comes before us, some \$52 billion on defense.

That is an enormous sum of money for defense. By good business management he should be able to make worthwhile and creditable savings, and he feels confident he can do so. But that does not mean you have to reduce the forces to accomplish that goal. But he does have to sit across the bargaining table and make better contracts and do the other things which he referred to in his statement, and which I quoted.

Mr. Chairman, the Armed Services Committee is presenting to the House today the largest, single authorization bill which it has ever reported out of the committee.

And to the best of my knowledge, it is the largest authorization bill ever presented to the House of Representatives. It totals \$15,856,391,000.

I should point out that one of the reasons for its larger size this year is the fact that it contains \$3,492,891,000 in authorizations for research, development, test, and evaluation of future weapons systems. This particular authority has not been contained in the armed services authorization bills before.

Naturally, this research and development work was carried on but it was under very general authorities available to the departments which required only appropriations. It was not until this past year that the law was changed so as to place this kind of activity under the jurisdiction of the Armed Services Committee.

Therefore, if we deducted the research and development authorities from the bill, we would find that the actual procurement—that is, the purchasing of aircraft, missiles, and naval vessels—comes to an amount somewhat smaller than that presented to you last year.

I mention these facts only to place the bill in proper perspective and to relate it to similar bills which have been presented to the House before.

Of the total of \$15,856,391,000, the Army will get \$1,761,549,000, the Navy and Marine Corps will get \$6,612,024,000, and the Air Force will get \$7,482,818,000.

ARMY

Let us look at the Army first. The bill authorizes \$522.1 million for aircraft for the Army. This will buy 1,598 aircraft. A list of the aircraft to be bought and a description of each airplane appears on 20 and 21 of the report.

Briefly, the Army plans to buy three kinds of operational helicopters: the Iroquois, the Chinook, and observation helicopters of the Sioux and Raven types.

The bill also authorizes two kinds of fixed-wing airplanes: the Mohawk and the Caribou.

In addition to these operational aircraft, the Army will also procure other

helicopters and fixed-wing airplanes for training purposes.

I will point out, as I have pointed out before, that the aircraft used by the Army is the kind that is flown within the battlefield area. There is no duplication and no conflict in this area with the Air Force.

The Air Force will continue to provide, as it has in the past, tactical support but the Army needs its own aircraft for surveillance, to enable commanders to travel from place to place within the battle area, to evacuate the wounded, and generally to operate within the restricted battle area. Of course, also, these planes are used to move a squad of soldiers from one place to another as the situation may dictate.

Today, there are about 6,900 in Army aviation. The Army has about 6,000 airplanes in its inventory.

In the field of missiles, the bill authorizes \$580.7 million for some 28,000 Army missiles. These missiles are the Hawk, Nike-Hercules, Mauler, the anti-tank missiles ANTAC and SS-11, the Honest John, Little John, the Pershing, and the Sergeant. All in all, we are purchasing some 27,838 missiles.

Of these missiles I have named, all are operational except Mauler and Pershing.

If you will look at page 22 of the report, you will see a description of each of these missiles.

In the area of research and development which, as I have mentioned, appears in the bill for the first time this year, the Army is being authorized \$82.148 million for aircraft research and development and \$576.6 million for missile research and development.

Much of this research and development authorization is for the improvement of existing aircraft and missiles and, of course, a very substantial portion of it looks toward the aircraft and missiles for the future. This area, looking toward the future as it does, tends to involve a great deal of classified information.

I have, however, made every effort to place in the report everything which can be told about the research and development authorization for the Army and I would suggest that you look at pages 23 through 26 in the report for a reasonably detailed description of how these authorizations will be used.

NAVY AND MARINE CORPS

The Navy and Marine Corps portion of the bill in all of its essential respects is the same as that for the Army except that, of course, it also includes authority for naval vessels.

The bill contains almost \$2 billion in authority for Navy and Marine Corps aircraft. The exact figure is \$1,958,700,000. This will purchase almost 700 aircraft for the Navy and Marine Corps. A glance at pages 27, 28, and 29 will show a list of the aircraft and a description of each of them.

The total amount in the bill for missiles for the Navy and Marine Corps is \$1,122 million. This will procure approximately 15,000 missiles of various kinds for the two services.

A glance at page 27 and pages 29 and 30 will show a list of these missiles and a description of each of them.

Included among this year's buy are the Sparrow III, the Sidewinder, Bullpup, Tartar, Talos, and Hawk along with several others.

The bill as submitted to the Congress requested authority for the construction of 41 new naval vessels and the conversion of 35 other vessels.

The conversions were left unchanged by the committee, but the committee added two attack or "killer" submarines in the new construction category.

The total shipbuilding and conversion program, and including the two "killer" submarines added by the committee, will require authorization in the amount of \$2,444 million.

The bill as presented to the Congress contained 6 of these "killer" submarines although the Navy had requested the Secretary of Defense to provide 8 of them for this year.

Because of the great importance of this particular kind of submarine in the light of the extremely large Soviet submarine force, the committee added the two "killer" submarines which the Navy felt that it needed this year and the bill now contains a total of eight of them.

This added \$134 million to the bill, or \$67 million for each of these submarines.

In order to give the House a picture of where we stand today in the important category of attack or "killer" submarines, I would like to point out these facts: 17 in operation, plus 1 SSG(N), Halibut—a Regulus submarine—18 under construction, 4 authorized, but contract not yet let for a total of 40.

As I have mentioned, this bill adds 8 more for a total of 48 nuclear attack submarines after this bill has been approved.

All of the types which make up the 43 total new ships are named and described on pages 31, 32, and 33.

Of the 35 vessel conversions, 26 of them are of the destroyer class.

POLARIS

Thirty-five Polaris submarines were fully funded through fiscal year 1963. The last 6 of the planned fleet—or a total of 41—are contained in this bill.

Nine Polaris submarines carrying 144 missiles are now deployed at sea. Nine more of them with 144 more missiles will become deployable during fiscal year 1964.

For a description of the capabilities of these submarines and for more details on our Polaris fleet, I invite the attention of the House to page 13 of the report wherein will be found references to the A-1 missile, the A-2 missile, and the A-3 missile—this latter one with a planned capability far in excess of the other two.

NAVY-MARINE CORPS RESEARCH AND DEVELOPMENT

For Navy-Marine Corps Research and Development, the bill authorizes a total of \$1,087,324,000. On page 33 of the report, you will see each of these various programs broken down first by major categories and second, by the research and development programs themselves.

AIR FORCE

The bill authorizes the procurement of 964 airplanes for the Air Force for a total cost of \$3,559 million. A list of these aircraft and a description of each type appear on pages 36, 37, and 38 of the Committee report.

Among the planes to be procured are the KC 135 jet tanker, the F-4C tactical fighter, the C-130E and the C-141A cargo transports.

These latter two airplanes, the C-130E and the C-141A, will provide significant modernization and improved capability in the area of airlift for troops and cargo.

In the case of missiles, the bill authorizes 16,202 missiles of various kinds for a total amount of \$2,177 million. These include the intercontinental ballistic missiles Atlas, Titan, and Minuteman, the Bullpup air-to-ground missile, and the Falcon and Sparrow air-to-air missiles.

A description of each of these missiles will be found on pages 38 and 39 of the report.

The total for Research, Development, Test, and Evaluation for the Air Force is \$1,746,818,000. The programs which will be carried out under this authorization are described on pages 40 and 41 of the report.

I would now like to discuss the matter of the RS-70. The RS-70 represents the outstanding difference between the departmental proposal and the bill as reported by the Committee. So, this matter should be discussed in sufficient detail to permit a full understanding.

BACKGROUND

Research and development on the RS-70 began in 1955, when this strategic bomber system was known as the B-70.

From fiscal 1955 until the recent Committee hearings, a total of \$1,751 million had been appropriated. Of that sum, \$1,241 million had been programmed. An additional sum of \$50 million had been earmarked, but not allocated. Assuming that this \$50 million is allocated, there remains \$81 million as a carryover into fiscal 1964.

THE NATURE OF THE DISAGREEMENT

Due to the widespread misunderstanding which exists as between the recommendations of the Secretary of Defense and the House Armed Services Committee on the RS-70, the facts must be clearly stated.

The Secretary of Defense proposes to have an RS-70 development program which would produce three prototype airplanes.

In performance, they would fly some 2,000 miles per hour, for long distances, and at extremely high altitude. But under the Secretary's program, no weapons system is being developed because the Secretary's program does not provide for all the supporting systems which would be necessary in order to make a weapons system out of the RS-70.

By no stretch of the imagination would the Secretary's program develop a fighting machine.

No additional funds were requested in the fiscal 1964 budget for further work

on the RS-70 program. Apparently, whatever yet remained to be done under the Secretary's program on the RS-70 would come from this \$81 million carry-over and that would be the end of the line.

The committee, on the other hand, has taken the firm position that the development program should consist of five prototypes, rather than three. It has also taken the position that with the development of the fourth and fifth prototypes, the supporting systems that would make it a weapons system would be simultaneously developed.

The committee is unable to determine why such a large sum of money should be spent merely to provide that American ingenuity can develop an airplane that will fly at three times the speed of sound, for a long distance, and at a high altitude. The scientific community concedes that this can be accomplished. So, why spend the money to prove that a flying machine with these capabilities is within our scientific and industrial capability when that point is already conceded?

It is the contention of the committee that the RS-70 program should proceed to the point where the feasibility of the RS-70 as a weapons system has been proved or disproved.

COST DIFFERENCE

During consideration of this subject in fiscal 1963, it was the position of the Secretary of Defense that his program for three prototype RS-70's would cost \$1.3 billion. It was also conceded that to add two additional prototypes, as proposed by the committee, and to develop the required support systems, would cost an additional \$1.2 billion. Thus, the committee's program would cost \$2.5 billion as against the Secretary's program of \$1.3 billion.

It must be recognized that there has been some slippage in the program due to technical difficulties, with the first flight having been delayed for a period of months. However, these relative cost projections remain valid and delineate the cost differential in the two programs.

The question arises as to whether or not the fourth and fifth prototypes as proposed by the committee, are to cost more than \$500 million each. That is not the case. As a matter of fact, the cost difference clearly accentuates the importance of this disagreement. The greater part of the additional cost would be required in the development of the supporting systems such as the missiles, highly sophisticated radar, etc. It is this fact which underscores the degree of difference in the three-prototype program being pursued by the Secretary of Defense and the five-prototype program of the committee.

The committee does not now—nor has it at any time in the past—recommended the purchase of even one RS-70 from a production line. But it insists that the development program should produce all the evidence that is needed upon which the Department of Defense and the Congress can base a rational decision as to whether or not RS-70's should be produced in quantity.

This, briefly, is the fundamental difference between the recommendation of the committee and that of the Secretary of Defense.

FUTURE STRATEGIC FLEXIBILITY

Underlying this entire controversy is the basic conviction of the House Committee on Armed Services that manned strategic systems must continue to play a major role in our military capabilities.

There can be no question but that the capabilities of our conventional forces are being greatly increased.

There can be no doubt but that the current fleet of B-52's and B-58's will continue to perform a most important role during the next 5 years. But it is equally true that no nation in the free world is developing a follow-on bomber for our current strategic bombers and unless we proceed with the development of such a strategic bomber, we will today sow the seeds which will produce our strategic bomber gap in the late 1960's.

There can be no doubt that strategic missiles constitute an extremely important part of our strategic arsenal. The committee has evidenced its judgment by approving every authorization request that has ever been presented to it for strategic missiles. The concern of the committee stems from the growing tendency on the part of the Department of Defense to place more and more emphasis on the missiles and less and less on manned strategic systems. The committee considers this to be a most dangerous course of action and one with which it disagrees.

CIVILIAN CONTROL AND MILITARY JUDGMENT

In taking its position, the committee does not challenge in any degree the right or necessity of civilian control over the Department of Defense. Such control is essential.

The Secretary of Defense may completely disregard, if he chooses, the recommendations of the Joint Chiefs of Staff, even though they are his principal military advisers as a matter of law. But it is pertinent to point out some recent actions of the Joint Chiefs of Staff on the question of the RS-70.

In September 1962, the RS-70 development program was referred to the Joint Chiefs of Staff for an expression of military judgment. On that occasion, the Joint Chiefs of Staff unanimously supported the development of the RS-70. Even in the case of one member who supported its development principally as a reconnaissance vehicle, he also supported it with its other supporting systems such as missiles, and so forth.

Shortly after that decision, two new members were appointed to the Joint Chiefs of Staff and the RS-70 matter was again submitted for consideration. Again, all members of the Joint Chiefs of Staff, with the exception of the new Chairman, supported the development of the RS-70.

It is recognized that there is some difference of opinion as to precisely what the Joint Chiefs of Staff supported. But there can be no doubt that the Joint Chiefs, with the single exception noted, supported the development of the RS-70 at a substantially higher level of devel-

opment than that currently planned under the program of the Secretary of Defense. Under any fair interpretation, the best military judgment available supports the development program proposed by the committee.

SUMMARY

What are the proposed capabilities of a fully developed RS-70?

First. It would be equipped with the most outstanding air reconnaissance capabilities in the world.

Second. It would not carry gravity bombs but would be equipped with air-to-ground missiles of substantial range, having nuclear warheads. Thus, it would have an offensive or strike capability.

Third. The RS-70 would have the capability of conducting a reconnaissance mission in a hostile environment, before or after an ICBM exchange, and would be capable of striking not only pre-planned targets, but those targets not precisely located, as well as mobile targets of opportunity.

Fourth. While in the performance of its mission in a hostile environment, it could report back to the command post the results of not only its own strike, but previous strikes by other weapons systems.

Fifth. The current strategic bomber force provides that military umbrella under which strictly limited warfare, of any substantial magnitude, may be conducted. This capability provides that essential element of flexibility which spans the gap between limited war capabilities and the pushbutton war of long-range missiles. It embraces that highly essential element—the judgment of man.

Sixth. Finally, the effect which the development of the RS-70 weapons system would have on the enemy would be great. The current Soviet air defense system of Soviet interceptors, radar, and surface-to-air missiles would be so seriously degraded by the capabilities of the RS-70 as to become practically worthless. Those defenses could be penetrated beyond all doubt.

Assuming that the development and procurement of the RS-70 in substantial quantity would entail an expenditure of \$10 billion, an equivalent or greater expenditure would be required on the part of the Soviets to develop an air defense system which had any reasonable possibility of successfully coping with this weapons system.

CONCLUSION

Now, I hope I have given a good picture of what this bill will do. I have broken it down by service and by the various programs of each of the services.

I have referred on a number of occasions by page number to detailed information contained in the report. I have also mentioned that so far as procurement is concerned, the bill is slightly smaller this year than last year although the grand total of the bill is larger because of the fact that research and development is contained in the bill for the first time this year.

I would not say that the bill is really unusual in any major respect. It is simply an authorization for fiscal year 1964

for programs which have been going on for many years within the three military departments. Quite literally, it is more of the same.

I urge the wholehearted support of all Members of the House.

SUMMARY OF BILL

In summary, then, the committee added \$497,700,000 to the bill for the two "killer" submarines and the first step toward two more RS-70 airplanes.

The bill authorizes some 3,000 aircraft, some 60,000 missiles, 43 new ships, and the conversion of 35 ships.

The most important of the new 43 ships are 6 Polaris submarines, 8 attack submarines, 10 destroyer escorts, 1 submarine tender, and 10 motor gunboats.

Of the 35 conversions, 26 are destroyers and 7 of these 26 are guided missile destroyers.

The bill also authorizes a grand total of \$3,129,191,000 for research and development for all three departments.

The committee hearings extended from late in January to late in February and on every day but two, the committee met morning and afternoon, sometimes until 6 o'clock in the evening. The committee went into every conceivable detail with respect to all of the programs requested for authorization.

We looked at every aircraft, missile, and ship, and we studied every research and development program. We compared the inventory of the departments today as we weighed the request for the additional items.

Now, those are the highlights of the program. It is a big one, but it is a tight one. The requests from the individual departments would have made a bill very much larger than the \$15 billion contained in this bill. Large as it is, it is a lean program.

Mr. COHELAN. Mr. Chairman, will my distinguished chairman yield?

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

Mr. COHELAN. Our very distinguished chairman has asked why. I would like, as one of the five majority Members who has taken the liberty to speak on this very important question, to refer the chairman and Members of the House to page 399 of the hearings wherein this very question was asked of the Secretary of Defense in the following colloquy between myself and Secretary McNamara:

Mr. COHELAN. Now, Mr. Secretary, can you tell me now what the status of the RS-70 program is?

I understand that we were supposed to have one in December.

Secretary McNamara. Yes.

Mr. COHELAN. Supposed to have one in December and one in July.

Secretary McNamara. We were supposed to have the first flight of the RS-70, or the first flight of first aircraft, in December. That aircraft has not flown to date. It is uncertain as to when it will fly. The estimates range from May, I understand, through October.

Now, that is the comment of the distinguished Secretary of Defense. I wish the gentleman would comment on that.

Mr. VINSON. Yes, I will comment on it.

If we stopped every time there were some bugs or some failure in our missile program, we would have stopped building missiles a long time ago. We are getting to the point where the Atlas and the Titan in a period of time will be supplemented by the Minuteman. But even so, in the last five tests of the Minuteman it did not come up to expectations.

Mr. Chairman, this RS-70 is a most complicated plane. We know it can fly, we know it can fly at a speed three times that of sound, we know it can go very high. But when you get that knowledge you would close the book. This is where we disagree.

I say what good, what benefit to the existence of this country is it to gain that knowledge and then let it lie fallow. We say, "Get the knowledge and use that knowledge to make a weapon system out of it."

These five distinguished colleagues of mine on the Committee on Armed Services say in their separate views, "Get the knowledge, file it away, put the bushel measure over the candle light, let it die."

We say, "Carry it on, build further." If you do you will build a weapon system the like of which has never been invented by man before. There is no doubt about that. Continue the manned system. I will tell you later on what its military characteristics are. I certainly hope when we debate this at greater length we will have this Chamber full of Members. We will make all of our points, because this is a very important matter, it is a basic question of policy.

There is no doubt that the Secretary is one of the greatest men to occupy that position. The Nation respects him, I respect him, and I am going to help him save \$4 billion out of this \$52 billion expenditure. But 32 members of the committee simply do not agree with his position in this matter.

He came in and concluded that we do not need the B-47's. And the B-47's go out of the inventory soon. It was decided when the contract on the B-52's was finished that would be the end of the B-52's. And the same with the B-58's. They would live and fly only so long as their machinery was capable of carrying them in the air.

Thirty-two members of the Committee on Armed Services think it is not the proper thing to do to get away from manned systems. We think we should continue on with manned systems, and not put all of our offensive and defensive dependence on the Minuteman, the Titan, the Atlas, or the Polaris. We think we had better find more ways to defend this country than just one, missiles. This is the Maginot line of thinking. And a dangerous course to follow.

Now, we are not going to rush this bill here this afternoon. It will be thoroughly explained, even if it takes all week to debate this bill, because the defense of this country is at stake in what kind of policy we have and what kind of weapons systems we develop.

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

Mr. VINSON. I yield to the gentleman from New York.

Mr. LINDSAY. I thank the distinguished chairman. On page 6 of the majority report there is one sentence that I find particularly interesting. Discussing the position of the Joint Chiefs of Staff with respect to the RS-70 the report states as follows:

It is recognized that there is some difference of opinion as to precisely what the Joint Chiefs of Staff supported.

Would the gentleman kindly explain the background of this statement?

Mr. VINSON. That is going to be debated considerably by the gentleman from Louisiana [Mr. HÉBERT] and others. But, briefly here is what happened in a general way. Last September the Secretary referred this matter of the RS-70 to the Joint Chiefs of Staff. Now, all of you know who constitute the Joint Chiefs of Staff. They are the Chiefs of their respective services. It is composed of a Chairman and the four Chiefs. In September he referred it to the Joint Chiefs of Staff, and at that time General Lemnitzer was Chairman. After consideration by the Joint Chiefs of Staff they unanimously recommended acceleration of the RS-70 program. A short time after that a change took place in the Joint Chiefs of Staff. General Lemnitzer was ordered to NATO, and General Decker's, the Army Chief, time had expired. General Wheeler was appointed from the Army, and the President's military adviser, a most distinguished officer, General Taylor, was made Chairman of the Joint Chiefs of Staff. Then the Secretary submitted it to the new group, and every member of the Joint Chiefs of Staff except General Taylor recommended for the second time that this program go forward at a higher rate.

Of course, the Secretary, under the authority, direction, and control given to him by the Congress, that is, the civilian control, has the right to disregard any recommendation of the Joint Chiefs of Staff at any time he sees fit. That is civilian control. But, we did develop those facts and I think the House should have them.

There was no hesitancy on the part of an overwhelming majority of the Members for the Committee on Armed Services to write in this provision and ask this House to follow the conclusions and recommendations of the top military authorities in the Nation, those fixed by statute with the responsibility to advise the President and the Secretary of Defense on military matters. And we decided that the heavy preponderance of military opinion, which was backed up by the scientists in the Air Force, warranted the continuation of the RS-70 program at a higher level of effort.

Mr. CHAMBERLAIN. Mr. Chairman, will the distinguished chairman of the Committee on Armed Services yield?

Mr. VINSON. I am glad to yield to the gentleman from Michigan.

Mr. CHAMBERLAIN. First, I would like to say that I agree with the distinguished chairman completely and have been a consistent supporter of the B-70 and the RS-70 program. However, in view of the attitude of the Secretary of Defense this past year when Congress

approved and appropriated funds and they were not expended, can the chairman give us any assurance that we can convince the Secretary of Defense of the merits of this program?

Mr. VINSON. Let us cross every bridge as we come to it. When we get to that point, probably we may be more persuasive than we have been in the past. Let us carry out our own responsibility. I feel that is up to us to say that the policy of America and its defense is not going to be based on missiles alone. Bombers with men in them have maintained the peace for all these years. We have some 1,400 of them. They have represented a restraining influence and force that still keeps the peace today. I am unwilling in meeting my responsibility to say we are going to let all of that fade away and come to the pushbutton stage when all we have got to do is to push a button deep in the ground and shoot up a missile.

I do not wish to be understood as discounting the importance of missiles. We must have them just as we must have many other kinds of weapons. What I do want to have clearly understood as my position is that if we get to the point where we have told the enemy that the only thing he has to guard against is missiles, we will have failed in living up to our responsibilities in defending this country.

What we need is a "mix" of weapons. In this way we keep the enemy off balance at all times because he knows that we can attack him with a great variety of weapons against all of which he must spend his time and effort in guarding.

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

Mr. VINSON. I yield to the gentleman from Iowa.

Mr. GROSS. When the gentleman speaks of 1,400 missiles, the gentleman must be talking about major missiles.

Mr. VINSON. I am talking about 1,400 bombers.

Mr. GROSS. Bombers?

Mr. VINSON. Yes; 1,400 bombers.

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

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

Mr. COHELAN. The chairman does not mean to imply that we are going to go out of the bomber business by his remarks?

Mr. VINSON. We are going out of the strategic bombing business and, of course, you know it.

Mr. COHELAN. Will the distinguished chairman tell the Members of the House what is the strategic bomber mission?

Mr. VINSON. The mission of any strategic force is to destroy the enemy's war-making potential and we can do that today. But I ask the question: Will we be able to do this in the all too immediate future? Of course, there will be tactical bombers. They will continue in our inventory. However, I am directing my remarks today to the issue between strategic manned operated systems, and a sole reliance on missiles.

Mr. Chairman, we think the facts—and this will be gone into at considerable

length—clearly warrant the proposal to increase the level of effort on the RS-70. We also think there is another item which is highly important: We think the amendment to provide for eight "killer" submarines instead of six warrants the same favorable consideration.

Mr. Chairman, as referred to by the distinguished gentleman from Ohio [Mr. BROWN], when I appeared before the Committee on Rules last Friday I did refer briefly to the capability of the Russian submarine. Of course, we know what these Russian submarines can do.

Mr. HALEY. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. Ninety-four Members are present, not a quorum.

The Clerk will call the roll.

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

[Roll No. 10]

Abernethy	Harsha	Rhodes, Ariz.
Blatnik	Hawkins	Rogers, Tex.
Bolling	Healey	Sheppard
Celler	Herlong	Smith, Va.
Clausen	Kee	Teague, Tex.
Curtis	Kluczynski	Tupper
Daddario	Madden	Utt
Davis, Tenn.	Miller, N.Y.	Walter
Diggs	O'Brien, Ill.	Watson
Farbstein	Patten	Zablocki
Griffiths	Powell	
Gurney	Rains	

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. SHELLEY, 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. 2440, and finding itself without a quorum, he had directed the roll to be called, when 404 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

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

Mr. Chairman, after Chairman VINSON's detailed explanation of the purpose and contents of the pending authorization bill, nothing would be gained by my again detailing the nature of the military weapons we recommend be made a part of our defense arsenal and the reasons for our recommendation. Our committee has painstakingly examined every aspect of our defense posture: What we now have, what we now need, and what we need and should have in the foreseeable future.

This bill represents our committee's considered judgment as how best to meet those needs. We have but one objective. That is to make certain that we have a national defense second to none, that we are adequately prepared for any emergency that threatens our security, whenever, however, and wherever it may arise. And, corollary to that purpose, we are determined that our people shall have a dollar's worth of defense for each dollar expended.

The measure before us authorizes an appropriation of approximately \$15,857 million for defense purposes for the next fiscal year. That is a tremendous sum but constitutes only one part of our defense program—the development and

procurement of weapons: Ships, planes, and missiles. As we all so well know, national security—our own Defense Establishment and related international programs—is about one-half of our entire national budget.

This is a heavy burden on American taxpayers. But it is one which they will bear without complaint so long as they have the assurance that what is being spent for defense is being spent wisely and efficiently. To the people a defense need is a must and sacrifices must be made in other areas of Federal expenditures. First things first. A prudent family first pays the rent or installment on the mortgage, that it may be insured shelter, before it makes a down payment on a new car. It is incumbent upon us, as custodians of the taxpayers money, to be no less prudent.

A prudent family also does not rent or buy a house beyond its needs. As large as this bill is, our committee has determined that the items it embodies are a minimum need as our National military shelter against militant international communism.

This is not to say that our military budget is so sacred, so sanctified, and so sagaciously constituted that it must not be touched. Let no one be under the illusion that the mere authorization and appropriation of dollars for each and every thing the Department of Defense wants will give us the kind of a defense we need and should have. Military strength cannot be measured in terms of dollars. And let no one hesitate to recommend a cut in defense funds where he honestly believes the funds are not essential or not fully justified.

Our national defense operations are international in scope. There are doubtless operations here at home and operations in various places around the globe that can be reduced, eliminated, or changed without in any way affecting the bone and muscle of our defense arm. We want a defense structure that is bone and muscle. We want the fat taken off. We would be stronger by so doing. And one who finds places where we can do just that is rendering a patriotic service.

All this can doubtless be more appropriately said when we take up the Defense Department appropriation bill, when dollar by dollar we take up each and every one of the innumerable Defense Department operations. The authorization bill before us does not deal with defense operations. It deals with weapons. It deals with the very sinew of our whole defense plans and posture.

Also corollary to the determination of our Committee on Armed Services that we have a military defense fully prepared for any emergency is our determination that our national defense continue to be balanced and flexible. We consider proper balance and the maximum flexibility a primary requisite to our entire defense effort. This has been and should continue to be a cardinal principle in our defense planning.

To be sure, over the years the science of warfare has changed as new weapons have been developed. The development of gunpowder had, in its day, as tremendous an impact on military strategy and plans as the development of the airplane

and nuclear power has had in our day. The changes in the weapons, however, have not brought about changes in basic defense principles. They have merely forced a change of emphasis. This country's ability to adjust its defense machinery to every new development—to be able to fight a little war, a "brush war," a naval war, a land war, a small war or an all-out war—to be able to meet any military emergency on this continent or any continent, or an island or in a mountain, at some distant place or near our homeland—our ability to meet the enemy and defeat him here, there, or anywhere, at any time, place, or under any circumstances, has been the all-important fact that we have had, and must continue to have, a defense that is both balanced and flexible.

This is basic with our committee on armed services. This is why we have at all times exercised the utmost care to preserve the integrity and identity of our respective services—Army, Navy, Air Force, and Marine Corps. This is why we so carefully set up in the unification act our Joint Chiefs of Staff system, with each service having its assigned roles and missions and each having a voice in our defense plans.

I need not say how effective this system has been. It proved its worth in World War II and continues to prove its worth. And I do not think I need say that Chairman VINSON and I will resist as long as we are privileged to serve here on the Armed Services Committee any attempt by anyone to discard this system for a single Chief of Staff.

But I fear—and I think my chairman shares this fear—we have in fact, if not in name, a single Chief of Staff in Secretary of Defense McNamara. While we provided in the Unification Act for civilian control of our Armed Forces—and it is essential to our form of Government that we have such control—we never for a moment thought that civilian control would become civilian dictation of the military planning. While we feared the potential power of a military man in the role of a Chief of Staff of all our Armed Forces, we never thought that a civilian in the role of Secretary of Defense would practically make himself Chief of Staff.

This is matter that greatly disturbs me, and I believe it is a matter of greatest possible concern to our committee. It is a matter of utmost concern when we find the substitution of civilian judgment for military judgment in matters strictly military, that our whole concept of a balanced and flexible military defense is endangered.

Secretary of Defense McNamara is a dedicated public servant. To know him is to like him as a person and to admire him as a man of unusual ability. He is extremely able. He is ambitious. But "I got all the answers McNamara" is not the last word in military strategy. He may know how to manufacture military weapons, but he has had no training and experience in how military weapons might be employed or their relative value in the formulation of our defense plans.

This is not solely my opinion. Nor is it solely the opinion of most of the members of our committee. It is the view,

largely unexpressed, of our professional military leaders. It is also the view of our defense experts—men who have devoted their lives to studying and writing about military matters.

Hanson W. Baldwin, military editor of the New York Times, is considered one of the world's foremost military-affairs writers. This is what he says in a recent magazine article entitled "The McNamara Monarchy." I commend your reading the entire article. I will quote two paragraphs:

Objections or dissent, even to Congress, are discouraged, muted or, when possible, stifled. Mr. McNamara has pressured the Joint Chiefs of Staff to sign written statements testifying to Congress that the Administration's defense budget is adequate. He has censored, deleted, and altered statements to Congress by the Chiefs of the services and their secretaries. He has downgraded, ignored, bypassed or overruled the advice of the Joint Chiefs of Staff. Gen. Maxwell D. Taylor, the Chairman of the Joint Chiefs, is a known advocate of the abolition of the Joint Chiefs of Staff system. He favors a single voice.

A little further on in the article Mr. Baldwin says this:

Perhaps the greatest military danger in this centralization and unification is that it overrides the voice of professional experience and substitutes a military party line, a single strategic concept. The opinions of the Joint Chiefs of Staff, unless they happen to coincide with Mr. McNamara's, are usually given short shrift. Managerial techniques, computer analyses, cost-effectiveness yardsticks—rather than judgments learned on the battlefield—dominate decisions on strategy, weapons choices, even force levels.

This is exactly what is involved in connection with the RS-70. It is the decision of Secretary McNamara, not of the Joint Chiefs of Staff, that the production of bombers stop, that we proceed no further with the RS-70 development program, and that we accordingly place all our defense eggs in the missile basket. To do this robs our defense of its flexibility. We are denying ourselves an alternative. We are risking our all, so to speak, on the missile—an untried weapon.

I do not intend to go into a technical discussion of the relative merits of the missiles as against the bombers. There is no question that the missile should be emphasized, but we need the bombers to complement it, to supplement it, and to give us the necessary flexibility. There is a longstanding military principle involved here that Secretary McNamara would summarily have us now reject.

In the case of the RS-70, the Joint Chiefs of Staff immediately preceding the current one, voted unanimously that the program be substantially increased.

I want to make this emphatically clear. Every Chief of Staff and the Chairman of the Joint Chiefs all voted for this increase in the RS-70 program. That was their considered military judgment, individually and collectively, as to what we should do in order to have an adequate defense looking to the future.

Shortly after this vote by the Joint Chiefs, there were two changes in the composition of the Joint Chiefs. General Decker of the Army was replaced by General Wheeler, and General Lem-

nitzer, the Chairman, was replaced by General Taylor who had previously been serving in the nebulous position created by the President as his military adviser.

With these two changes in the composition of the Joint Chiefs of Staff, Secretary of Defense McNamara requested the new Joint Chiefs to consider the RS-70. Again, all of the Joint Chiefs as representatives of each of the services, voted for a higher level of effort. The new Chairman relatively fresh from the military-political climate of the White House voted against. Not unexpectedly, the new Chairman voted with Secretary McNamara's point of view.

I might add that in the case of the Skybolt the situation is very much the same, with the voting of the Joint Chiefs being essentially the same as took place in connection with the RS-70.

Our Committee on Armed Services has never allowed politics or partisanship to enter into our decisions. I say that with some pride. Whoever is President; whoever is Secretary of Defense; whatever political party controls the administration or the Congress, or both, our Committee on Armed Services has always set aside every political consideration and sought solely to insure that we have the kind of defense we should have.

The Constitution vests primary responsibility for the kind and size of military defense we shall have in the Congress of the United States and in our Committee on Armed Services. The Secretary of Defense needs to be reminded of this all-important fact. When he impounded funds last year that we appropriated for the RS-70 he arrogated to himself not only the responsibilities of the Joint Chiefs of Staff; he arrogated to himself the responsibility of the Congress.

Our committee has weighed all this carefully. We have determined that if we are to continue to have a properly balanced and fully flexible defense we should proceed with the RS-70 program. We accordingly exercised our constitutional duty and responsibility, and we added around \$364 million for the further development of the RS-70 bomber. In doing this we are following the advice of the seasoned, experienced, dedicated men who serve on the Joint Chiefs of Staff.

Our committee has also overruled the Secretary of Defense in his decision that the Navy should have only six instead of eight attack or "killer" submarines. To this end we have added \$134 million to that requested for naval vessels.

With over 450 submarines, 30 cruisers, and 400 destroyer types, Russia presents a formidable threat on the high seas. This was an estimate of the Soviet naval strength given us at the recent NATO Conference. The mission of the large Soviet submarine force is obvious. They are intent upon cutting off sources of power and control between the NATO countries. We must not permit this to happen. We must maintain control of the seas. And, above all else, we must keep open the four vital gateways of the seas: Straits of Gibraltar, Suez Canal, Straits of Malaya and the Panama Canal.

This is what primarily influenced the committee to decide to grant the Navy's request for eight "killer" submarines. It should be borne in mind that a submarine is a complicated instrument of defense and cannot be built in a short period of time. We should authorize them now that we may hold the lead we now have in modern nuclear submarines.

I hope the House will support our committee in these two major decisions. If cuts are to be made in defense expenditures, this it seems to me is not the place to make them. You are here dealing with the bone and muscle of our defense arm, not the fat. You are here dealing with items that are essential if we are to be fully prepared to strike a telling military blow if and when such a need should arise.

There is no center aisle on defense matters. This bill was reported out of our committee unanimously, and I hope it will pass the House as recommended by our committee by a unanimous vote.

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

Mr. ARENDS. I yield to the gentleman from Wisconsin.

Mr. LAIRD. I would like to ask a question of the gentleman. In this bill there is authorized \$12,363 million in the area of procurement. Certainly from the hearings going on before the Defense Appropriations Committee at the present time, although we may agree on the attack submarines, we cannot agree that there is no fat in the defense budget as submitted this year. We feel there are real possibilities of making savings in this procurement area as well as in the research and development, test, and evaluation area. I hope the members of the gentleman's committee will understand that we feel we have a responsibility to cut some of the fat that is in procurement and that is in research and development, even though this authorization may be passed at this level today or tomorrow.

Mr. ARENDS. Let me say to the gentleman from Wisconsin that I think I made it abundantly clear that if there are places where reductions could be made, that is an obligation of the gentleman's committee.

Mr. LAIRD. I am sure there are.

Mr. ARENDS. That is fine. I am glad to assure the gentlemen on the Defense Appropriations Committee that they will have an opportunity to go into many of the things involved in this bill and make cuts in the budget.

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

Mr. ARENDS. I yield to the gentleman.

Mr. VINSON. I wish the distinguished gentleman would point out to the House where the fat is so that we could be informed with respect to that.

Mr. ADAIR. Certainly, I would be very happy to if the gentleman from Illinois would yield to me.

Mr. ARENDS. I yield to the gentleman.

Mr. LAIRD. In the whole total area of procurement, the hearings we are

presently conducting show us that only about 50 percent of the present procurement contracts in the Department of Defense are being carried out on a true competitive bid basis. We have had certain examples brought before the committee by the General Accounting Office where we feel that by forcing the Department of Defense to go on a more competitive basis we can save substantial amounts of money. I would like to call the attention of the members of the committee today to reports of the Committee on Government Operations. The Committee on Government Operations has released in the past few months some very enlightening reports in this whole area of procurement. I feel we ought not to say that everything is all right in the Department of Defense as far as procurement is concerned. I do not believe the U.S. taxpayer is getting a dollar's worth of defense for every dollar expended in the area of procurement today. The Secretary of Defense in testimony before our committee stated he feels by better management in the procurement area alone over \$2½ billion could be saved. I believe it can be saved through more competitive bidding procedures. It is up to the Congress to hold the Department of Defense's feet to the fire.

Last year our committee took a very minor reduction in the area of procurement. It was 1 percent. This 1-percent reduction did not hurt the procurement department of the Department of Defense one bit. The year before we took a 3-percent reduction in the area of procurement, and it did not slow down the Department of Defense as far as long-range planning for the Army, the Navy, and the Air Force or the Marine Corps. It seems to me, it is up to the Congress through the appropriation procedures to keep the feet of the Department of Defense to the fire and to see that savings are brought about. And this can be done.

In the area of research and development, I also feel that we have a real opportunity to make some reductions. If one will just take the report of the Comptroller General and read over that particular report very carefully, I think that you cannot come to any other conclusion than that better management in this area is absolutely necessary. We have in this area a limitation which has been put on overhead. We find that some of the contracts in research and development are being funded by the Department of Defense at the present time and that the overhead costs are running as high as 85 percent of the regular contract. We have a limitation when it comes to grants in research and development, but in the contracting procedure we have no limitation on overhead costs. It seems to me it is the responsibility of the Congress to look into these matters. I do not want my vote on this bill to be a commitment in any way as to the question of appropriations, and we want the Committee on Appropriations to go over very thoroughly every dollar requested by the Department of Defense.

Mr. ARENDS. I agree with what the gentleman said, and in order to empha-

size the point, let me read what I said earlier in my remarks so it will be made abundantly clear:

This is not to say that our military budget is so sacred, so sanctified, and so sagaciously constituted that it must not be touched. Let no one be under the illusion that the mere authorization and appropriation of dollars for each and every thing the Department of Defense wants will give us the kind of a defense we need and should have. Military strength cannot be measured in terms of dollars. And let no one hesitate to recommend a cut in defense funds where he honestly believes the funds are not essential or not fully justified.

So I support the gentleman.

I now yield to the gentleman from Indiana, [Mr. HALLECK].

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

Mr. ARENDS. I yield.

Mr. HALLECK. Mr. Chairman, I want to confirm what the gentleman from Wisconsin has just said in respect to this proposition that is before us today. Personally I do not think there is anything sacrosanct in the defense budget. As I said a few days ago, and was criticized in some quarters for having said it—but I meant it—if the military posture and the situation of the United States in the world today is so much better than it was 2 or 3 years ago, why is it that the defense budget under Eisenhower was \$40 billion a year, but now we have got to have \$50 billion a year?

I just want to say to the gentleman that as far as I am concerned, I, too, shall not be bound by this authorization bill, because I am sure that having regard to the protection and the security of our country we can find places in this defense budget where savings can be had, and the time will come when the appropriation bill is before us that we will have the opportunity to take that position.

Mr. ARENDS. I thank the gentleman.

Mr. VINSON. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. PIKE].

Mr. PIKE. Mr. Chairman, I am very grateful to the benevolent and kindly chairman of our committee, the gentleman from Georgia, for letting me take this time as one of the Fearful Five who have opposed some part of this mighty defense spending program. I think it is only right that I start by saying I agree with 98 percent of everything the gentleman from Georgia said as far as the money in this bill is concerned, and I am tremendously impressed by the work this committee does. I think the committee has almost always marched together. I know those of us who are members of this committee but who signed these additional views, who were members of the committee 2 years ago, marched with the committee 2 years ago when we said we would not expand the RS-70 program. We marched with the committee last year when we said we would expand the RS-70 program, and we even counter-marched with the committee when it was necessary to do that last year.

Probably no military development within the memory of the majority of the Members of this body has been subject to as many starts and stops and speed-ups and slowdowns, or agonizing reappraisals as this B-70 or RS-70 program has. It is 10 years since the first studies were undertaken, and during the decade of gestation which has followed there can be found in the record references to the following programs, all of which have been the target at one time or another: First, a 3-wing program for B-70's; second, a 200-plane program for B-70's; third, a 1-wing program for B-70's; fourth, a 1-plane feasibility study of the B-70; fifth, a 12-plane program for B-70's; sixth, a 3-plane feasibility study of the B-70; seventh, a 6-plane feasibility study of 3 B-70's and 3 RS-70's; and, eighth, a 5-plane feasibility study of 3 B-70's and 2 RS-70's.

While the almost annual changes have contributed greatly to both the confusion and the cost, they are perhaps inevitable in the light of the rapidly changing military technology of the 10-year span in question.

In 1953, when this Air Force baby, yet unborn, was first considered, there was no Atlas, no Titan, and no Minuteman in the Air Force arsenal. There was no Polaris in the Navy. Today, these are not only standard items of military hardware, but in certain configurations some of them are already obsolescent. None of them, it is true, has been proved in combat. This is a principal reason advanced for the continuation of the B-70 or RS-70 program.

We must not put all of our eggs in a missile basket. Of course we must not; we have not; and no one has recommended that we should. Our B-52 strategic bombers will be operational well into the 1970's. Our tactical aircraft now in production and soon to be in production will have bombing and striking capabilities not even contemplated when the B-70 was first considered.

We are not making any manned strategic bombers at the present time. This, too, is advanced as a necessary reason for this production.

The position is a valid one only if a manned strategic bomber can accomplish something which no other weapons system or combination of systems can accomplish, or can accomplish it more effectively and efficiently. Without such a capability there is no more validity in continuing the production of manned strategic bombers than there is in continuing to maintain horse cavalry.

The manned strategic bomber is capable of reconnaissance and the missile is not. Many other aircraft, however, are also capable of reconnaissance. In the concept of the RS-70 there have been combined the reconnaissance and striking capabilities on an almost instantaneous basis. The RS-70, while not as fast as a missile, does move fast enough so that the time involved in looking at a radar picture of a possible target, determining whether the target required a strike, and launching a missile at such a target, would be about 3 minutes. Assuming that we had the radar required to

provide an accurate picture from the altitudes and ranges proposed—which we have not; assuming that we had the data processing and guidance equipment necessary to guide a missile from a launching platform moving at three times the speed of sound to such a target—which we have not; assuming we had the missile—which we have not, we would nevertheless be putting a tremendously dangerous burden of decision-making on a pair of radar technicians, and asking them to make that decision in an almost impossible length of time. If we assume that no target would be authorized except a target which had already been cleared by some higher echelon, there are few targets which could not be more rapidly reconnoitered by, and effectively attacked by, our tactical aircraft.

No one has asked an end to manned strategic systems. Throughout the history of military development, however, the goal of the men in any manned system has been to develop the range of his bow and arrow, his rifle, his artillery, his rockets and his missiles, in order that he can stand back as far as possible to fire his weapon so that his enemy cannot fire back at him. To say that our strategic missile systems are not manned systems does a great disservice to the tens of thousands of trained, alert, and dedicated men who are manning them in remote and lonely outposts right now. To say that any system is not manned unless it involves a pilot or a navigator or a bombardier who looks down on his target and drops a bomb or fires a missile at it is as silly as saying that artillery is not a manned system unless the artillerymen can see the targets they are firing at.

The Air Force itself, with its operational Hound Dog missiles, has certainly recognized the desirability of standing off some 500 miles in B-52's and firing at targets which it believes are there but which it certainly cannot see. This hardly makes the B-52 anything less than a manned system.

We talk about the RS-70 as if it were a bomber. Here is a plane which does not carry any bombs. The RS-70 is a missile system, and the alternative is not between manned bombers and missiles. The alternative is between one kind of a missile system and another kind of a missile system, and I am prepared to defend the proposition that it is going to be a little more difficult to hit a target from a launching platform moving at more than three times the speed of sound.

The phrase, "manned bomber," may conjure up to many Americans glorious images of helmets and goggles and silk scarves flying in the breeze, but these images will not be adequate unless they also conjure up some images of a system which can get through to its target and destroy it. It is incumbent upon the Air Force to justify such a system in terms of 1963, not 1943, or even 1953. Let anyone say that it has been justified many times in the past, this year's program is different from last year's program and from any other program which

has ever been presented, and should be required to stand on its own two legs. No one has explained why a development which the Air Force last year said would require three additional aircraft this year only requires two additional aircraft.

Finally, the subject of money. There seems to be some sort of suspicion attached to anyone who even raises the question of the cost of any military expenditure. Yet in a fiscal year when we face a possible \$11.8 billion deficit, in an age when a cold war is being fought in significant part as an economic battle, and in a Congress where we have been asked to cut taxes, I feel that the cost of this system and of this amendment to the Department of Defense program is a legitimate subject of inquiry. The cost, of course, is not \$363 million for these two planes, it is ultimately over a billion dollars for these two planes.

Now, we have heard a lot about the Joint Chiefs of Staff supporting this development. They did support the development of the RS-70, and they also supported the development of the Skybolt. Nobody is saying we ought to require the Air Force to produce the Skybolt. I think that if they were asked, the Joint Chiefs of Staff would undoubtedly support the development of a lot of other weapons systems not in this budget.

And, I think further this is not the right question. The question should have been, if you were going to spend \$363 million additional, would you spend it for this program? Now, you cannot tell me that the admirals of the Navy would rather see this \$363 million spent here than for additional Polaris submarines. You cannot tell me that the generals of the Army would not rather see this \$363 million spent for the Nike-Zeus program. And, the Air Force itself did not even say at any time in our hearings that they would rather see this \$363 million spent here than anywhere else. These two planes would ultimately cost more than half a billion dollars each. I feel that in view of the alternative systems available, in view of the dubious effectiveness of the system proposed, in view of the weak justification advanced for this two-plane program this year, and in view of its fantastic cost, this amendment should not have been adopted by the committee.

I believe there are 363 places where we could better spend \$1 million this year or a million places where we might better spend \$363. I would like to suggest that as a very last resort, there are 100 million taxpayers who would not be outraged if we did not spend this money at all.

Mr. BATES. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. GAVIN].

Mr. GAVIN. Mr. Chairman, I address myself to the matter of providing modern equipment in the amounts needed to the Army.

The appearance of substantial increases in Army funding in fiscal year 1962, fiscal year 1963, and fiscal year 1964 can be misleading and must be

tempered by the realization of these pertinent considerations: For several years preceding, the Army funds for modernization were extremely austere and even the reserve stocks were dipped into and not replaced. This situation was further aggravated by the enlargement of active duty Army strength from 860,000 to 960,000 and the resultant increase of combat ready divisions from 11 to 16 since the end of fiscal year 1961.

Additional factors for consideration are the increasing importance of the Army in a changing strategy resulting from the possibility of nuclear stalemate; the Army's involvement in this country's response to covert armed aggressions, as in southeast Asia; the urgent need to fully equip 6 reserve divisions; and the need for increased stockage of combat consumables and replacement spares for 16 divisions and supporting forces.

In light of these considerations, there is much cause for concern that a proper share of defense spending is directed to equipping and sustaining Army ground combat forces. However, even beyond this basic provision is a more important question. Is the Army afforded the degree of technological modernization it must have to face the superior manpower and growing materiel sophistication of Communist-bloc armies?

My examination discloses that at present the Army's needs for equipping its units and providing required materiel reserves are so great that it does not desire, and cannot afford, minor marginal improvements.

The Army's Chief of Staff, Gen. Earle G. Wheeler, is vigorously pursuing all aspects of materiel throughout the Army in order to achieve simplifications, reductions, eliminations and savings as well as proper orientation to real need and cost effectiveness. The recent major reorganization of the Army is bringing about fundamental improvements in the development and procurement of Army materiel.

Further, the Army's P-day concept—P equals production; simply put, the concept of buying enough during peacetime to have enough materiel on hand until industry production lines can turn out goods to equal the rate of consumption—envisions continuous combat support after D-day with minimum peacetime expense. It develops production readiness with the least possible materiel reserves instead of relying on large stagnating stocks on hand.

The Army's chronic shortage of weapons, equipment, ammunition, and supplies required to support itself in combat has been cited by the Secretary of Defense, in presenting this budget request, as one of the most serious deficiencies in this Nation's overall defense posture.

It is commendable, indeed, that the Department of Defense has established interim procurement objectives, in this and the preceding budget, to serve as successive balanced steps toward a higher state of Army readiness.

We note, however, that the corrective action in this fiscal year 1964 budget request principally moves toward completing the initial issue of equipment for combat forces, and providing replace-

ments and consumables to sustain them in combat. Certain shortfalls exist even when the fiscal year 1964 Army budget is approved. Therefore, many of the modernization requirements remain unfilled or postponed.

Thus, it appears that the Army's requirements are minimal, and that the fiscal year 1964 "Production of equipment and materiel, Army" budget is worthy of support. We agree with the budget's objective which is to attain a substantially better quantitative position permitting a longer initial period of sustained combat. In the coming months, however, the Congress must continue close evaluation of the Army's readiness and assure itself that technological modernization gains are stressed, as promised, in subsequent Army funding requests.

Mr. VINSON. Mr. Chairman, I yield 10 minutes to the distinguished gentleman from New York [Mr. STRATTON].

Mr. STRATTON. Mr. Chairman, it is always difficult, of course, for any member of the Committee on Armed Services to take issue with the distinguished chairman of the Committee on Armed Services, and, as in this case, with the chairman and with a majority of the members as well. Reference has been made on the floor that the filing of additional views on this massive authorization bill before us on the part of five members of the committee was a step without precedent in the House. I am not sure whether this is true, but it certainly is true that the deliberations of our committee have been to a very great degree conducted in a nonpartisan or a bipartisan way over the years and the divisions within the committee have not usually been along party lines. That is certainly true in this particular debate.

I do not think that the heavens will fall if five members of the committee take issue on the expenditure of some one-third of a billion dollars. But I would like to pay special tribute to the distinguished chairman of our committee who certainly throughout my experience on the committee has been more than fair to every single member of the committee; has given us an opportunity to ask questions, to express our views, and in this case to file the additional views which have been reported to be unprecedented in the history of the committee.

But when we are in a position such as we are in today, where over half of our expenditures in the Government are in the military field, it seems to me that we in this Congress have got to take a very careful look at all of these expenditures. There cannot be just one single party line about how to look at these expenditures. This House has got to have an opportunity to consider and to debate, especially when a matter of over one-third of a billion dollars is involved.

Mr. Chairman, what is the situation that we confront today? We have already had reference to it. We have the biggest Federal budget in the history of the country—\$99 billion. We have a defense budget that is the fourth largest in the history of the country—\$54 billion. We face the possibility of a Federal

deficit of something like \$12 billion, as our friends on the other side of the aisle are frequently reminding us. We have before us proposals from the executive branch for a tax cut that would amount ultimately to \$13 billion. And we have had people tell us that we cannot have a tax cut unless we are prepared to cut the budget.

In fact, some of our friends on the Republican side of the aisle have said we ought to cut that budget to match the \$13 billion in the proposed tax cut or that at least we ought to level off our Government expenditures. How can we possibly level off expenditures unless we are willing at the very least to hold the line on expenditures relating to the national defense?

I am inclined to agree with my distinguished friend, the gentlewoman from New York [Mrs. ST. GEORGE], who said here a while ago in the discussion on the rule that it is disturbing that no effort has been made to reduce the proposals of the Defense Department in this bill, and that instead we find the unusual situation that those from the party which has loudly been calling for spending reductions, those from the party which has suggested, if I read the public press correctly, that it is even possible to reduce a billion dollars in each one of the three branches of our armed services, that not a single member of that political party on the Committee on Armed Services joined with the five of us in opposing an increase in defense spending of \$363 million over the recommendations of the Kennedy administration and the Defense Department.

And I might point out that in addition we have a pay bill that is going to be coming along very shortly from our committee, and this too is going to be over the total sums recommended by the Kennedy administration. It will be interesting to see whether any Members on the other side of the aisle are going to oppose that boost.

Where are these predicted cuts going to come from then unless we are prepared at least to hold the line on defense spending and look a little bit more carefully at all the proposals that are made?

My suggestion here today is simply that under all these conditions, when we look at the RS-70, or the B-70, or whatever else you are going to call it, there must be just one simple test, what they call in the Pentagon cost effectiveness. It simply means are you getting enough in increased defense protection for all the money you are spending?

Let us look at that. Is the RS-70 really going to be worth all the dollars we are going to spend? I am not against the RS-70. It is a great concept. I voted with the committee last year and said, "Let us take a look at it for another year." I hope we can eventually have it added to our arsenal. But the experience of the past year has just not been very reassuring on this point, Mr. Chairman.

First of all, the plane does not even fly yet. We have spent \$1,300 million on the program up to today and the plane just does not even get up into the air. It goes so fast, three times the

speed of sound, that parts of the fuselage melt in flight. They have not quite got that particular "bug" ironed out of the plane, and so it does not even fly. We have had a slippage behind what the program was earlier. I suggest that when you have a plane that does not even fly there is not any immediate urgency to add on an expenditure of \$363 million for further refinements in that particular plane.

Secondly, we have had a lot of talk about manned bombers here today. Let us not kid ourselves. The plane we are asked to spend this money for is not a manned bomber. That was the B-70. That plane has gone out of the window. The Air Force dropped it. The committee is asking us to spend the money today on the RS-70, a reconnaissance plane, designed to fly over the target after the first missiles have already struck, to take a look around at three times the speed of sound, and see if there is anything left. We are not here really taking issue with the missiles that make up our primary, strategic deterrent force. The missiles are indeed taking over that field. The committee is asking us to spend this money for a plane with a decidedly secondary mission. As the distinguished gentleman from New York [Mr. PIKE] pointed out, it is not even clear that if we gave the Air Force \$363 million to spend they would really want to spend it first of all on this secondary reconnaissance strike aircraft that cannot even get off the deck.

And third and finally, before the idea of this kind of reconnaissance strike plane can become a reality we have to invent more sophisticated electronic gear we do not now have. When you are traveling at 2,000 miles an hour you are traveling over a lot of territory in a very short time. We simply do not have the equipment today to report back to an operator so he could know quickly enough whether there were any targets left or whether he should push the button to send out any additional missiles.

Oh, we are not filing the development work on the B-70 away, as the gentleman from Georgia suggested. I would like to see the aircraft fly. We want the development we paid for continued. But we suggest that it might be well to wait until we find out whether the plane will actually fly before we decide whether it will be worth the additional sums of money to try to get this sophisticated electronic gear into it. Incidentally, we have about \$85 million available now which the Defense Department is going to spend this year to try to continue and develop this highly sophisticated radar.

But, is all this kind of thing really worth the fantastic cost? The price of this particular amendment to the bill is one-third of a billion dollars. We have already spent \$1.3 billion to develop three B-70 planes. That is \$400 million per plane. That is well over the cost of an aircraft carrier for just one single plane. Now the two more planes we are going to authorize if we accept the committee amendment will cost ultimately not just the \$363 million you see here; they will cost \$1.5 billion. In other words, they are going to cost about \$600

million or \$700 million per copy. And that is twice the cost of an aircraft carrier, for just one single plane. Think of it, if you believe in economy. The Air Force tells us, as a matter of fact, that before we can have a real RS-70 weapons system, we will need 11 of these planes, at a total cost of \$10 billion over and above the \$1.3 billion already spent.

Mr. Chairman, under these circumstances while this is a desirable aircraft and while there are a lot of other things we would love to have in the defense field if we could afford them, I submit in the financial situation we are in today, and if we really mean what we are talking about in terms of fiscal responsibility, if we really mean what we say about cutting the budget and if we really mean what we say about holding the line on Government spending, then how we can possibly suggest that for a system that is not going to be part of our top priority nuclear deterrent force we must nevertheless spend this kind of money today in this particular bill, right now, and before the plane can fly?

I, therefore, am opposing the committee amendment and I hope the committee amendment will be defeated.

The CHAIRMAN. The time of the gentleman has expired.

Mr. VINSON. Mr. Chairman, I yield 10 minutes to the distinguished gentleman from California [Mr. COHELAN].

Mr. COHELAN. Mr. Chairman, I can only reiterate many of the things that have been recited previously by my good friends and colleagues, the gentleman from New York [Mr. STRATTON], and the gentleman from New York [Mr. PIKE].

What I propose to do in the course of my remarks this afternoon in discussing the bill is to try to put the thing in perspective. Much has been said about the fact that some of us are taking exception to this particular amendment. I prefer to state the matter affirmatively and positively. The fact of the matter is that three of the five Members who are taking the position that they are taking today have voted for the RS-70 and they voted for it in past sessions of the Congress. It seems to me, in previous sessions when we studied this question, we had put in a considerable amount of money in the bill, and the increment then suggested and proposed for this concept, known as the B-70 made economic sense.

So my good colleagues, the gentlemen from New York [Mr. STRATTON and Mr. PIKE] in separate sessions of the Congress for these and other reasons have voted for the B-70—RS-70.

So, when we come before you today and we call your attention to a very deeply felt difference with our committee colleagues and with our distinguished chairman for whom we have a deep affection and admiration, it is because we think the time has come to blow the whistle on this request for two more.

First of all, we are for this bill. Much has been said by one of our colleagues, the gentleman from Illinois [Mr. ARENDT] about the Secretary of Defense.

It is almost an elementary point in argumentation and debate that when you start attacking the man, you are arguing ad hominem. I would like to

hear this thing argued on the terms of its merits. Nobody is arguing against this bill. We are for this bill. We are merely against adding two additional RS-70's to the present program of three.

Mr. Chairman, after lengthy hearings and study with our distinguished colleagues on the committee, we have gone into the subject of military hardware in great detail in reference to certain other things such as attack submarines. I do not want to waste the time of the House by going into detail about all these matters, but under the careful scrutiny of our chairman and knowledgeable senior members of the committee we have learned a great deal and we have formed judgments, and we feel this to be a necessary addition to the program.

But when I hear all this discussion about a man instead of an issue I think we ought to call attention to it, because at this point what some of us are talking about is the man who is bringing in the biggest peacetime program for our Military Establishment in the history of the country. This is the man who has given us a flexible defense; this is the man that our chairman says is one of the greatest Secretaries of Defense in the history of this country, and I defy anybody to say differently.

Now, I am for this bill, and I want to talk about this bill, and talk about it in terms of some of the committee issues and talk about remarks that have been made about the RS-70. Also, I want to talk about some other things besides this question of whether we ought to add two more aircraft to a program we already have.

The big issue here today is the bill that we are going to pass on. I am going to vote for it, with the exception of the RS-70 amendment. So let us remember during the debate this afternoon that the issue is only whether or not we are going to have two additional research and development aircraft added to the program we already have, which is three. The only thing, Mr. STRATTON, Mr. PIKE, Mr. NEDZI, Mr. ICHORD, and Mr. COHELAN are saying to you is that we do not think it is wise to go ahead adding to a program of research and development at enormous cost at this time. There appears to be no significant value added. There is a great deal we could say if it were not classified which has to do with reconnaissance sensors and some other systems.

But I would like now to turn to Vietnam.

Mr. RIVERS of South Carolina. Mr. Chairman, before the gentleman gets to that, will he yield?

Mr. COHELAN. I yield to my good colleague and subcommittee chairman the gentleman from South Carolina [Mr. RIVERS].

Mr. RIVERS of South Carolina. Does the gentleman take the position that we cannot develop the mach 3 bomber, that it will not fly? Does the gentleman take the position that the mach 3 bomber is not an airplane?

Mr. COHELAN. The gentleman knows very well I do not take that position.

Mr. RIVERS of South Carolina. I know you do not. I did not want the

committee to believe the statement of the gentleman from New York when he said the thing would melt in flight. I hope the gentleman does not take the position that we should stop on the RS-70 before taking it to the threshold of tests. And as to the matter of the production item and the cost which the gentleman says will be \$360 million or \$400 million a plane, that is just like saying that a Chevrolet car costs \$100 million to produce when you take into consideration all the research and preliminary effort through the years up to the car of today. I hope the gentleman will be here tomorrow because I am going to address myself to some of these statements.

Mr. COHELAN. I look forward to being here and will listen with great interest to anything the gentleman from South Carolina has to say. We are interested in the program. We earnestly hope this project does become a reality and will have a role and mission.

I regret that I cannot yield further to the gentleman because I want to talk briefly about South Vietnam.

This Nation is deeply involved in the problems of southeast Asia. I had the great privilege of being out there this year and I wish I had time to go into my findings at some length. I think Vietnam deserves discussion because it is there that the Communists are most active at the moment in fostering subversion and insurgency, as witness the daily news accounts of happenings in Vietnam.

The Chief of Staff of the Army reports that combat operations by the dozen are taking place daily throughout that country and that the offensive is on in South Vietnam. The Secretary of Defense has told us that we now have more than 11,000 military personnel engaged in the military assistance program there, and in advising, training, and aiding the Vietnamese with airlift and communications. This is a sizable military effort by our forces.

I have been most impressed with what our Armed Forces are doing in the field of counterinsurgency. The need for special training and special techniques has been recognized and our military—particularly in the Army—are tackling the problem with energy and imagination.

I stress here the accomplishments of the Army because insurgency—and counterinsurgency—are elements of land warfare. The Army therefore has the prime role to play, and must shoulder the heaviest burdens. In Vietnam, as in other wars, it is the soldier that faces most directly the hazards of combat. It is the soldier in these regions of unrest, subversion, and guerrilla activities that by advice, example, and selfless labor most directly influences the outcome. In truth, he is one of the gallant men of our time.

Since 1961 the Army has been expanding its capabilities in what it calls special warfare. This covers the many endeavors and the many individual and collective skills needed for successful action in an environment such as Vietnam. In the United States and abroad the Army has a hard core of some 8,000 personnel in this program now and plans further

improvements in its special warfare capabilities in the future.

In addition to enlarging its special warfare forces, the whole subject is being stressed throughout the Army. Selected battle groups have undergone a 6-week counterinsurgency training program with emphasis on counter guerrilla tactics and techniques. Counterinsurgency instruction has been increased throughout the Army school system, from the ROTC through the Army War College. Language training is being expanded, and courses for senior officers have been inaugurated. Streamlined supply procedures have been developed, and research and development in counterinsurgency weapons and equipment has been intensified, to include a limited war laboratory to concentrate on requirements unique to this type of warfare.

The bill before us today does not address itself to our counterinsurgency effort as such. It will, however, supply helicopters and aircraft which may well be used in this role. And possibly of even greater importance, it supports the research and development from which in later years will come the improved aircraft for even more effective counterinsurgency operations.

I am convinced that we must bolster our ability to deal successfully with insurgencies and all other shades of aggression whenever and wherever they may occur. I am equally convinced that the funds for which authorization is sought by this bill are necessary toward that end. In light of these convictions, I give my full support to the authorization and urge its passage with the exception of the two additional RS-70's.

In the remainder of my time I want to refer back to the subject of the B-70's and speak about some specific points. We will add to them later in the afternoon and tomorrow.

Our distinguished chairman, and others, in discussing the matter of the RS-70 have discussed the fact that the Joint Chiefs of Staff have taken a strong position on this. While this may be true I think it merits further investigation as to some of the reasons.

In the hearings—on page 975—on this very issue I was particularly concerned. I interrogated the Secretary of Defense and Admiral Anderson, Chief of Naval Operations. Among other things, I asked Admiral Anderson:

Now I want to turn from there to a question that came up yesterday in the course of the interrogation relating to the RS-70.

I am wondering, Admiral, if you could elaborate on the reasons why you took the position you did on the Joint Chiefs in regard to the RS-70.

Once again I was a little puzzled at your response.

Admiral ANDERSON. I would like to make this classified secret. [Deleted.]

Mr. COHELAN. Well, that is what I thought you said.

The CHAIRMAN. You were willing to provide for [deleted], were you not?

Admiral ANDERSON. Pardon, sir?

The CHAIRMAN. You were willing to provide—to go along with [deleted].

Admiral ANDERSON. [Deleted.]

The CHAIRMAN. Thank you.

Mr. COHELAN. Well, Admiral, I am looking at the report last year, page 3170 of last year's posture hearings, and where the amount of money is discussed on what has already been spent on the RS-70 and the B-70, and it would seem to me that research and development is very definitely going on.

Now, am I to understand that the only real difference then was the difference between [deleted].

Admiral ANDERSON. The Air Force had proposed [deleted] and then the Air Force would have liked to have gone further.

In our judgment, having heard—

Secretary KORTH. Production, he said—into production?

Admiral ANDERSON. No, sir. [Deleted.]

We felt that we should hold this program down to research and development, but up to a level of [deleted] if that was necessary to carry out the research and development.

Mr. COHELAN. Then [deleted], goes right along with your program, or your feeling in the matter?

Admiral ANDERSON. If you can do the job with [deleted] fine. If it takes [deleted] to finish up the [deleted] then I would say to go to [deleted].

Mr. COHELAN. Well, this is where I don't understand you, Admiral.

Where would the value be added?

I don't understand where the value would be added by another unit. We have [deleted] now in the works. Now where would the value be added with [deleted]?

Admiral ANDERSON. Well, the Air Force can answer that technically far better than I can.

But their proposal showed how they could carry on this system development to fruition, having listened to the argument, in my opinion, with a great degree of certainty with [deleted] you can do it with [deleted] that is fine as far as I am concerned.

Mr. COHELAN. Well, what was your interest, Admiral, in the reconnaissance features of the later proposal?

Admiral ANDERSON. Well, I believe that the United States needs a reconnaissance capability.

The better reconnaissance capability that we can get I believe is good for the security of the United States.

If you can at the same time provide a strict capability in the reconnaissance vehicle and don't have to pay too much for it, this also is good.

Mr. COHELAN. Well, do you think it is better as a reconnaissance system or as a strategic retaliatory system?

Admiral ANDERSON. [Deleted.]

Mr. COHELAN. In other words, that is what your major—

Admiral ANDERSON. That is my major concern.

Mr. COHELAN. Your major concern with the B-70.

And is that reflected in the Navy's request?

Admiral ANDERSON. This is—I would like to make my position clear.

The CHAIRMAN. That is a very important question. Answer that question, Admiral.

Admiral ANDERSON. Sir?

The CHAIRMAN. Answer his question, right on that point.

Admiral ANDERSON. The Navy—

Mr. COHELAN. You are asking for 700 aircraft this year and a good many of them are [deleted].

The CHAIRMAN. That is right.

Mr. COHELAN. You are interested in reconnaissance?

Admiral ANDERSON. Oh, very definitely, yes, sir.

The CHAIRMAN. That is right.

Mr. COHELAN. Now Admiral, I don't want to put any words in your mouth, but is it fair for me to assume that in your judgment on the question at the time you made

your decision, at the meeting of the Joint Chiefs, that your major interest in the system is in the [deleted] of the system, is that right?

Admiral ANDERSON. That is correct.
Mr. COHELAN. OK.

Mr. Chairman, I think this colloquy speaks for itself. Clearly the admiral is interested in reconnaissance, not in a manned strategic delivery system.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. VINSON. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. COHELAN. Mr. Chairman, let me conclude by making this statement:

Mr. Chairman, I would like to explain further some of my reasons for opposing the further appropriation of public funds for the expansion of the B-70 or RS-70 program. First of all, this program will be enormously expensive, and will offer us very little benefit. The Secretary of Defense has already assured us that the forces he has recommended can cover the targets, and one has only to look at the hundreds of ICBM's and Polaris missiles to see that this must be the case. Completion of the B-70 or RS-70 program would cost many billions of dollars. It now seems optimistic to suppose that the program could be completed and a substantial force of aircraft procured for less than \$10 billion. It might be as high as \$15 billion. Already, the Air Force has overrun on its estimates. Two years ago, and even as recently as last year, it assured the Secretary of Defense that it could complete the construction and tests of three aircraft for a total of \$1.3 billion. Now the test program is behind schedule and delays and overruns are being experienced. It is beginning to appear that several hundred million dollars more will be required just to complete the three-aircraft program. In fact, Mr. President, I cannot help but wonder whether the reason the Air Force would like to have money for two more prototype aircraft is in order to get money to cover overruns already experienced.

Moreover, the debate on the RS-70 has contained some confusion. Some people have suggested that it is a debate between manned bombers and missiles. In fact it is nothing of the sort. Rather, it is a debate between some missile systems and other missile systems, the difference being not in the delivery system but in the platform from which the missiles are launched. The RS-70 system is to carry missiles to be launched from the P-70 airplane. Therefore, arguments about the unreliability of missiles or the fact that missiles have not been tested or that we do not have experience with missiles would apply at least equally strongly to the RS-70 as they do the Minuteman and Polaris.

In fact, the key issue, then, is whether the B-70 is a good missile launching platform by comparison with underground silos and submarines. The Secretary of Defense has advanced good reasons for believing that aircraft are not good platforms. First, they are vulnerable on their bases, soft and concentrated. A bomber base can be knocked out by one or two ICBM's. If we allow

our deterrent power to be concentrated on bomber bases, we are vulnerable to a nuclear Pearl Harbor. Moreover, aircraft are moving fast and they vibrate and these factors make it hard to launch reliable, accurate missiles from them.

The B-70 is based on a 1955 design and on a concept earlier than that. In fact, it was conceived before the missile era and part of its high costs are associated with the fact that it tries to do ineffectively the things that missiles can do better. Accordingly, I do not believe that these huge additional sums should be authorized.

I hope the House is completely aware of what it is being asked to approve by increasing the RS-70 test program from three to five aircraft. In the first place, the additional two-aircraft program is estimated to cost over \$1 billion. In the second place, the additional two-aircraft program is not required to flight-test the aircraft—this will be accomplished by the program already authorized and underway. The additional two-aircraft program would further develop the aircraft as a weapons system in the face of a high probability that this aircraft would not provide a significant contribution to our deterrent force in the 1970's. The two added aircraft would not, however, complete the weapons system development; as recently as last year the Air Force was asking for a total of 11 for this purpose, which is consistent with the historical requirements of other programs.

The reasons why this is so were cogently stated by the Secretary of Defense to the Armed Services Committee. I should like at this point to read—or include in the Record—the relevant unclassified portion of the Secretary's statement:

The next issue I had to face was the development of the B-70, or the RS-70 as it was later called. The issue here was not the future of manned strategic aircraft in general. Rather, it was whether this particular aircraft, in either of its configurations, could add enough to our already programmed capabilities to make it worth its very high cost.

Many of the arguments that have been advanced in support of the RS-70 actually support the case for postattack reconnaissance in combination with an improved ICBM force. We believe that there are more promising ways of performing this mission than the RS-70, when both cost and effectiveness are considered. Other than this, the RS-70 is said to have two distinct capabilities: (1) transattack reconnaissance; that is, reconnaissance during our missile attack, and (2) the ability to examine targets and attack them on the spot with strike missiles, if required. Quite apart from the technical feasibility of developing, producing and deploying such a system within the time frame proposed by the Air Force (which we do not think possible), there are better ways, when one considers both cost and effectiveness, to obtain both of these capabilities.

The principal advantage of having a "reconnaissance" and a "strike" capability in an aircraft is one of timeliness. That is, it may be possible to process and interpret enough of the "recon" data in the few minutes the aircraft is still within range of the target to permit an effective air-to-surface missile strike, keeping in mind that the aircraft would be moving at a speed of over 30 miles per minute and that the missile would

have a relatively short range—i.e., a few hundred miles. If this can be done "effectively" there is the advantage of being able to deal with the target within minutes instead of an hour (or more) if the "strike" had to be accomplished by some other weapon system. Quick attack is not always important, but to the extent that it is and can be accomplished effectively, a "strike" capability in the aircraft is an advantage. However, postattack reconnaissance and subsequent strike—whether by air-to-surface missiles or ICBM's—is important in two principal cases:

1. Where fixed targets whose location was not known precisely must be attacked.

2. In "mopup" operations against fixed targets of known location that have been programmed for initial attack by ballistic missiles, but which may not have been destroyed.

Initial attack on targets of known location can be accomplished effectively with ICBM's which have the important advantages of shorter time-to-target, lower cost, and higher survival potential. Mobile targets simply cannot be successfully attacked with an RS-70 and, in fact, such a role has not been proposed for that aircraft.

The issue, therefore, resolves itself to the question: How much could we gain from a capability to attack the two types of targets I referred to earlier, with air-to-surface missiles instead of ICBM's?

With regard to the first case, if a target is known to be somewhere within a relatively small area, usually its exact location can eventually be established. Moreover, such targets can be attacked by ICBM's after post-attack reconnaissance. With regard to the second case, other means are expected to be available to determine whether targets previously attacked by ICBM's have been destroyed. These targets, too, once it is known that they have not been destroyed, could be attacked again with ICBM's.

The RS-70, by carrying air-to-surface missiles, would provide only a very small increase in overall effectiveness. In my judgment, this increase is not worth the large additional outlay of funds estimated at more than \$10 billion above the \$1.35 billion already approved.

Accordingly, we propose to complete the presently approved \$1.3 billion B-70 development program of three aircraft and, in addition, continue the development of selected sensor components using, in the current fiscal year, \$50 million of the extra \$192 million provided by the Congress last year for the RS-70 program. The Air Force has not yet completed its analysis of the effect on development costs of the 3-month delay already encountered in the flight testing of the first B-70.

Mr. Chairman, returning for a moment to the question of whether the XB-70 program should be expanded from three to five aircraft.

Serious questions have been raised as to whether the RS-70 represents the best method of accomplishing mopup strikes against Soviet targets after an initial attack by our missiles. The present configuration of the aircraft was designed as a mach 3 high altitude plane. However, it does not seem likely that the Soviet air defenses can be sufficiently degraded by our missile attack so that the RS-70 can survive at high altitudes. If penetration is to be made at low altitude, the present configuration is probably not the best. Further, the Secretary of Defense has indicated that he believes the "strike" portion of the mission can be done more effectively by missiles launched from other platforms. These "strikes" would be laid on based

upon reconnaissance data attained by various means.

In view of the above, the concept of restricting the program to one of flight test for the present seems very sensible.

The immediate question before the House, which is whether we should build three or five aircraft, depends primarily on technical factors. The answer hinges on what confidence we have in attaining the desired aerodynamic data from a flight test program that involves three aircraft. It is my understanding that a three vehicle flight test program provides good confidence that the desired data will be attained, and this takes into account that there could be some bad luck. On the other hand the two additional aircraft, of which only one would be fully equipped with sensors and missile launch systems, would not adequately provide for development and evaluation of the reconnaissance-strike concept. In particular, if an accident should occur, which destroyed the fifth aircraft early in its flight test, much money will have been expended with virtually no payoff except at great expense in time and money to provide still additional aircraft.

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

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

Mr. WAGGONER. I would like to hear about this proposed cost of \$60 million, due to slippage. Could the gentleman tell us how that would happen?

Mr. COHELAN. The Secretary of Defense was interrogated on this very question. These are his figures. The report is that the program is costing us in slippage about \$15 to \$20 million a month.

Mr. WAGGONER. This proposed \$81 million that is in the RS-70 development fund would no longer be necessary?

Mr. COHELAN. I am only reciting the record to the gentleman. If I said \$60 million I was in error. The correct figure on slippage would be \$15 to \$20 million a month.

LET'S KEEP THE THE MANNED BOMBER UP TO DATE

Mr. SMITH of Iowa. Mr. Chairman, I ask unanimous consent that the gentleman from Oklahoma [Mr. WICKERSHAM] may extend his remarks at this point in the Record.

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

There was no objection.

Mr. WICKERSHAM. Mr. Chairman, I should like to briefly state my reasons for backing the increased authorizations for the B-70, or RS-70, weapons system.

There are many of us in both Chambers of the Congress who are seriously concerned about the manned bomber weapons system. This fleet has been designed, built, perfected, and maintained at considerable cost in money and manpower. It has kept the balance of power safely on the side of the free world for many years.

We all understand, of course, that ballistic missiles present a revolutionary new weapons system, which is rapidly becoming the first line of defense of this

Nation. But what concerns many is that this first line will become the only line of defense for the West. Recognizing the validity of some of the Secretary of Defense's arguments about the vulnerability of manned bombers, many professionals in the defense field, both within and outside the U.S. Air Force, still feel that a move toward complete dependence on missiles is a premature move which is potentially, if indeed not outright, dangerous for this Nation to undertake at this time.

Without going into all of the administration's arguments, with which I am sure all those concerned with defense problems are familiar, I shall quickly summarize the arguments in favor of maintaining our manned bomber force as a modern, up-to-date weapons system, reversing the present trend of downgrading development and phasing out existing forces.

First. The major reason given for phasing out manned bombers is that they are becoming increasingly vulnerable to surface-to-air missileery. I for one simply do not accept this as an inevitable truth. The magnificent multibillion-dollar aircraft and electronics industries in this country can, if given the go-ahead, solve just about any problem which arises in this age of explosive technological revolution.

Second. Even if we grant that industry cannot solve the bomber defense problem, which I do not grant, our bomber fleet is a continually valuable asset in the long-range cold war between the United States and the Soviet Union. The fact is that the existence of our bomber fleet compels the Soviets to maintain three very expensive capabilities: First, ICBM's which have our SAC bases as their targets; second, an extensive, highly elaborate, surface-to-air missile defense system to defend against the SAC bombers which we keep on air alert; and third, a very extensive system of air defense bases, jet interceptors, and radar systems to tie them all together and coordinate them.

Now, this asset of ours, this manned bomber fleet, is what requires the Russians to keep up all those expensive elements of their air defense system. Why should we phase out the manned bombers? This would allow the Soviets to phase out all of their considerable countermeasures to our bomber force.

Third. In the event of some future nuclear war, our strategy is apparently to be one of striking military targets first, holding the Soviet cities as hostages to force capitulation. Won't our first strike, which will be with missiles, do a lot of damage to the Soviet air defense system? I certainly hope so; but the point is, that a manned bomber force may be able to break through a heavily damaged defense system after an initial missile attack, even if it can't do so originally. It is probably for this reason that the Russians, far from dropping manned bombers, are continuing to develop modern, up-to-date, hard-striking air forces.

Fourth. Finally, in this fast-moving age of technological breakthroughs, who can say with certainty that a drastic

new development will not be possible in the field of manned bomber missile defense, or antiradar electronics, or some other field. If we phase out all of our bombers, our formidable aircraft industries will die. Even if we do not consider the economic effects of such an unfortunate development, which as responsible public servants we must, the military effects would be disastrous if a breakthrough of the nature just mentioned should occur in the Soviet Union. We would be left without the industrial capacity to take advantage of the breakthrough.

Mr. Chairman, I should like to bring these remarks to a close with the following thought. We who are concerned about continuing our manned bomber force are not pro or anti-Air Force; we are not pro or anti-whiz kid; we are not pro or anti-administration. We are responsible Americans, concerned only about our national defense. Phasing out our manned bomber force seems to us to be predicated on at least debatable premises. The only positive action available to us at this time is to support an accelerated RS-70 program, and urge a resumption of research and development in the entire field of manned bomber weapons systems. The defense of the United States of America is not something with which we can take chances.

Mr. CLANCY. Mr. Chairman, I ask unanimous consent that the gentleman from Illinois [Mr. McLOSKEY] may extend his remarks at this point in the Record.

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

There was no objection.

Mr. McLOSKEY. Mr. Chairman, under leave to extend my remarks I wish to briefly comment on H.R. 2440, the authorization bill, to authorize \$15,856,391,000 for the use of the Armed Forces for procurement, research, development, test, and evaluation of aircraft, missiles, and naval vessels.

At the outset I wish to compliment both the distinguished chairman of the Armed Services Committee, and the ranking minority members, the gentleman from Illinois [Mr. ARENDS], for their able presentation of this highly important measure.

I particularly pay high tribute to my distinguished friend from Illinois for the position he has taken with respect to accepting cuts in the overall defense budget, and the willingness of his committee in not being obstinate in refusal of those of us who are deeply concerned about spending, to scan our recommendations for the cutting of fat where and when we can find it.

The spending or at least the authorization of such a tremendous amount of the taxpayers dollar places a real responsibility on each and every Member of this Congress.

Most certainly I for one know we must do everything in our power to keep ourselves strong. And I do not wish to do anything to reduce our military capabilities or to hinder our national security.

I am not convinced however that all the fat has been rendered from this procurement bill. I feel there are many

areas where savings can be effected. While I shall support the measure as presented today, I reserve the right to do all in my power to make substantial savings, and am hopeful the Appropriations Committee will go over this bill with a fine tooth comb.

Mr. CLANCY. Mr. Chairman, I ask unanimous consent that the gentleman from Kansas [Mr. SHRIVER] may extend his remarks at this point in the Record and include extraneous matter.

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

There was no objection.

Mr. SHRIVER. Mr. Chairman, I rise in support of H.R. 2440, which authorizes nearly \$16 billion for the procurement of the necessary aircraft, missiles, and naval vessels for the Armed Forces during fiscal year 1964. I wish to commend the chairman and the members of the Committee on Armed Services for the thorough and exhaustive examination which they have made of our Nation's military posture.

It is particularly encouraging that the committee continues to fight hard for a proper mixture of missiles and manned bombers in the military arsenal of the United States. I heartily endorse the proposal to authorize two additional prototypes of the RS-70. The committee has made a strong and convincing case for the development of five prototypes instead of three.

We are told that the three RS-70 prototypes, which have the blessings of the administration, will essentially be used to determine that this airplane can fly at three times the speed of sound, for a long distance and a high altitude. In essence the administration is prepared to spend \$1.3 billion for testing the reconnaissance ability of the RS-70, but it is reluctant to develop additional aircraft to determine the feasibility of the RS-70 as a weapons system.

In reading the hearings on military posture held by the Armed Services Committee, it was encouraging to learn that the current fleet of B-52's and B-58's will continue to perform a most important role in our Nation's defense for the next 5 years.

It is disturbing, however, when we ask what comes after the B-52 and the B-58?

Mr. Chairman, the last B-52H jet bomber came off the assembly line at the Boeing Co. plant in Wichita last fall. The final B-58 will be delivered to the Air Force this year. We have been informed that the aging B-47 jet aircraft are being gradually phased out.

We know the Department of Defense recently took the higher bid of a Texas-based aeronautics plant with intentions of developing a new fighter-bomber, the F-111-TFX. But it will not be able to do the work of the B-52.

We know the RS-70, formerly known as the B-70, still is in the development and evaluation stages but the administration has no plans to go beyond those stages.

It is very possible that in the presidential campaign of 1968 the familiar issue of "gapitis" will be with us again. We will again be faced with a bomber gap. However, unlike the missile gap

of 1960, the bomber gap of 1968 will be a fact.

Although I do not claim to be a military expert and certainly do not have access to our intelligence files or those of the Soviet Union, it is only necessary to call across the street to the Library of Congress to discover that the Soviet Union continues to build both bombers and missiles.

The publication *Interavia*, published in November 1962, contained an article entitled "The Wide Spectrum of Soviet Airpower." This article contained pictures and descriptions of the new types of Russian aircraft.

The article states:

In the last few months, the strategic air force (U.S.S.R.) which is grouped in three or four armies, has received medium bombers of the new Tupolev Blinder type. These have a speed approaching mach 2, and their radius of action is at least equal to their predecessor, the Tupolev Badger; they are capable of carrying supersonic missiles for use against strategic targets. It cannot at present be said with certainty whether the four-jet Miashech Boudner supersonic bomber, on show for the first time at the last Tushino Air Show, is being built in large numbers. This aircraft could be used as a tanker as well as for important reconnaissance missions. Except for the American B-70 which will shortly be completed, this is the largest supersonic aircraft in the world, and the four turbojet engines in the Boudner can be taken to be the most powerful at present in existence. In any case, the development of the Blinder and Boudner types shows that the Soviet strategic air force still attaches importance to the manned bomber.

Mr. Chairman, the Congress of the United States has time and again authorized and appropriated funds for continued production of manned bombers. We have taken such action on the knowledgeable advice of our military authorities. However, these funds have not been used by the administration.

Time and again we have learned of the recommendations of acknowledged military experts being overruled in regard to the selection of certain weapons systems by the civilian leaders of the Defense Establishment.

The B-52 bomber is a case in point.

The RS-70 is another case in point.

The Skybolt air-to-ground missile is another case in point.

And, if I may add, apparently the contract decision for the F-111-TFX—fighter-bomber is a puzzling case at point.

Like the members of the Armed Services Committee, I do not challenge the right or necessity of civilian control over the Department of Defense. However, it seems to me that the selection of weapons systems plays an important part in the way a war may be fought. We must guard against the weakening of the military voice in this regard.

Gen. Curtis LeMay, Chief of Staff of the U.S. Air Force, eloquently enunciated some guidelines for the defense and security of this Nation which are worthy of repeating. In his testimony before the committee, he stated:

Our national objective is to have the capability to destroy those forces which would directly threaten our survival as a viable nation.

We have an enemy who will take advantage of any apparent or real, technical or strategic weakness we may possess.

Until there is a change in Soviet intent and aspirations, we obviously can't afford to gamble.

There are certain precautions we can take, certain things we can do.

First, we must retain our flexibility of action in the event of an enemy technological breakthrough. We can do this by exploring every feasible weapon system.

We must have the capability, in spite of unexpected breakthroughs, to destroy those weapons directly threatening the United States and our allies. This will save American lives.

Secondly, we must also continue this exploration because we cannot accept the premise that since there is no known counter to a particular threat there is nothing that we can do.

If we accept this premise, and thus indicate an acceptance of a weakness in our deterrent, we invite the Soviets to vigorously probe our determination to resist.

I have believed over the years, and still do, that deterrence is a state of armed forces and also a state of mind. Standing alone they will not deter, but together they are the force for continued peace.

Both must remain strong and firm and be absolutely clear to the Soviets.

Mr. VINSON. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore [Mr. ALBERT] having assumed the chair, Mr. SHELLEY, 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. 2440) to authorize appropriations during fiscal year 1964 for procurement, research, development, test, and evaluation of aircraft, missiles, and naval vessels for the Armed Forces, and for other purposes, had come to no resolution thereon.

TRAVEL OF STAFF MEMBERS OF HOUSE COMMITTEE INDICATE MORE CHECKING NEEDED

Mr. ASHBROOK. 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 pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, yesterday's CONGRESSIONAL RECORD contains the reports which are required by law dealing with the expenditure of foreign currencies and appropriated funds by the various committees covering the dates of January 1 through December 31, 1962. As many of you well know, I have been very critical of the expenditure of appropriated funds by the House Committee on Education and Labor, I now would like to point out some interesting deficiencies in the reports which cover the expenditure of so-called counterpart funds by this committee.

Without a doubt, great detail is shown on some of the miscellaneous expenditures. Tips to waiters and wine stewards are well documented by the committee in this report. It is most interesting, however, to see that a vital area of expenditure has not been accounted for.

I am speaking of transportation for these trips.

Let me cite two trips which were made. The gentleman from New York [Mr. POWELL] together with two staff mem-

bers, Miss Corrine A. Huff and Mrs. Tamara J. Wall, conducted a factfinding mission in Europe which took the chairman to five countries, Mrs. Wall to seven countries, and Miss Huff to six countries.

The total transportation bill listed for this factfinding trip comes to \$100 for the gentleman from New York, \$109 for Mrs. Wall, and \$115 for Miss Huff. The report on this trip is as follows:

Name and country	Name of currency	Lodging		Meals		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Powell, Adam O.: Great Britain (9 days).....	U.S. dollar		80.00		70.00		5.00		76.50		243.50
France (5 days).....	do.		110.00		87.50				12.00		245.50
Italy (6 days).....	do.		150.00		99.00				48.00		313.00
Greece (11 days).....	do.		192.50		181.50		75.00		64.00		547.00
Spain (4 days).....	do.		72.00		66.00		10.00		88.00		195.00
Wall, Tamara J.: Great Britain (4 days).....	Pound		100.00		85.00		23.00		10.00		280.00
France (5 days).....	New franc		110.00		82.50		12.00		72.00	100	250.00
Italy (9 days).....	Lira		205.00		148.50		25.00		45.50	1,250	450.00
Greece (4 days).....	Drachma		80.00		70.00		15.00		71.50	286,300	200.00
Austria (5 days).....	Schilling		85.00		52.50		12.00		35.00	6,000	152.00
Germany (3 days).....	Deutsche mark		55.00		51.00		14.00		22.50	3,800	150.00
Denmark (5 days).....	Kroner		75.00		62.00		8.00		30.00	600	171.00
Huff, Corrine A.: Great Britain (4 days).....	U.S. dollar		80.00		17.50		28.00		26.00	1,200	293.50
France (5 days).....	do.		110.00		82.50		12.00		46.00		250.50
Italy (5 days).....	do.		150.00		99.00				56.00		305.00
Greece (11 days).....	do.		192.00		181.50		75.00		84.00		532.50
Spain (4 days).....	do.		72.00		76.00				37.00		185.00
Denmark (4 days).....	do.		72.00		66.00				37.00		175.00

In another factfinding mission, Mrs. Louise Dargans, a committee staff member, reports only \$104 in transportation for a trip which by her own account took her to the United Kingdom, Spain, Italy,

France, Morocco, and Portugal. My information which I cannot completely substantiate because of the inability to get cooperation on these funds expended indicates that Mrs. Dargans sailed on

November 17, 1962, on the SS *Independence* of the American Export Lines on accommodations that would cost \$975. She returned on December 11, 1962.

Her expenses are listed as follows:

Name and country	Name of currency	Lodging		Meals		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Dargans, Louise Maxienne: United Kingdom.....	U.S. dollar		15.50		12.00		6.25		16.00		49.75
Spain.....	do.		32.00		22.50		17.75		11.50		83.75
Italy.....	do.		35.00		30.50		40.00		14.00		119.50
France.....	do.		25.00		18.50		20.00		17.00		80.50
Morocco.....	do.		15.00		10.00		8.00		4.00		37.00
Portugal.....	do.		14.50		12.00		12.00		15.00		53.50

The chairman, Miss Huff, and Mrs. Wall did not travel on MATS, according to my information. The State Department listed them as sailing on the *Queen Mary* on August 8 and arriving Southampton on August 13.

The law very clearly requires that all counterpart funds expended for transportation must be reported. This is an apparent oversight which should be corrected in the filing of an amended report.

I have been told that the Committee on House Administration has advised committee chairmen that no exemption or exceptions are made to the requirement in title 22, section 1754. All funds expended should be shown whether they were received from an agency or from counterpart funds. The only exception, of course, would be the expenditure of private funds. The law states:

FOREIGN CURRENCIES—AVAILABILITY AND USE

(a) Notwithstanding section 724 of title 31, or any other provision of law, proceeds of sales made under section 550 of the Mutual Security Act of 1951, as amended, shall remain available and shall be used for any of the purposes of this chapter, giving particular regard to the following purposes—

(1) for providing military assistance to nations or mutual defense organizations eligible to receive assistance under this chapter;

(2) for purchase of goods or services in friendly nations;

(3) for loans, under applicable provisions of this chapter, to increase production of goods or services, including strategic materials, needed in any nation with which any agreement was negotiated, or in other friendly nations, with the authority to use currencies received in repayment for the purposes stated in this section or for deposit to the general account of the Treasury of the United States;

(4) for developing new markets on a mutually beneficial basis;

(5) for grants-in-aid to increase production for domestic needs in friendly countries; and

(6) for purchasing materials for United States stockpiles.

AVAILABILITY TO CONGRESSIONAL COMMITTEES

(b) Notwithstanding section 724 of title 31, or any other provision of law, local currencies owned by the United States shall be made available to appropriate committees of the Congress engaged in carrying out their duties under section 190d of title 2, and to the Joint Committee on Atomic Energy and the Joint Economic Committee and the Select Committees on Small Busi-

ness of the Senate and House of Representatives and the Select Committee on Astronautics and Space Exploration of the House of Representatives and the Special Committee on Space and Astronautics of the Senate, for their local currency expenses: *Provided*, That each member or employee of any such committee shall make, to the chairman of such committee in accordance with regulations prescribed by such committee, an itemized report showing the amounts and dollar equivalent values of each such foreign currency expended and the amounts of dollar expenditures made from appropriated funds in connection with travel outside the United States, together with the purposes of the expenditure, including lodging, meals, transportation, and other purposes. Within the first sixty days that Congress is in session in each calendar year, the chairman of each such committee shall prepare a consolidated report showing the total itemized expenditures during the preceding calendar year of the committee and each subcommittee thereof, and of each member and employee of such committee or subcommittee, and shall forward such consolidated report to the Committee on House Administration of the House of Representatives (if the committee be a committee of the House of Representatives or a joint committee whose funds are disbursed by the Clerk of the House) or to the Committee

on Appropriations of the Senate (if the committee by a Senate committee or a joint committee whose funds are disbursed by the Secretary of the Senate.) Each such report submitted by each committee shall be published in the CONGRESSIONAL RECORD within ten legislative days after receipt by the Committee on House Administration of the House or the Committee on Appropriations of the Senate.

An interesting situation exists regarding responsibility under the title 22, section 1754 requirements. The Committee on House Administration takes the position that the law does not charge it with the obligation to check into these reports when filed and it has neither the authority nor the responsibility to so check, even when errors are apparent on the face. I am sure the committee is correct in its position.

The State Department, on the other hand, takes the position that it is not responsible either. In a telephone conversation with Mr. John Leahy, State Department official charged with providing and reporting these funds to the Congress, I learned that his reports are made only to the chairman of the various committees who authorized the travel and to the individuals who expended the funds. As a Member of Congress, I cannot check into these funds or obtain a recapitulation of moneys expended by my committee. Mr. Leahy stated that this procedure was the result of a Department rule and not an official regulation.

It is for that reason that I take this time to call this matter to the attention of the House and request that an amended report be submitted which will fill in the gaps that were inadvertently left in the report filed yesterday which therefore makes it not in compliance with title 22, section 1754. In the event that these trips were paid for by the individuals themselves or by some private agency or individual, I believe we also should know that is the case.

The chairman, the gentleman from New York [Mr. POWELL], has indicated his full intention to file the complete report of the expenditure of these funds. In his press conference of February 20, 1963 this exact matter was brought up and the following remarks were made:

Representative POWELL. "The Senate has never followed the House in these things, we led the way a long time ago on itemizing by Members. The Senate hasn't done it."

REPORTER. Getting right down to the point, are you willing at this time to make your spending on counterpart funds available for general scrutiny just to show everyone how?

Representative POWELL. On March 1, I will, that's the date due.

REPORTER. In detail, there will be no miscellaneous this time?

Representative POWELL. No, sir.

REPORTER. It's going to be right out on the line in every respect.

Representative POWELL. Correct, I promise you that. But will the Senate do it? No.

REPORTER. Mr. Congressman, may I go back one moment, to the trip in September of 1961 or 1962. Will that trip be reported in your report?

Representative POWELL. Yes, sir, in detail, in detail, itemized.

REPORTER. That involved the use of counterpart funds.

Representative POWELL. Yes, sir, and not one penny of committee funds and not one penny of Federal funds. Must emphasize that.

Mr. Speaker, I trust that the RECORD will be corrected expeditiously to include these apparent oversights in the expenditures of counterpart funds.

ADMINISTRATION'S COMMITMENTS TO THE WOOLEN TEXTILE INDUSTRY

Mr. MCINTIRE. 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 pro tempore. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. MCINTIRE. Mr. Speaker, I am inserting into the RECORD an article from the March 12 issue of the Washington Post, this article implying that the administration is refusing to follow through on its commitments to the woolen textile industry of this country. This disturbs me deeply, and I hereby urge President Kennedy to move forward immediately with such action as will prove this article's contention false.

I am also including a statement recently adopted unanimously by the board of directors of the Northern Textile Association. This statement brings into proper focus the problem presently confronting the American textile industry, and it points up the desperate need of immediate solution:

[From the Washington (D.C.) Post, Mar. 12, 1963]

ADMINISTRATION REPORTED VETOING WOOL RAISERS' PROTECTION DEMAND

(By Julius Duschka)

The domestic wool industry apparently has lost its 2-year fight to get President Kennedy to give it special protection against imports.

It was learned last night that the President has decided to drop for the time being any effort to help the industry by trying to limit wool imports through a system of international quotas.

Mr. Kennedy's decision was said to have been made known to the industry by Christian A. Herter, the President's special representative for trade negotiations, at a secret meeting last Wednesday in Washington.

EUROPEANS OPPOSED

Herter met with members of the U.S. Wool Textile Advisory Committee following a trip to Western Europe during which he encountered stiff resistance to suggestions that wool imports be controlled through a system similar to the international cotton textile agreement that went into effect last fall.

At the meeting Herter reportedly told the industry in soft but unmistakable language that the Kennedy administration plans to take no steps at this time to cut back wool imports.

The President himself is reported to have told Senator JOHN O. PASTORE, Democrat of Rhode Island, last Friday that the domestic industry could expect no help.

It is understood that both Herter and the President indicated that the decision against aiding the industry would be periodically reviewed and was always open to reconsideration in the light of new facts.

Mr. Kennedy's decision will have political repercussions among the New England and Western Senators who have been putting

pressure on him to provide assistance to the domestic wool industry. During the 1960 presidential campaign he promised to help the industry.

LIBERAL POLICY SEEN

But the decision will be welcomed in Western Europe, particularly in the big wool-exporting countries of Britain and Italy. Together with Japan they supply 75 percent of the wool that is imported by the United States.

In Europe and Japan the decision will be taken as a welcome indication that Mr. Kennedy is determined to pursue a liberal policy under the 1962 Trade Act even in the face of domestic pressures.

Herter is reported to have flatly told the domestic wool industry that there is no way to aid them with the new trade law unless the industry institutes a case under the escape clause in the act providing relief for domestic industries that can show they are being harmed by tariff concessions.

The wool industry has been unwilling to proceed under this clause because it does not think it could win its case. The new law provides that trade concessions must be a major factor in depressing domestic industries before relief will be given them.

Herter is also understood to have ruled out for now an international wool agreement along the lines of the cotton agreement or a finding that wool imports must be restricted because the domestic industry is vital to national security.

The domestic wool industry has favored an international agreement to limit imports, which have increased from a negligible amount 10 years ago to about 20 percent of total U.S. consumption.

STATEMENT UNANIMOUSLY ADOPTED BY THE BOARD OF DIRECTORS OF THE NORTHERN TEXTILE ASSOCIATION

We have been encouraged by the President's obvious grasp of the nature of the textile import problem, and are conscious of the efforts made by the administration to deal with a problem which adversely affects not only New England and the South, but wool and cotton-growing areas of the West and urban apparel centers.

During the first month of the present administration, a direct and forthright approach was adopted in establishing a Cabinet Committee, followed by the announcement in May of 1961 of a program that encompassed all fiber branches of the industry.

The first International Cotton Arrangement was completed in July of 1961, and a second early last year. Both provide means for preventing market disruption by the limitation of imports.

Although it was agreed that these arrangements would be followed promptly by action to restrain imports of textiles made of wool and other fibers, nothing has been accomplished, no international conference to restrain imports has been called, and no steps for control by the United States have been developed.

Meanwhile, imports of wool products in 1962 rose 78 percent over the level of 1961, and manmade textile imports rose 39 percent. An additional 18 wool mills closed in 1962, and the share of the U.S. market taken by foreign goods has increased by over 40 percent.

Direct appeal to the administration by Members of Congress and the industry to carry out the textile program have been to no avail. The program has continued to drift, jobs have continued to disappear, and conflict between agencies of Government grow. The program announced by the President appears to be more dependent for its implementation upon the whims and changing policies of foreign governments than upon domestic direction. Our own Government delays as a major American industry is eroded.

This situation is known to textile producers and textile workers, to apparel manufacturers and apparel workers, and to wool growers throughout the country.

With a deep sense of responsibility to the employees and people in the communities where textile and apparel plants are located, to those who produce the fibers we use, and to those in the Congress who have worked for a solution of this problem, the board of directors of the Northern Textile Association calls this ominous situation to the attention of the public and to those members of Government who are unaware of the situation or whose opposition to the clear intention of the President has contributed to this crisis.

EMERGENCY MILK SURPLUS REDUCTION ACT OF 1963, H.R. 4745

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

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

There was no objection.

Mr. STRATTON. Mr. Speaker, yesterday I introduced legislation that will make it possible for New York State dairy farmers to undertake a program of curtailing the current milk surplus that has troubled them so much, and to do this without impairing their own income. My bill is H.R. 4745, and is known as the Emergency Milk Surplus Reduction Act of 1963.

Today the dairy farmers of upstate New York clearly face an emergency situation. The size of their milk checks is going down sharply. Many milk plants in my district are closing down. A number of milk dealers have already advised dairy farmers delivering to them that they will not accept further milk after certain specified dates, or will only accept them if the farmers assume additional costs connected with transportation. These conditions have created great concern among our dairy farmers. Something must be done to help them, Mr. Speaker, and I believe that help must come through some format that will make it possible for the dairy farmers to work together to reduce this milk surplus without damaging their own income or the stability of the industry in which they are engaged.

Mr. Speaker, a good deal of effort has already been expended by dairy farm groups in upstate New York to devise such a long-range plan. Much progress has been made in this direction. Basically these farm groups seem to be in the process of reaching agreement on a so-called two-price plan for milk production. However, Mr. Speaker, there are still many differences of opinion among our farmers and our farm cooperatives with respect to many of the specific details of this two-price plan.

I feel certain that these various differences will soon be resolved, and then our farmers will be able to make common cause before the Congress in support of this permanent long-range legislation. But the situation is urgent, and I believe that while we are working in the direction of this agreement we need fast and effective emergency relief to tide us over the gap.

I believe my bill will fill this need, Mr. Speaker. It is almost exactly the same kind of emergency dairy legislation which the House passed in the last Congress as a part of the overall farm bill, but which was stricken out in the Senate.

The bill encourages voluntary reduction in the production of milk without harming the dairy farmer's income. It would do it in much the same way as we have been doing for several years with the emergency feed grains program.

Under my bill, a dairy farmer could elect to reduce his milk production below his 1962 production by a figure of between 10 to 25 percent. In return for this reduction, the participating farmer would receive \$2.50 per hundredweight as an incentive payment for his reduction.

The results of this legislation will be of real help to our upstate dairy farmers. It should contribute to an appreciable reduction in the production of milk, which will then be reflected in an easing of the pressures recently mounted against our farmers as an outgrowth of the current milk surplus.

In so doing it will help to improve the stability of our upstate dairy market, and will help to continue a stable return to the farmer for his milk. In addition, the incentive payments will protect the farmer against any serious decline in his income as a result of his voluntary reductions. And, since the incentive payment is below the cost to the Government of acquiring surplus milk products, the taxpayers will actually save money on the transaction, as well as saving additional sums in storage and warehousing costs for surplus dairy products.

The program, if adopted by the Congress, would be an emergency program pure and simple. It would continue in operation, under the terms of my legislation, until September 30, 1964. By that time I feel sure we will have devised more permanent legislation in line with the requests and pleas of our upstate dairy farmers.

Mr. Speaker, the legislation I have introduced has already received the support of substantial dairy farm groups in upstate New York, including the New York State Grange and the Eastern Milk Producers Association. It is closely parallel to a similar recommendation made by the metropolitan milk bargaining agency. I believe it has the support of a substantial majority of the dairy farmers in upstate New York. I trust the bill will be promptly enacted into law, so that the relief it provides as an emergency matter can come quickly to the dairy farmers I have the honor to represent in this body.

THE UNESCO BOOKLET, "EQUALITY OF RIGHTS BETWEEN RACES AND NATIONALITIES IN THE U.S.S.R."

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

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

There was no objection.

Mr. HALL. Mr. Speaker, concern has been expressed in this House, and in the other Chamber of Congress, about a booklet published by the United Nations Educational, Scientific, and Cultural Organization which, among other things, distorted history and denounced "colonialist oppression by Western nations," and described the U.S.S.R. as a "brotherhood of free and equal peoples."

The United Nations booklet—and remember it is the American taxpayer who keeps the U.N.'s financial head above the breakers of bankruptcy—notes that:

In 1940 the Soviet regime was restored in Latvia, Lithuania, and Estonia, which voluntarily joined the Soviet Union.

Now, Mr. Speaker, it develops that this booklet which insults the West, insults the three captive Baltic States and insults history, is rather a ghost publication.

Attempts by Members of this Congress to obtain and see it, to read it, and to study it, are being met by continued refusals by United States and United Nations officials to make it available to Congress.

Our colleague here, the gentleman from Iowa [Mr. Gross], was told by our United Nations Ambassador Adlai Stevenson that no copy of the offensive booklet is available, as the gentleman informed this House March 7. In fact, the Ambassador claimed he had not "been able to lay ahold of one myself."

I would like to report today a bit of news that seems encouraging. It just may be that very few people anywhere have been able to "lay ahold" of this UNESCO booklet.

I have received this morning a letter from Mr. Philip Deane, Director of the United Nations Information Centre here in Washington.

Says Mr. Deane:

The UNESCO booklet, "Equality of Rights Between Races and Nationalities in the U.S.S.R.," has never been sold or stocked by any United Nations center or bookstore. Our headquarters (in Washington) does not have a copy. I regret, therefore, that we are unable to comply with your request for one.

Now, if we may believe this distinguished United Nations official charged with information about the U.N. in this Capital of the Nation that provides some 40 percent of U.N. funds, we may rest a bit more easily about this UNESCO booklet that praises communism.

If the booklet has, as Mr. Deane says, "never been sold or stocked by any United Nations center or bookstore," then it follows that at least innocent purchasers have not been offered it as an official U.N. publication at official U.N. offices.

However, it must be noted by American taxpayers that it is likely that the Communist nations of the world have arranged to distribute this booklet, through their own auspices, throughout the uncommitted world.

My efforts to obtain a copy of this UNESCO publication are continuing as are, I am sure, the efforts of other Members of this Congress. I suggest that it would be a good idea, even if this is a ghost publication, for the American Congress to take a close look at it even if the reading makes us sick.

UNITED NATIONS INFORMATION CENTRE

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

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

There was no objection.

Mr. GROSS. Mr. Speaker, a few days ago I read in part from a letter by Mr. Adlai Stevenson, the U.S. Ambassador to the United Nations, in which he said that he had been unable to lay his hands on a copy of that infamous booklet issued by UNESCO.

A few weeks ago, in February, the United Nations Information Centre in Washington, D.C.—and I call your attention to the fact that it is spelled “C-e-n-t-r-e”—sent out a propaganda letter, a mimeographed letter, to Members of the House, in which Mr. Philip Deane, the Director of the United Nations Information Centre—C-e-n-t-r-e—in Washington, D.C., tried to pooh-pooh the idea that there was anything wrong with this UNESCO booklet which my friend from Missouri [Mr. HALL] described a few moments ago. So I wrote to Mr. Deane and asked him to supply me with a copy. On March 8, I received this reply:

MY DEAR MR. GROSS: Thank you for your letter of March 7. As I mention in my letter to which you refer the United Nations has never sold nor stocked the UNESCO booklet. Centre libraries have not received copies. Consequently we are unable to supply you with the copy you requested.

With my personal regards,

Sincerely yours,

PHILIP DEANE,
Director.

What kind of skulduggery is going on when the American Ambassador to the United Nations and the head of the United Nations Information Centre in Washington cannot provide a copy of this infamous booklet. The money of American taxpayers was used to produce this Soviet propaganda and it is especially interesting that not even the U.N. information outfit can or will produce a copy.

CIVIL RIGHTS BILL

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

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

There was no objection.

Mr. MILLIKEN. Mr. Speaker, today I have introduced a civil rights bill which is most comprehensive in scope. Equally important, the bill is tailored to moderate application in order that it may be enacted into law this session of Congress. Of course, anyone can come forward with pie-in-the-sky proposals that sound sweet, but have the false ring of impossible accomplishment. As a Republican, I am sincere in proposing this civil rights bill, and have every intention of guiding it toward enact-

ment. Sincerity, as I see it, is not in what you promise, but in what you accomplish. And as far as I am concerned, I intend to fight for deliverance of this bill to the people during the 88th Congress.

Before presenting an analysis of the bill, however, I would like to comment upon the Kennedy administration's recent civil rights message which has recently been presented to Congress, but which has yet to bring forward the introduction of a single bill. This message, indeed, is a puzzle to understand. For, it literally boasts that the present administration has done more in the field of civil rights than any other administration in the history of our Nation. An example of this boastfulness involves the statement that a far greater number of voting-rights suits have been instituted during the Kennedy administration than in previous administrations. There is a failure to acknowledge, however, that the only progressive civil rights legislation to be enacted since Reconstruction days occurred in the 8 years that President Eisenhower was in office. Without the passage of the 1957 and 1960 Civil Rights Acts, there would have been no suits to grant the voting franchise to every citizen regardless of his race, creed, or color. Moreover, if one were to compare the law suits brought during President Eisenhower's term in office with those during Mr. Kennedy's, it will readily be seen that the latter's record is nothing to shout about—particularly when it is realized that it took Republican Attorneys General time to implement the new legislation and to undertake exhaustive investigations. Similarly, many legal actions which the present administration has taken credit for were largely developed during the Eisenhower administration.

The Kennedy administration also has taken practically sole credit for school desegregation. Yet, the fallacy of this claim may be seen when one recalls that it was during the tenure of a Republican President that the famous 1954 Supreme Court decision was handed down. And following this decision, the Republican administration proceeded to institute desegregation in hundreds upon hundreds of school districts. To name but one significant example, the entire school system in the District of Columbia was totally and completely desegregated while President Eisenhower was in office.

In many other areas of civil rights, as well, the Republicans did what President Kennedy now takes credit for. Desegregation of transportation facilities, the Armed Forces, libraries, many southern universities, Federal employment, national parks, and national forests. Similarly, in the area of private employment, it was a Republican President who set up the Committee on Equal Employment Opportunity to make certain that, where Federal contracts were involved, employers and labor unions would refrain from discrimination in employment.

From this, it may be seen that, instead of being the pathfinder of civil rights, the Kennedy administration merely represents the homesteader. It would therefore logically appear that if the present administration wanted to prove

its vigor in defending civil rights, it would have come forward with solid legislative proposals. Yet, when one is through hearing the boastful roar of the President's civil rights message, he surely must be surprised to encounter only a mouse's squeak of newly proposed legislation.

Most surprising of all, perhaps, is that the President either ignored or greatly modified three civil rights proposals contained in the Democratic platform of 1960—those involving the Civil Rights Commission; authority of the Attorney General to bring civil school desegregation actions; and legislation involving nonsegregation in Government employment and Government contracting truthfully then, the President's message does have a hollow ring.

The civil rights bill which I have introduced today seeks to make the Civil Rights Commission permanent. In addition, it grants the Commission authority to subpoena necessary documents—authority which, if denied, will tend to curb the effectiveness of the Commission's work. Furthermore, the Commission is granted the right to look into voter fraud cases—a right which is equally as important as voter discrimination. For, to not have one's vote counted is equally as discriminatory as to not be able to vote at all. And, we all know those locales in the country where fraudulent voting practices are prominent.

In contrast, however, President Kennedy only proposes that the life of the Civil Rights Commission be extended 4 years, even though his own 1960 Democratic platform calls for the Commission being made permanent. Moreover, he bases the halfhearted gesture on the principle that it would be pessimistic to consider that our country will always need a Civil Rights Commission. Perhaps, a time will come when we can do without the need of such an agency of government, but we well know that that time will not be upon us in 4 years. I, certainly, am not a pessimist. But, I am a realist and I know that we are going to have to toil long before voter discrimination and voter frauds are eliminated. Why risk the need to fight for repeated extensions of the Commission each few years when we can correct the Commission's tenuous existence during this session of Congress? In this regard, I have learned that the Commission is losing valuable personnel for the simple reason that their future looks precarious. Let us then terminate this uncertainty and pump real life into the Commission by making its existence permanent.

Second. The civil rights bill which I have introduced would grant the Attorney General the authority to institute civil rights actions in an effort to desegregate public schools. Considerable advance has been made in this area of civil rights, but there is still progress to be made. At the present, the Attorney General only has the right to bring criminal suits in this field which, if done, can cause as much antagonism as cure—particularly since a number of Southern States have begun to adopt moderate programs. In contrast to this, however, the President has failed to recommend

any action along this line even though the Democratic platform of 1960 specifically called for such legislation. What must we think of the boldness of the present administration's civil rights intentions when they fail again to follow their own campaign promises?

A third part of my civil rights bill calls for the legislative creation of a Commission on Equality of Opportunity in Employment. This Commission would have authority to conduct investigations and hearings concerning charges of discrimination in employment by business organizations or labor unions who are engaged in carrying out Government contracts. Similarly, discrimination by employment agencies, supported by Federal funds, would be rooted out. There presently exists a committee to look into similar areas of discrimination. This committee was established by President Eisenhower through Executive order and performed commendably under the skilled direction of Vice President Nixon. The Kennedy administration continued the operation of the committee and has properly carried on its work. But, an organization, if necessary and desirable, can better perform its duties if created by legislation rather than by Executive orders.

For one, the present committee is headed by various cabinet officials who cannot devote much time to its operations. Its day-to-day affairs, therefore, must be delegated to lesser employees who, surely, must consider their employment temporary and tenuous. Moreover, what one administration can create by Executive order, a second administration can disband. It would seem far more preferable, then, to establish a commission of this nature by a law of Congress which will clearly show that its functions are being taken seriously. Then, too, the authority of the newly proposed commission is more fully enhanced by granting it subpoena power and by permitting it to effectively deal with discrimination in labor unions and public employment agencies—powers or duties absent or attenuated in the existing committee. President Kennedy, in his message, glowingly praises the work of the present committee under his administration without acknowledging its parentage. Similarly, he makes no recommendations for its legislative creation even though the 1960 Democratic platform called for such action. This surely must seem strange to those who see and understand the need for the elimination of discrimination in employment. The old saying, "action not words" certainly must have come into the minds of many citizens, when they read the President's message.

The civil rights bill, which I have introduced today, also includes a provision which authorizes an appropriation to aid State and local educational agencies to enable them to desegregate public schools. Here, I am pleased to add, my civil rights bill and the President's message coincide to some extent. A significant difference does exist, however. Under my bill, the State or local school agency must make the request for assistance, whereas, it appears from the President's message that aid can be

forced upon the schools. Since the latter approach could interject Federal aid to education where it is not wanted, I believe that my approach is to be preferred.

While on the subject of education, moreover, I should point out that the President's message proposes that separate school facilities be created on military installations where local public schools have not desegregated. This proposal, I am pleased to say, cannot be found in my bill since it is abhorrent to the concept of uniform desegregation. I may also add that the National Association for the Advancement of Colored People has come out strongly against this gimmick. And, they have done so for good reason because the effect of the proposal would be to create three categories of schools: First, integrated schools on military installations; second, all-white public schools; and third, all-Negro public schools. Anyone on the base who so desired could continue to attend a segregated school in the local community and the local community could under law continue to receive Federal funds. The harm to this plan can be readily seen and I, for one, will have no part of it. What we need and what the Republican Party is striving for is public schools which are desegregated—that is, public schools which are equally open to all because the citizens in each local community have been made aware that equality for all our citizens is a necessary adjunct to a free society. Let us also remember what President Eisenhower accomplished in his administration without the loss of life and with a minimum of force.

Finally, my civil rights bill would create a presumption that any citizen, otherwise qualified to vote, shall be deemed to have sufficient literacy, comprehension and intelligence to vote in Federal election if he has completed six grades in an accredited school where instruction is carried out predominantly in the English language. My bill is similar to a recommendation contained in the President's message. And, this is for good reason since it is known that Negroes in certain States have been subjected to discriminatory intellectual tests which have not been imposed on their white neighbors at vote registration time. The elimination of this inequity seems necessary and desirable.

In another area of voter equality, however, the President has recommended that Federal referees be appointed in order to register voters before a court has determined whether or not discrimination exists. This provision would clearly invade the rights of States to manage their own elections and cannot be supported by me. Not only that, but support for such a provision could so antagonize moderate-thinking citizens, wherever they live, as to seriously jeopardize the enactment of any civil rights legislation. As I said at the beginning of my statement, my bill is comprehensive in scope, but moderate in application. And it is moderate for the obvious reason that we Republicans are sincere in our intention to enact effective civil rights legislation this session of Congress. Anyone, of course, can look at

the moon, but getting there takes painstaking care and deliberate effort.

The Republican Party is dedicated to equal rights and equal opportunity for all. As a proud representative of that party, I intend to work long and hard in seeing that we carry out our pledge to enact constructive civil rights legislation.

INTERNATIONAL PEACE CORPS SECRETARIAT

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

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

There was no objection.

Mr. DIGGS. Mr. Speaker, I am gratified to inform the House that in the last few months five countries have announced plans to establish national volunteer corps modeled on our own U.S. Peace Corps. These countries are Germany, Denmark, Norway, the Netherlands, and New Zealand. I am especially pleased to note that the New Zealand Peace Corps—to be known as Volunteer Service Abroad—will be headed by the world-famous Sir Edmund Hillary, K.B.E., the conqueror of Mount Everest.

These activities are, in large measure, the result of the work of the International Peace Corps Secretariat which was formed at the Conference on Human Skills in the Decade of Development which was held in Puerto Rico last October. I was one of the two congressional representatives at this Conference which was sponsored by the U.S. Peace Corps. Forty-three nations and several international organizations gathered in Puerto Rico for 3 days in order to discuss the importance of skilled manpower to the process of economic development and to find new ways of increasing the supply of such manpower. This was the largest high level conference on economic development ever held. Nearly every country was represented by cabinet level officers or higher, including the Vice Presidents of the Philippines and the Dominican Republic, the Foreign Minister of Israel, the Minister of Development of India, and dozens of other distinguished national leaders. Our own delegation was headed by Vice President JOHNSON and included the Secretaries of Labor and Health, Education, and Welfare. Moreover, this was the first such conference at which delegates from both industrialized and underdeveloped countries were brought together for a common discussion of the problems of development, and for a direct confrontation of the needs of the developing countries with the capacity and willingness to help of the economically advanced nations.

This may well have been the hardest working conference ever held. The average working day began at 9 in the morning and ended around midnight. But the results were well worth the effort.

Every delegation came away with a far deeper and more profound understanding of the problems of other nations, as well as greatly enhanced aware-

ness that the need for skilled manpower was the single most pressing need of the underdeveloped world. There has been too great a tendency to assume that the problems of poverty and hunger and ignorance could be solved by large infusions of capital. The truth is that capital is worthless without skilled and trained men and women to man the factories, run the institutions of a growing economy, and administer the government. It became clear at this Conference that the success of a nation in improving its standard of living would depend, in large measure, on its success in training and supplying skilled manpower.

If the Conference had only served to create this new awareness, it would have been a great success. But it did more than this. It took several concrete and practical steps toward increasing the supply of skilled manpower available to underdeveloped countries.

It called upon private enterprise to make available its knowledge of training techniques to the underdeveloped world. And, in response to this call, the Business Council for International Understanding, backed by the voluntary contributions of American industry, is engaged in establishing three pilot training projects in the underdeveloped world.

The Conference also presented a series of new quick-training techniques which could be used to rapidly accelerate the training of skilled manpower. And model training centers based on these techniques—these new technologies of training—are in the process of preparation.

Perhaps most important of all, the Conference dramatically demonstrated the contribution which skilled volunteers—young men and women—could make to the almost limitless and urgent need for human skills. Our own Peace Corps, and its reception in other countries, was living proof of this. And a Secretariat was established to increase the flow of volunteer assistance throughout the world. In the few short months since its inception the Secretariat has announced the formation of five new Peace Corps. Several other countries have been working with the Secretariat and are hoping to establish volunteer organizations shortly.

Mr. Speaker, I am sure that there have been few conferences which have made such an important impact on its participants, or which have achieved such impressive results in so short a period of time. Moreover, delegates with whom I talked from all over the world were enormously impressed with the efficiency, thoroughness, and intelligence with which the Conference was organized and run. The U.S. Peace Corps is to be congratulated for having made such an important and meaningful contribution to the interests of our own country and to the hopes of the emerging nations of the world.

RECENT EVENTS IN THE NEAR EAST

Mr. REID of New York. 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 pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REID of New York. Mr. Speaker, the Members of the House have no doubt noted recent events in the Near East.

A political and military pattern is slowly emerging which could be a matter for serious concern.

I refer to: First, the proposal advanced by the new Deputy Premier of Iraq calling for a joint military command of the armies of Iraq, Syria, the UAR, Yemen, and Algeria; second, efforts looking toward a closer merger or union of Iraq, Syria, and the UAR; third, inflammatory propaganda of the new President of Yemen calling the peoples of Jordan and Saudi Arabia to overthrow Kings Hussein and Saud by releasing the trigger.

The United States has persistently encouraged closer peaceful cooperation among the countries in the area and welcomed planning looking toward coordinated economic development.

However, moves directed substantially toward a strong military alliance against a backdrop of inflammatory propaganda would not be reassuring.

The Secretary of State's restatement last Friday of our concern for the independence and security of Jordan and Saudi Arabia was therefore most pertinent and timely.

The House will recall that the formation on October 23, 1956, of the last joint command of Egypt, Syria, and Jordan, with the stated purpose of "the liquidation of Israel" in large measure triggered action by the Government of Israel in Sinai—as Israel believed its security was threatened and that its survival was at stake; thereby requiring action in self-defense.

It would be my hope that the House will give these developments its close attention; that the President will instruct our Ambassadors—as may be appropriate—in the relevant countries to reaffirm that our policy embraces friendly and peaceful relations with all countries in the Near East; and that any threat to the peace will result in prompt action by the United States consistent with the U.N. Charter.

Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following: excerpts from State Department's release of Secretary of State Dean Rusk's news conference of March 8, 1963; an article in the Baltimore Sun by Weldon Wallace—March 11, 1963; an article in the Baltimore Sun—Associated Press story, datelined Aden, March 10, 1963; an article from the Washington Post, March 12, 1963; a letter from the President addressed to Prince Faysal of Saudi Arabia, released January 8, 1963:

Mr. Secretary, during this past 6 months the regimes in Iraq, Yemen, and now Syria have changed, and each time there is immediate affiliation with the United Arab Republic—at least, a friendly spirit. In view of this, do you have some concern for the longevity of the regimes in Saudi Arabia and in Jordan?

Answer. Let me say, first, on the most recent development in Syria, we have only fragmentary reports, and I would not wish to make any judgment on exactly what that might mean. We do have information that so far as we can tell the Americans in that country are safe and that the situation does not affect them. We ourselves believe that relations among the Arab States ought to be worked out on the basis of consent, on the basis of voluntary cooperation in the normal way.

We of course are concerned about the independence of these Arab States and their freedom from external penetration. We hope, for example, that the Yemen people will be left alone to decide their own future and have been working in that direction. But we do not ourselves object to the close cooperation among the Arab States on the basis of friendly cooperation among states and in ways which do not counter the normal obligations of states in the international community. We are very much interested in the independence and the security of our friends in Jordan and Saudi Arabia and will be very much alert to any threats against them.

[From the Baltimore (Md.) Sun, Mar. 11, 1963]

FIVE ARAB STATES URGED TO LINK UP MILITARY FORCES—SYRIAN CROWD CHEERS PLAN BY IRAQI AID—ALGERIA, YEMEN, EGYPT ARE ALSO INVITED TO JOIN ALLIANCE

(By Weldon Wallace)

DAMASCUS, SYRIA, March 10.—A bold new military-political alliance of five Arab nations was proposed here today by the head of an Iraqi delegation that paid an official visit to the new Government, which seized control of Syria Friday morning.

A joint command for the armies of Egypt, Algeria, Iraq, Yemen, and Syria was urged by Ali Saleh Saadi, Deputy Premier of Iraq.

He represents the Government that came to power through a coup d'etat exactly 1 month before the coup staged by a Syrian army group in Damascus 3 days ago.

SYRIAN WELCOMES PLAN

Saadi presented his plan in a speech to the Syrian Premier, Salah Bitar, who promptly welcomed it.

To a cheering throng in front of the guest palace, the Syrian Government's reception house in Damascus, the Iraqi official said there were "other better things" to be proposed.

The proposition by Saadi would give the five countries the right to "take action and enter each other's territory whenever any of the states suffers foreign intrigue or threat of internal imperialist reactionary intrigue aimed at toppling the regimes of these five states."

REGIME IN CONTROL

His words stirred the crowd into a state of near hysteria. Meanwhile, on this sunny, brisk day in Damascus, the new Bitar regime seemed comfortably in control of the country.

During the morning hours there was considerable commotion—though no threat to the Government—when many hundreds, perhaps thousands of persons staged demonstration in various parts of the city.

The demonstrations did not originate as protests against the new regime. Their chief purpose was to link the new Government with President Gamal Abdel Nasser of the United Arab Republic and with the new regime in Iraq.

EMBASSY IS TARGET

One group evidently had more grim intentions, for it gathered outside the Turkish Embassy, where the former Prime Minister of Syria has taken refuge. This is near the American Embassy.

Communists seized the opportunity to turn these various demonstrations to their own uses. They infiltrated the chanting, flag-waving, banner-carrying ranks and began to call for the return of Khalid Bakdash, Syria's chief Communist, who fled into exile when Syria joined Egypt to form the United Arab Republic. He now is in Prague.

When the Communist elements entered the picture this morning, army units with armored cars and tanks were called into action to break up the demonstrations.

All during the day groups of people milled in the streets of Damascus, and at almost every intersection and along the streets armed soldiers were to be seen with tanks and other military equipment.

CITY'S TONE CHEERFUL

They often stopped passing vehicles to determine identification, but there was no danger or threat in the atmosphere. In fact, the tone of the city was cheerful.

The change of government Friday was accomplished almost politely, with the old forces bowing out as the new ones came in.

Like the new regime that took over in Iraq, Syria's new Government is controlled by the Ba'ath Socialist Party, a group that is moderate in nature. The Ba'ath Party is committed to Arab unity, though it has not specified on what basis.

The clearest factor in the aims of the new Government is vigorous opposition to the Communists.

COMMUNISTS FEARED

The anti-Communist bent of the new Government is in keeping with this country's tradition, for it was the menacing power of the Syrian Communist Party that prompted politicians of various orientations to unite in seeking Nasser's help, leading to Syria's joining Egypt in the United Arab Republic.

Nasser, however, overplayed his hand, for Syria felt his control too dictatorial and considered that he had made Syria too subservient to Egypt.

Syria broke away from the United Arab Republic in September 1961, with an army coup. The government that came into power then lasted until March 1962, when it was ousted in another coup.

The relationship between the latest coups in Iraq and Syria has been indicated in a number of ways. The slogans, songs and general appeal used by the Ba'athists in both countries were the same.

After the Iraq changeover, a Ba'athist delegation from Damascus went to Baghdad on a mission of friendship and remained several days.

The Ba'athists, who got their start in Syria in 1951, have had a hand in engineering coups in the past, but they have never before held the power position until the latest Iraq coup.

Observers here are saying that the rise of this party to a dominant position in both Syria and Iraq could indicate the beginning of an Arab unity development on a new basis, possibly along the lines of a Federation of Arab States.

[From the Baltimore (Md.) Sun, Mar. 11, 1963]

JORDAN, SAUDI ARABIA ARE URGED TO REVOLT
ADEN, March 10.—President Abdullah al-Sallal, of Yemen, today urged the people of Jordan and Saudi Arabia to overthrow their monarchs, Hussein and Saud.

"Do not hesitate," San'a' radio quoted Sallal as saying. "Revolt now and those you have always feared will run away like scared rabbits and confused mice."

The Yemeni leader urged Jordanians to "release the trigger" and depose "playboy King Hussein."

"Your first bullet in Hussein's chest will send the traitors running," Sallal said in addressing a military review in the Yemeni capital of San'a'.

The broadcast said Sallal hailed President Gamal Abdel Nasser of the United Arab Republic as "an apostle of peace and freedom." He also pledged that Yemeni forces would "fight till the last drop of our blood" to uphold Nasser's dream of Arab nationalism.

[From the Washington (D.C.) Post, Mar. 12, 1963]

IRAQI OFFICIAL EXPECTS LINK OF THREE ARAB STATES

DAMASCUS, SYRIA, March 11.—The new revolutionary regimes of Syria and Iraq and the United Arab Republic will form a "union or federation," Iraqi Deputy Premier Ali Saleh el Saadi said today.

The visiting Iraqi leader told a news conference, however, that President Nasser of the United Arab Republic was informed of the merger only last night and his reply has yet to be received.

But he emphasized that the three nations "will definitely unite."

(Iraqi Foreign Minister Taleb Hussein Shabib arrived in Cairo today and formally presented Nasser with the Iraqi unity plan. Informed sources said the proposals were welcomed warmly but that Nasser is determined to move cautiously.)

(Shabib's visit aroused speculation that he is opening the way for an early summit meeting of Nasser, Syrian Premier Salah Bitar and Iraqi President Abel Salam Aref.)

Whether the merger will be a tight union was unclear. The Baath Socialists behind last Friday's bloodless coup in Damascus lost their influence in Syria when it was joined with Egypt in the United Arab Republic military coup took Syria out of the United Arab Republic in 1961.

The Baathists who engineered Iraq's coup February 8 have worked closely with those in Syria and have talked more of a loose federation with the U.A.R. than of union.

DEMONSTRATIONS HELD

While El Saadi talked with correspondents, hundreds of demonstrators in the square outside chanted pro-Nasser slogans and waved placards calling for Arab unity.

Earlier in the day, troops dispersed smaller bands of students who shouted for reunion of Syria and Egypt. The revolutionary regime has banned demonstrations and display of pictures and slogans.

(Security measures, were tightened tonight around the Jordanian and Saudi Arabian Embassies here to avert possible demonstrations, Reuters reported.)

(Security forces also continued their search for wanted politicians and publishers, including anti-Nasserites and Communists.)

El Saadi indicated the movement toward an Iraq-Syria-Egypt merger will be slow.

"We shall meet frequently to coordinate efforts and work to eliminate regional difficulties in order to bring about identical conditions in the three Arab countries," he said. "These conditions will then help us to take the next step for forming a union or federation. And we will definitely unite."

UNIFIED COMMAND SEEN

El Saadi also referred to the Iraqi proposal made Sunday for establishment of a unified army command for the five liberated Arab states—the United Arab Republic, Syria, Algeria, Iraq, and Yemen.

El Saadi visited Cairo and Algeria 2 weeks ago at the head of the same Iraqi delegation now in Damascus. But he said he did not broach this subject with the Egyptian and Algerian Governments at the time.

He said the proposed five-power joint military command, for geographical reasons, basically would mean a unified command for the United Arab Republic, Iraq, and Syria. He added this does not mean Algeria and Yemen are excluded. A way will be found to include them, he added.

The Deputy Premier said the Iraqi Communist Party "is absolutely and completely banned and will never be allowed to operate again because we regard it as a fifth column of Moscow."

OCTOBER 25, 1962.

YOUR HIGHNESS: As your Highness assumes, new and important responsibilities upon returning to Saudi Arabia, I wish to recall your visit to the White House on October 5. I then stated, and I want it understood clearly, that Saudi Arabia can depend upon the friendship and the cooperation of the United States in dealing with the many tasks which lie before it in the days ahead. The United States has deep and abiding interest in Saudi Arabia and in the stability and progress of Saudi Arabia. Under your firm and enlightened leadership I am confident Saudi Arabia will move ahead successfully on the path of modernization and reform which it has already charted for itself. In pursuing this course you may be assured of full U.S. support for the maintenance of Saudi Arabia's integrity.

I am fully aware that in order to accomplish your goals you must have the requisite tranquility—an atmosphere devoid of re-creations and instigations from within or without. I share your concern at the tensions which prevail in the area and which hamper your design to strengthen the fabric of government and society in Saudi Arabia. As I indicated to you in Washington, the United States desires to be helpful in finding means of reducing these tensions.

I foresee for our two countries not merely the continuance of the cordial relationship which began so auspiciously during the reign of your illustrious father, His Majesty Abdul Aziz Ibn Saud; rather I foresee the opening of a chapter in Saudi-United States relations in which the common bond of enlightened self-interest is firmly riveted by a common dedication to the inalienable rights of man for self-fulfillment, progress, and freedom.

I wish you success and send you my warmest personal regards. May God keep you and the Saudi people and grant you peace.

Sincerely,

JOHN F. KENNEDY.

COMMODITY CREDIT CORPORATION STOCKS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Illinois [Mr. FINDLEY] is recognized for 30 minutes.

Mr. FINDLEY. Mr. Speaker, early today notices concerning the subject matter of my special order were sent to each member of the Committee on Agriculture as well as to each member of the subcommittee of the Committee on Appropriations dealing with agricultural appropriations.

On February 28, 1963, the Secretary of Agriculture, Orville L. Freeman, issued to Members of Congress a memorandum concerning the effect of wheat and feed grain programs on Commodity Credit Corporation stocks. The same data was released to news media on March 1.

It is a rare example of deceptive reasoning and misleading use of facts. It is shocking that such a document originated from a Cabinet-level officer of the U.S. Government, the head of a Department long noted for fair presentation of statistics and trends.

The memorandum was anything but fair, and I am sure its publication made the many conscientious and capable career employees of the Department blush in embarrassment.

Because of the clever deceptive character of this document, I am inserting it in the RECORD exactly as issued, except that—for the convenience of the printer—I am requesting that black brackets be used in place of the underscorings for emphasis as supplied by Secretary Freeman.

Here it is:

MEMORANDUM

DEPARTMENT OF AGRICULTURE,

OFFICE OF THE SECRETARY,

Washington, D.C., February 28, 1963.

To: Members of Congress.

From: Orville L. Freeman, Secretary of Agriculture.

Because of numerous requests for this type of information, I am enclosing a report on the effects of the wheat and feed grain programs on Commodity Credit Corporation expenditures. The report contains the latest data available as to the size of the reduction in stocks and the savings which are being accrued as a result.

If you would like further details, we will be pleased to help you.

ORVILLE L. FREEMAN.

SUMMARY OF [EFFECT OF WHEAT AND FEED GRAIN PROGRAMS ON CCC COSTS] (ASCC, FEBRUARY 28, 1963)

[HIGHLIGHTS INDICATING SUCCESS IN CUTTING SURPLUSES AND REDUCING COSTS]

1. CCC holdings of wheat and feed grains were [1.077 billion bushels] less on February 15, 1963, than the peak quantities [held in 1961] before the new program was effective, and total stocks at the end of 1963 marketing year will be 2,509 million bushels less than they would have been if the pre-1961 programs had been allowed to continue.

2. The fact that the CCC does not now own the 1.077 billion bushels of grain it formerly owned is now saving the Government \$770,000 each day in carrying charges—\$280 million a year.

3. The 1964 budget includes [\$246 million less] for carrying charges on these grains that was spent in fiscal year 1961, and \$813 million—or \$2.2 million a day—less than the annual rate that would have occurred by 1964 if the pre-1961 programs had been allowed to continue.

These and other figures show that the new programs designed to eliminate the costly and unnecessary surpluses of wheat and feed grains, that had climbed to record levels in 1961, are working.

The Congress has given the CCC the responsibility to finance all Government price-support and commodity-purchase programs through use of its own funds and a borrowing authorization limited to \$14.5 billion. Each year the Corporation's realized losses are met by appropriations by the Congress for restoration of capital impairment. The amount of appropriations needed is determined by CCC's realized losses.

The realized losses of the CCC since 1960 are shown below:

[In millions]

Fiscal year	Realized loss	
	Amount	Change from preceding year
1961.....	\$2,067.0	+454.9
1962.....	2,799.4	+732.4
1963 (estimate).....	2,753.6	-45.8
1964 (estimate).....	2,646.9	-106.7

¹ Does not include inventory revaluation loss of \$1,268,500,000 applicable to 1961 and prior years.

1. Fiscal 1962 losses were higher than the previous year, primarily because of:

(a) an increased loss on commodity sales in the disposal of large quantities of corn and

grain sorghums acquired from the 1960 and prior years' crops; such grain was acquired at a higher price in the 1950's than market prices in 1962. Obviously as the grain is moved out of surplus into consumption realized losses take place.

(b) increased loss on donations, due to the donation of more dairy products, wheat flour and corn meal, thus increasing benefits to millions of people at home and around the world by a more effective use of our agricultural abundance.

(a) acreage diversion payments to farmers as the [immediate] cost of launching supply adjustment programs enacted by the Congress—programs that by now have significantly reduced stocks of grain and the costs of both acquiring and carrying such stocks, while they have brought about substantial increase in farm income.

2. Estimates indicate that realized losses for fiscal 1963 will be \$45.8 million less than for the previous year, and that this encouraging trend will be stepped up in 1964 by an estimated decrease of \$106.7 million below that for 1963.

3. Stocks in CCC inventory in excess of needs for an adequate reserve have been substantially reduced—by a total of 1.077 billion bushels as compared with peak quantities on hand before programs for supply adjustment began to take effect. As a result, the 1964 budget estimates before the Congress show \$245.6 million less for carrying charges on wheat and feed grains for the fiscal year 1964 than the actual cost in the fiscal year 1961. The fact that the CCC does not now own the 1.077 billion bushels of grain it formerly owned is now saving the Government \$770,000 each day in carrying charges—\$280 million a year.

4. Cumulative savings of \$480 million in carrying charges on feed grains and wheat from the record 1961 level have already resulted or are budgeted as a result of the decrease in CCC stocks, as follows:

[In millions]

Fiscal year	Total carrying charges—feed grains and wheat	Savings from 1961 level
1961.....	\$846	-----
1962.....	776	\$70
1963 (budget estimate).....	682	164
1964 (budget estimate).....	600	246
Cumulative savings through June 30, 1964, from 1961 level.....	-----	480

5. If the new supply adjustment programs had not replaced the pre-1961 programs it is a conservative estimate that carryover stocks at the end of the marketing year for the 1963 crop would have amounted to 3.8 billion bushels of corn and grain sorghums and 1.6 billion bushels of wheat, and the [annual] carrying charges on these quantities would have amounted to at least \$1.4 billion by 1964 as compared with the current estimate of \$587 million for these three grains in the 1964 budget. The difference is equivalent to about \$2.2 million per day.

6. If pre-1961 programs had been allowed to continue and stocks had built up as indicated through 1963, it is estimated that ultimate carrying costs to the CCC before disposal of the [additional] quantities added to stocks would have amounted to approximately \$3.3 billion. This would result from the time which would elapse before these added stocks would be disposed of, based on the annual rate of disposition which occurred prior to 1961. This would be 10 to 12 years for feed grains and between 6 and 7 years for wheat.

Mr. Speaker, commodity operations of the Federal Government are extremely complex. The Commodity Credit Cor-

poration is a giant multibillion-dollar organization directed by the Secretary of Agriculture. It buys, stores, sells, and makes loans on various commodities. Data on its operations is so complicated and voluminous that Members of Congress and the press must rely upon people in positions of responsibility for interpretation.

As the administrative head of the Department controlling Commodity Credit Corporation, Mr. Freeman holds the very highest position of responsibility in this field. He is therefore the logical source of interpretation.

Let us examine the February 28 memorandum as one might expect it to be regarded by a news reporter or a Member of Congress not intimately acquainted with the details of the Commodity Credit Corporation.

What message does it convey?

Page 1 of the memorandum, personally signed by Mr. Freeman, says two things:

First. This report shows the effects of the wheat and feed grain programs on CCC expenditures.

Second. It shows how much reduction in stock has been achieved and what this means to taxpayers.

Now turn to page 2 and consider the impact of the paragraphs printed there.

The words in black brackets naturally catch the eye. Bracketed on this page: "Effect of wheat and feed grain programs on CCC costs"; "Highlights indicating success in cutting surpluses and reducing costs"; "1.077 billion bushel"; "\$246 million less."

A cursory examination of this page could leave but one impression: The wheat and feed grain programs cut surpluses over a billion bushels and cut costs \$246 million.

Both impressions are utterly false.

The billion-bushel figure is a fabrication of factual fragments. To put it together, Mr. Freeman did two things:

First. He told a half-truth about Government grain holdings—the part favorable to his point of view—and ignored the other part which would have put his operations in a bad light.

Second. He made the half-truth look far better than it deserved by drawing a false parallel between unrelated facts.

Few people can differentiate between grain in Government inventory and grain under Government loan. Indeed the distinction is outdated, and like the appendix in the human body is, for the most part, a useless holdover from an earlier era.

Technically, the farmer holds title to grain during the lifetime of crop loans. When the loan expires, the grain is "taken over" in title by Uncle Sam and is reclassified as Government-owned inventory. For all practical purposes, most grain becomes Government property the moment it comes under loan.

When loans were made for less than the market value of the crop, the separation of "under loan" grain from "inventory" grain had some meaning. But under the New Frontier, loans almost invariably are for more than market prices. The farmer who pays off his crop loan and reclaims his grain is as

rare as a Congressman who is opposed to the family-size farm.

Secretary Freeman of course understands the technical difference between "inventory" grain and "under loan" grain, and in fairness should have counted the two as one.

He based his misleading billion-bushel figure solely on "inventory" grain. And for a good reason. Records showed the total of stock of "inventory" grain down over the past 2 years.

He ignored "under loan" grain. Again for good reason. Records showed holdings of "under loan" grain up compared with 2 years ago.

Here are the facts about "inventory" grain, based on USDA press releases 655-61 and 755-63. Oats and rye are not listed because they are not under the feed grain program. Moreover, they are extremely small in volume.

Bushels of "inventory" grain

	Jan. 31, 1961	Jan. 31, 1963
Wheat.....	1,115,482,882	1,035,801,588
Corn.....	1,465,241,760	987,136,997
Grain sorghums.....	555,657,933	543,172,505
Barley.....	54,838,365	28,197,621
Total.....	3,191,220,940	2,594,308,711
Change, in 2 years, down.....		596,912,229

The January 31, 1963, data was released by the Department of Agriculture just last week—March 7. The full texts of both releases are appended to this report.

You will note the reduction in "inventory" grain is actually 596,912,229 bushels—about half the billion-bushel figure claimed by Mr. Freeman. These figures are from the latest available official news releases on the subject.

They show a discrepancy of 480,087,771 bushels between official fact and Freeman fantasy.

Thus, even Mr. Freeman's half-truth came out stretched beyond recognition.

Here is the other half of the truth—the half Mr. Freeman chose not to mention:

Bushels of under-loan grain

	Jan. 31, 1961	Jan. 31, 1963
Wheat.....	380,014,683	299,696,252
Corn.....	591,605,106	769,805,837
Grain sorghums.....	197,304,142	215,131,062
Barley.....	62,029,631	40,279,918
Total.....	1,230,953,562	1,324,913,069
Change, in 2 years, up.....		93,959,507

Had Mr. Freeman chosen to report on "under-loan" grain—ignoring "inventory" grain—he would have had to report an increase in Government holdings over the same 2-year period—up 93,959,507 bushels.

If he had desired to present a true picture of the trend in Government grain holdings, he would have added "inventory" and "under-loan" grain together.

This would have produced these figures, again from official USDA reports:

Total Government holdings of wheat, corn, grain sorghums, and barley as of January 31, 1961: 4,422,174,502 bushels.

Same as of January 31, 1963: 3,919,221,780 bushels.

Change in 2 years: down 502,952,722 bushels.

Now compare this with the figure the Secretary is using: down 1,077 million. Looks as if he took the true figure and doubled it.

Here are Mr. Freeman's words March 8, 1963, in a speech to Americans for Democratic Action organization at Penn-Sheraton Hotel, Pittsburgh. Speaking of the farm programs he administers, he declared flatly:

We have already reduced our stockpiles of surpluses by 1,077 million bushels, and the cost of maintaining them by \$2.2 million per day.

A fair appraisal of surplus holdings shows holdings down only a half billion bushels. Where did the other half billion cut come from? Do we have phantom bushels, as well as phantom acres in the USDA statistical department?

If he had wished to give the ADA an honest appraisal of his price support operations through Commodity Credit Corporation, Mr. Freeman should have reported that CCC has \$357,252,863 more tied up in loans and inventories than when he took office 2 years ago.

These facts are from the same CCC official reports:

TOTAL INVESTMENT IN LOANS AND INVENTORIES
January 31, 1961: \$8,108,132,000.
January 31, 1963: \$8,465,384,863.

John Schnittker, one of Secretary Freeman's top economists, made a statement on March 4 to the Minneapolis Farm Forum. It was similar to Mr. Freeman's ADA speech, but he had the honesty to add an explanatory phrase omitted from Mr. Freeman's ADA speech. Mr. Schnittker showed the \$2.2-million-a-day saving was based on speculative guesswork when he said:

The 1964 budget includes \$246 million less for carrying charges on these grains than was spent in fiscal year 1961, and \$813 million—or \$2.2 million a day—less than the annual rate that would have occurred by 1964 if the pre-1961 programs had been allowed to continue.

An "iffy" qualification at best, a throwback to the old political trick of setting up a ridiculous fictitious strawman, then cutting him to pieces.

"What might have been" are the most futile words in the English language. But at least the economist was straightforward enough to expose the shaky foundation on which his guesswork was based.

How did Mr. Freeman come up with the 1.077 billion bushel figure? It was not just an accident. He had to reach for it.

Instead of relating current inventory with a comparable date 2 years ago, he compared it with the peak inventory for each category in the entire year 1961.

He chose the day in 1961 when wheat inventory hit a peak for the year, and then the day when feed grains inventory hit its peak. He added these two peak figures together, and compared the result with a seasonally low single day in 1963. No wonder, with this kind of fast pencil

work, he was able to come up with a billion bushel figure.

Here is how Mr. Freeman took unrelated factual fragments to come up with the billion bushel figure:

Peak day for wheat inventory in 1961 was May 31. Inventory that day was 1,276,830,000 bushels.

Peak day for feed grains inventory in 1961 was October 31. Inventory that day was 2,173,537,000 bushels.

Add the two peaks together, and you get 3,450,367,000 bushels.

This was then compared with the seasonally low inventory on February 15, 1963, for both wheat and feed grains. The figure for that day was 2,374,355,000.

Subtract this from the two peak total, and you get Mr. Freeman's 1.077 billion bushel figure.

Bear in mind these facts:

First. Mr. Freeman dealt only with inventory grain. Under-loan grain was not considered.

Second. Peak data for 1961 was not compared with peak data for another year. The highest possible inventory total for 1961 was compared with a completely unrelated item, the inventory for all grains on a single day.

Mr. Freeman's procedure was somewhat like adding cats and dogs together to find out how many cats are in the barnyard.

His reasoning violates every rule of logic and fair play. It is a supreme example of deliberate deception.

As I said earlier, I am sure this statistical skulduggery is a source of deep sorrow to the thousands of trustworthy and conscientious employees of the Department of Agriculture.

What really caused the true half billion bushel reduction in stocks?

In my opinion, it was not the result of the wheat and feed grain programs at all. It was caused by increased utilization of these grains.

But regardless of how it came to be, the actual reduction was only half the billion bushel figure mentioned repeatedly by Mr. Freeman in this memorandum, and in speeches across the country.

What of the claim that costs are down \$246 million?

First of all, this alleged saving is only a budget estimate. It is not an accomplished fact, and projected savings have a habit of disappearing in the cold light of reality.

But with inventories down a half billion bushels, a cut in carrying costs could reasonably be expected. Is this necessarily a cause for taxpayers to toss their hats in glee?

Of course not. Carrying costs are just one item in the cost column.

If Mr. Freeman had ordered his entire personnel—all 121,583 of them—to switch entirely from pencils to pens in their desk work, he could also predict a drop in pencil costs. Or, if the Department of Agriculture had switched from coal-fired to gas-fired furnaces, Mr. Freeman could claim that coal expenses are down. It would be just as unfair and just as misleading.

Expenses other than carrying costs have skyrocketed during Mr. Freeman's

administration. Costs for realized losses in CCC, for example, went up \$454.9 million during his first year in office, and then climbed an additional \$732.4 million during his second year.

His total budget request for fiscal 1964 is up a cool billion dollars from 1963.

The total direct costs of our 2-year experience with the feed grain program alone exceeded \$1.7 billion. This was largely in the form of payments to farmers for idling acres, a cost item far more significant than the cost of storing and handling the Government-owned feed grain inventory. The actual stockpile reduction was bought at a terrific price—on the most conservative estimate, more than \$4 a bushel.

It is strange that Mr. Freeman is now boasting about alleged savings under the wheat and feed grain programs, when just 9 months ago the same Mr. Freeman wrote to Members of the House and Senate criticizing these programs as too costly and too ineffective.

I refer to Mr. Freeman's widely circulated letter of May 21, 1962, to the chairman of the Senate Committee on Agriculture and Forestry. In it, he made two major points: The present wheat and feed grain programs are too costly; and they provide no assurance that stocks will be reduced.

Here is the text of Mr. Freeman's letter:

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D.C., May 21, 1962.

HON. ALLEN J. ELLENDER,
U.S. Senate.

DEAR MR. CHAIRMAN: At your request I have considered the amendments you propose to S. 3225, as reported by the Senate committee on April 27, 1962. I believe the amendments to title III, subtitle A and B would be of enormous consequence to American agriculture, to farmers, to the consumers of food and to taxpayers. They reconstitute the legislation more nearly as you introduced it in the Congress at the request of the administration on February 2, 1962.

These amendments would provide for a long-range feed grain supply management program in which all producers would participate, if, in a democratic referendum, they chose to do so; and a choice for wheat producers between a wheat program of a permanent nature or no supply adjustment just as the referendum in the feed grain amendment and in existing programs for tobacco and other commodities.

The long-range feed grain amendment will cost the Government about \$4 billion less over the next 4 crop-years than extension of emergency programs as proposed in S. 3225.

*Government cost of alternative programs
for 1963 crops*
(In millions)

	Feed grains	Wheat	Feed grains and wheat
Long-range program.....	\$644	\$1,188	\$1,832
Extension of 1961-62 emergency programs.....	1,200	1,217	2,417
Return to 1960 programs.....	1,372	1,465	2,837

The long-range program will reduce surpluses at far lower cost because all producers would participate to bring production in line with needs. Diversion payments under the long-range amendments would be far lower than with the temporary programs.

*Diversion payments under alternative
programs*
(In millions)

	1963 crop	1963-66 crops
Long-range program.....	\$750	\$1,825
Voluntary programs (S. 3225).....	1,245	4,980
Difference.....	495	3,155

In addition to lower costs and faster surplus reduction, farm income will be increased, benefiting the total population by bringing more money into the economic bloodstream of the Nation. Consumer prices for food—stable during the past year—would not increase.

The amendment on the wheat referendum is clearly needed since the voting provision now in S. 3225 would place the responsibility of choosing a wheat program on the shoulders of the wheatgrowers when such responsibility, I believe, should be borne by the administration and the Congress. The decision which should be placed before the wheatgrowers is whether they desire a supply adjustment program with adequate supports or unlimited production with limited supports. Further considerations on this subject are contained in the attached memorandum.

In view of these facts I strongly concur in your amendments and believe they deserve the full support of all who are interested in a realistic and meaningful farm program.

Sincerely yours,
ORVILLE L. FREEMAN,
Secretary.

MEMORANDUM ON S. 3225

The farm programs of the 1950's cost far too much, and they left larger carryovers which committed the Government to continued high costs. Total budget expenditures for all programs administered by the Department of Agriculture rose from \$2.9 billion in the fiscal year 1954 to \$7.1 billion in 1959, and to \$7.2 billion in the current fiscal year, largely because of price support, acreage diversion, storage, and surplus disposal outlays occasioned by excessive production of major farm commodities. Carrying charges alone on wheat and feed grains mounted to \$900 million annually in 1961.

A steady increase in budget expenditures was certain to occur if the pre-1961 programs had been continued for 1961 and 1962 crops. If such programs were again effective beginning with 1963 crops, carryover stocks would increase by the end of the 1966 marketing year to about 4.3 billion bushels of corn and grain sorghums and 2.1 billion bushels of wheat. Annual CCC expenditures for carrying charges on these three grains would exceed \$1¼ billion by the fiscal year 1967.

In contrast, the long-range programs would reduce CCC stocks of corn and grain sorghum to about 1.1 billion bushels and wheat stocks to about 655 million bushels during the same period. Carrying charges on the three grains would be reduced to \$280 million annually by the 1967 fiscal year—nearly \$1 billion less than if the old programs were to operate again.

The 1961-62 emergency feed grain program and the 1962 wheat program have reduced costs compared with a continuation of 1960 programs. But they are responsible programs only as temporary expedients. They were clearly better—for farmers and for taxpayers—than the programs in effect prior to 1961. But they are costly, and their results are uncertain compared with the long-range programs proposed.

Two key amendments to S. 3225 are needed to assure producers of good farm programs and taxpayers of materially lower Government costs.

1. The 1-year extension of the 1962 feed grain program should be replaced by the permanent, mandatory program about as recommended by the President and as considered by the Senate committee, possibly with some minor amendments.

2. The wheat marketing certificate program should be adopted, and the referendum choice between a 2-year extension of the temporary 1962 wheat program and the marketing certificate program should be deleted.

[REASONS FOR THE AMENDMENTS]

1. [The voluntary programs are too costly.]

(a) The additional cost to the Government of operating the voluntary feed grain and wheat programs in S. 3225 for the 1963 crops, compared with the long-range programs, would be about \$600 million (table 1).

(b) If the voluntary programs were extended further, through the 1966 crops, the cumulative additional cost would be about \$4 billion. This amount is equal to the average yearly Federal income tax payments of nearly 5 million taxpayers; would build 27,000 miles of modern highways; would complete 4,000 watershed projects.

(c) Future budget savings, associated with avoiding new acquisitions of grain and with stock reduction, are far higher under the long-range programs than under the temporary programs (table 2).

(d) Diversion payments alone would be half a billion dollars less in 1963, and more than \$3 billion less for 4 crop-years, than with the voluntary programs (table 3).

2. [The voluntary programs provide no assurance that stocks will be reduced.] In the voluntary feed grain program, non-cooperators offset much of the acreage reduction made by cooperators. In 1961, non-cooperators increased their plantings by 6 to 7 million acres, offsetting about one-fourth of the acreage reduction diverted and paid for on farms of cooperators. In the voluntary wheat program, smaller carryovers depend on acreage diversion beyond the mandatory 10-percent reduction from 1961 allotments. In both programs, farmer participation is uncertain, and is dependent on crop conditions.

3. [The mandatory feed grain program is fair to farmers and the public.] It would provide producers a reasonable choice—[between good prices and incomes with production restrictions] and [no production restrictions and low price supports.]

(a) Producers of cotton, tobacco, rice, wheat and peanuts make this choice nearly every year. Feed grain producers—like other producers—should have an opportunity to approve or reject their program in a referendum. The value of feed grain production plus diversion payments under the program in 1963 would be about \$6.8 billion. If the program were defeated in the referendum, so that price supports were at a level not higher than 50 percent of parity, the value of feed grain production would be less than two-thirds that level.

(b) Feed grain producers outside primary commercial feed grain areas would be largely exempt. From two-thirds to around 90 percent of the producers in most of the States in the Southeast and the Northeast could be exempt from the program because they would have allotments smaller than 25 acres (table 7). Even in States like Wisconsin and Michigan, a sizable percentage of farms could be exempt from the program because their acreages are small. Producers who chose to be exempt could not vote in the referendum.

If all of these producers eligible, chose to be exempt and to plant their 1959-60 acreages, feed grain output would not be increased materially, since so little total acreage is involved. No one can predict how many of the eligible producers would like to be exempt. But surely those producers

with small acreages who elected to be subject to the program could be expected to vote in favor of it in the referendum.

(c) Many feed grain producers also have cotton or tobacco allotments. They vote to adopt a program for these crops by 90 to 95 percent majorities each year, because they know the value of a program in which all producers participate.

4. [Further reasons for amendments to the wheat section of S. 3225].

S. 3225 would provide a choice between a 2-year extension of a familiar program and permanent adoption of the marketing certificate program, which has not been in effect before.

The main fault is that it would provide a possibility of producers choosing a costly program, while turning down the less costly, more flexible certificate program.

The central advantage of the marketing certificate program over the price support program now in effect, apart from lower cost to the Government, is greater flexibility for farmers. The marketing certificates make it possible to limit the price support obligation of the Federal Government. They provide a means of distinguishing between wheat for food and export to be supported at the higher price, and wheat for feed, or for export without a subsidy cost to the Government.

The certificates provide, therefore, a practical means for continuing an attractive price support [permanently] on wheat consumed for food, and of keeping the door open for reducing the subsidy on exports gradually over time.

The Secretary of Agriculture has indicated his intention of issuing marketing certificates in connection with the 1963 crop on about 925 million bushels—approximately 85 percent of the estimated national marketing quota. CCC stocks reduction under the marketing certificate program would be an estimated 170 million bushels, while it would amount to only about 100 million bushels under the voluntary program.

The provisions permitting wheat planted on feed grain allotments to be considered as a feed grain should also be reinstated in the Senate bill. This provision would:

(a) Provide farmers with much needed flexibility to produce wheat on feed grain allotments.

(b) Provide a larger supply of quality wheats from which millers and exporters could select their supplies.

(c) Not add to feed supplies, since wheat planted on feed grain acreage would displace other grains.

Detailed comparisons of program costs, ultimate savings, and returns to producers under the alternative programs are in attached tables.

(To conserve space, tables are omitted.)

Mr. Speaker, Mr. Freeman has become widely known as an advocate of supply management, a euphemism for Government manipulation of farmers.

He is also making a name for himself as a specialist in fact management, Government manipulation of facts.

By plucking unrelated tidbits from his statistical warehouse, Mr. Freeman is striving to fool the public on the same massive scale as his effort to control farmers.

If this is typical of the propaganda being shoveled out daily by the USDA publicity machine, heaven help the American farmer as he tries to make a sensible judgment on the wheat referendum in May.

Following are texts of USDA reports on operating results and status of CCC price-support programs as of January 31, 1961, and January 31, 1963.

The reader should bear in mind that the 1961 cost-value figures were subsequently altered by a bookkeeping change effected June 30, 1961. This had the effect of separating about \$1.2 billion in value from the total value shown:

U.S. DEPARTMENT OF AGRICULTURE,
Washington, March 7, 1961.

USDA reports status of CCC price-support programs as of January 31:

The U.S. Department of Agriculture reported today that as of January 31 invest-

ment of the Commodity Credit Corporation in price-support programs amounted to \$9,436,396,000—made up of loans outstanding of \$2,110,217,000 (including \$888,177,234 of loans financed by lending agencies), and the cost value of inventories, \$7,326,179,000.

As of January 31, 1960, the investment was \$9,239,499,000 of which loans outstanding amounted to \$1,944,551,000, and inventories \$7,294,948,000.

Price-support operations in five commodities accounted for the bulk of the January 31, 1961, loan total as follows:

	Unit	Quantity	Value
Wheat.....	Bushel.....	380,014,683	\$682,708,684
Corn.....	do.....	591,605,106	630,404,445
Tobacco.....	Pound.....	644,660,406	405,073,621
Grain sorghum.....	Hundredweight.....	110,845,024	172,343,398
Barley.....	Bushel.....	62,029,631	46,882,764
Other.....			172,803,737
Total.....			2,110,216,649

(Included under "other" were loans on upland and extra long staple cotton, peanuts, rice, honey, oats, rye, tung oil, dry edible beans, cottonseed, flaxseed, rosin,

turpentine, and soybeans, the largest being \$39,383,178 on upland cotton.)

Major items in the inventory of CCC as of January 31 were:

	Unit	Quantity	Value
Wheat.....	Bushel.....	1,115,482,882	\$2,903,333,722
Corn.....	do.....	1,465,241,760	2,438,901,524
Grain sorghum.....	Hundredweight.....	311,168,443	863,489,732
Cotton, Upland.....	Bale.....	4,817,871	806,043,594
Strategic materials.....			98,358,893
Barley.....	Bushel.....	54,838,365	67,761,635
Butter.....	Pound.....	66,636,266	40,032,948
Milk, dried.....	do.....	271,454,022	38,477,302
Cotton, extra long staple.....	Bale.....	58,408	16,610,420
Rice, rough and milled.....	Hundredweight.....	1,718,408	14,159,942
Peanuts, shelled.....	Pound.....	60,279,942	10,014,635
Oats.....	Bushel.....	11,093,774	9,108,853
Soybeans.....	do.....	2,799,308	6,678,903
Other.....			13,206,762
Total.....			7,326,178,865

("Other" items in inventory include rye, farmers' stock peanuts, tung oil, and turpentine, the largest of which was rye, with a cost value of \$6,252,553.)

Net realized program loss on price-support operations for 7 months ended January 31, 1961, totaled \$396,000,799. For the same period last year the comparable loss was \$472,676,315 (revised) and for the fiscal year ended June 30, 1960, the program loss on price-support operations totaled \$795,469,117.

Price-support operations of CCC are financed in large part, though not completely, by borrowings. CCC is authorized by statute to borrow money as needed, but as of January 31 total borrowings could not at any time exceed in the aggregate \$14.5 billion.

CCC reserves a sufficient amount of this borrowing authority to purchase at any time all loans and other obligations held by lending agencies under the Corporation's programs. As of January 31, CCC had in use \$12,939,331,000 of this authority; actual borrowings amount to \$12,051 million and obligations to purchase loans financed by lending agencies amounted to \$888,331,000. This left a statutory borrowing authority of \$1,560,669,000.

Loans and inventory figures covered in this release do not include "purchase agreements" which provide for purchase by CCC of stipulated quantities of price-support commodities if offered by producers at the end of the loan period. These purchase agreements entered into on 1960 crops through January 31, 1961, had an estimated total value of \$61,530,000. Purchase agreements entered into on 1959 crops through January 31, 1960, had an estimated total value of \$57,132,000.

Price support extended (total loans made plus direct purchases plus purchase agreements entered into) on 1960 crops alone through January 31, 1961, amounted to \$2,937,305,168 compared with \$2,796,166,499 on 1959 crops through January 31, 1960.

[MOVEMENT INTO AND OUT OF CCC'S PRICE-SUPPORT INVENTORY]

Agricultural commodities purchased or otherwise acquired by CCC in January had a cost value of \$151,214,007, bringing the total for the first 7 months of the 1961 fiscal year to \$1,828,212,300. For the same 7-month period a year earlier purchases and acquisitions amounted to \$3,059,863,404.

Movement of agricultural commodities out of CCC's inventories in January totaled \$278,384,399, cost value basis, making fiscal year 1961 total through January of \$2,084,240,797. The outmovements for the first 7 months of fiscal year 1960 totaled \$2,324,492,807.

U.S. DEPARTMENT OF AGRICULTURE,
Washington, March 7, 1963.

CCC OPERATING RESULTS AND STATUS OF CCC PRICE-SUPPORT PROGRAM AS OF JANUARY 31

Price-support loans and inventories: The U.S. Department of Agriculture reported today that as of January 31 the total investment of Commodity Credit Corporation in price-support loans and inventories amounted to \$8,465,384,863. This total investment includes loans outstanding of \$3,378,296,636 (lending agencies financed \$1,465,784,402 of these loans) and inventories amounting to \$5,087,088,227.

The January 31 estimate of the loss which will be realized upon ultimate disposition of price-support inventories amounted to

\$1,314,283,000 comprised of \$128,846,000 estimated loss on commodities under loan and \$1,185,437,000 estimated loss on inventories.

These amounts of estimated losses are reflected as reserves for losses in the January 31 financial statements of the Corporation.

A comparison of total investment, the reserves for losses, and the net book value as of January 31, 1963, and 1962 follows:

	Investment	Reserve for losses	Net book value
Jan. 31, 1963:			
Loans.....	\$3,378,296,636	\$128,846,000	\$3,249,450,636
Inventories.....	5,087,088,227	1,185,437,000	3,901,651,227
Total.....	8,465,384,863	1,314,283,000	7,151,101,863
Jan. 31, 1962:			
Loans.....	2,812,767,767	171,287,000	2,641,480,767
Inventories.....	5,042,635,646	1,395,444,000	3,647,191,646
Total.....	7,855,403,413	1,566,731,000	6,288,672,413

Items under price-support loan as of January 31

Commodity	Unit	Quantity		Value	
		1963	1962	1963	1962
Grains:					
Barley.....	Bushel.....	40,279,918	54,641,513	\$32,732,235	\$46,950,582
Beans, dry edible.....	Hundredweight.....	2,133,067	3,778,570	15,266,255	25,568,778
Corn.....	Bushel.....	789,805,837	657,481,755	859,936,462	726,472,888
Flaxseed.....	do.....	5,119,022	745,732	14,418,578	2,055,209
Grain sorghum.....	do.....	215,131,062	201,371,741	242,355,967	219,663,718
Oats.....	do.....	35,424,489	38,242,458	18,892,577	20,418,671
Rice, rough.....	Hundredweight.....	4,368,588	3,070,424	21,793,869	15,756,234
Rye.....	Bushel.....	4,503,166	2,257,643	4,114,554	2,005,855
Soybeans.....	do.....	62,706,096	105,413,790	139,854,843	239,861,295
Wheat.....	do.....	299,696,252	270,460,341	617,100,607	484,175,943
Cotton:					
Extra long staple.....	Bale.....	18,538	3,990	4,900,625	1,049,468
Upland.....	do.....	5,659,237	3,946,994	888,553,492	662,374,923
Cottonseed.....	Ton.....	12	14	558	692
Oils and peanuts:					
Peanuts, farmers' stock.....	Pound.....	220,162,789	178,515,562	24,386,463	19,391,631
Tung oil.....	do.....	101,303	2,410,257	24,313	578,461
Tobacco:					
Rosin.....	do.....	171,781,005	72,819,967	17,709,406	7,020,567
Tobacco.....	do.....	667,345,396	493,667,338	475,916,082	336,883,226
Almonds.....	do.....	10,459,659	10,459,659	2,091,932	2,091,932
Honey.....	do.....	2,749,847	3,667,424	339,750	447,094
Total.....				3,378,296,636	2,812,767,767

Items in price-support inventory of CCC as of January 31

Commodity	Unit	Quantity		Value	
		1963	1962	1963	1962
Grains:					
Barley.....	Bushel.....	28,197,621	35,551,365	\$24,263,065	\$30,773,836
Beans, dry edible.....	Hundredweight.....	772,442	381,496	5,107,650	2,409,234
Bulgur.....	Pound.....	24,418,900	1,338,538	1,338,538	4,651,813
Corn.....	Bushel.....	987,136,997	1,307,084,249	1,148,076,131	1,624,943,239
Commeal.....	Pound.....	15,900	15,900	644	644
Flaxseed.....	Bushel.....	1,574	4,270	4,270	624,621,329
Grain sorghum.....	do.....	543,172,505	586,982,770	575,561,312	624,621,329
Oats.....	do.....	15,297,469	7,530,373	9,188,763	4,651,813
Rice, rough and milled.....	Hundredweight.....	83,005	1,894,035	732,903	10,290,965
Rye.....	Bushel.....	83,710	3,232,869	865,352	3,197,564
Soybeans.....	do.....	17,873,419	42,534,889	42,534,889	2,191,089,212
Wheat.....	do.....	1,035,801,588	1,108,896,598	2,016,161,189	2,191,089,212
Wheat flour.....	Pound.....	7,807,300	38,100	435,639	2,130
Cotton:					
Extra long staple.....	Bale.....	15,865	18,243	4,350,337	5,055,606
Upland.....	do.....	4,684,629	1,448,673	809,815,726	245,281,183
Dairy:					
Butter.....	Pound.....	335,843,465	219,346,064	197,728,332	132,551,560
Butter oil.....	do.....	43,587,172	35,081,437	35,081,437	22,165,977
Cheese.....	do.....	104,412,680	58,082,926	39,158,314	369,883
Ghee.....	do.....	455,322	394,818,687	97,761,792	65,149,770
Milk, dried.....	do.....	655,273,510			
Oils and peanuts:					
Cottonseed oil, refined.....	do.....	8,339,550		1,014,923	
Peanuts:					
Farmers' stock.....	do.....	37,764,836		4,068,801	
Shelled.....	do.....	25,354,191	7,960,739	5,091,378	1,270,174
Tung oil.....	do.....		118,458		24,761
Vegetable oil products.....	do.....	127,362,724		23,420,782	
Turpentine.....	Gallon.....	1,275,814	1,729,744	669,451	907,639
Honey.....	Pound.....	1,045,076		130,868	
Exchange commodities: Strategic materials.....				44,156,602	78,249,070
Total.....				5,087,088,227	5,042,635,646

The loan and inventory figures do not include "purchase agreements" which provide for purchase by CCC of stipulated quantities of price-support commodities if offered by producers at the end of the loan period. The estimated maximum commitment on outstanding 1962 crop purchase agreements at January 31, 1963, was \$49,168,000. The

estimated maximum commitment on outstanding 1961 crop purchase agreements at January 31, 1962, was \$66,542,000.

Price-support extended: The total of price-support extended on 1962 crops alone through January 31, 1963, amounted to \$3,127,544,494, consisting of price-support loans made, direct purchases made, purchase agreements

entered into and purchases under special purchase programs. This compares with \$2,643,939,405 on 1961 crops through January 31, 1962.

Movement into and out of CCC's price-support inventory: Agricultural commodities purchased or otherwise acquired by CCC in January had an acquisition cost value of

\$52,062,411, bringing the total for the first 7 months of the 1963 fiscal year to \$1,610,257,113. For the same 7-month period a year earlier purchases and acquisitions amounted to \$773,953,369.

Movement of agricultural commodities out of CCC's inventories in January totaled \$242,049,435, acquisition cost value basis, making the fiscal year 1963 total through January of \$1,023,564,875. The out-movements for the first 7 months of fiscal year 1962 totaled \$1,333,387,462, acquisition cost value basis.

Borrowing authority: CCC operations are financed largely by borrowings, mostly from the U.S. Treasury, under its statutory borrowing authorization of \$14.5 billion, this amount being the limit on borrowings that may be outstanding at any one time. CCC reserves a sufficient amount of this borrowing authority to purchase at any time all

loans and other obligations held by private lending agencies under the Corporation's programs. As of January 31, CCC had in use \$14,391,784,000 of this authority; actual borrowings from the Treasury amounted to \$12,926 million and obligations to purchase loans financed by private lending agencies amounted to \$1,465,784,000. This left a statutory borrowing authority available of \$108,216,000.

Losses from operations: The Corporation's total net loss from all operations, including adjustments to reserves for losses amounted to \$1,286,142,753 for the 7-month period ended January 31, 1963, as compared to \$1,248,030,255 for the same period a year earlier.

These losses for the months of fiscal year 1963 and 1962 as of January 31, are summarized as follows:

	Fiscal year 1963 through Jan- uary 1963	Fiscal year 1962 through Jan- uary 1962
Realized program gains and losses:		
Commodity inventory operations:		
Losses on dispositions.....	1 (\$264,910,153)	(\$800,093,123)
Carrying charges.....		
Storage and handling.....	2 (223,553,764)	(238,483,745)
Transportation.....	3 (59,939,911)	(49,945,970)
Total.....	(548,403,828)	(588,522,838)
Export payments and allowances.....	(82,498,470)	(135,966,604)
Special milk program for children.....	4 335,335	(54,918,772)
Feed grain programs.....	(487,540,665)	(451,193,897)
Wheat stabilization programs.....	(247,701,657)	(46,622,288)
Reseal loan storage expense.....	(42,832,134)	(41,473,976)
Other.....	(1,650,891)	1,151,892
Total program losses.....	(1,410,292,310)	(1,317,546,483)
Interest and other general income and expense (net).....	(259,241,443)	(224,836,772)
Total realized losses.....	(1,669,533,753)	(1,542,383,255)
Adjustment of reserve for losses:		
Price-support programs.....	383,184,000	289,021,000
Other.....	207,000	5,332,000
Total.....	383,391,000	294,353,000
Net total loss.....	(1,286,142,753)	(1,248,030,255)

1 This net amount includes \$285,369,817 losses relating to commodities acquired from 1961 and 1962 production.

2 Includes \$66,308,013 relating to storage and handling on commodities acquired from 1961 and 1962 production.

3 Includes \$18,275,153 relating to transportation on commodities acquired from 1961 and 1962 production.

4 Represents refund of unused amounts advanced for prior fiscal years. This program for fiscal year 1963 is not financed by CCC.

NOTE.—Parentheses indicate loss.

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. FINDLEY. I yield to the gentleman.

Mr. SMITH of Iowa. Did the gentleman mean to indicate that our inventory of feed grains has increased? The inventories have increased, I think, but not feed grains.

Mr. FINDLEY. I shall refer to the tables which I did not read in detail for brevity of presentation. The inventory figures which I presented for both January 31, 1961, and January 31, 1963, include wheat, corn, grain sorghums, and barley. The total change in inventory over that 2-year period, according to official Department reports, showed a decline in inventories of 596,912,229 bushels. The data which I presented on under-loan grain for these very same dates, and the same commodities—wheat, corn, grain sorghums, and barley, the only commodities under the feed grains program—showed an increase of 93,559,507 bushels in that same 2-year period.

Mr. SMITH of Iowa. Was it an exact 2-year period—the same months?

Mr. FINDLEY. Indeed it was.

Mr. SMITH of Iowa. But the gentleman recognizes, does he not, that less

than half of the grain that goes under loan is delivered to the Government?

Mr. FINDLEY. Our experience in the past 2 years I am quite sure indicates a greater takeover. I believe most of the corn that has gone under loan has gone into Government inventory, for example.

Mr. SMITH of Iowa. There were over 1 billion bushels of corn under loan and only about half of that went into inventory, did it not?

Mr. FINDLEY. As of January 31, 1963, there were 769 million bushels of corn under loan, but this is not the point.

Mr. SMITH of Iowa. I am sure the gentleman would not want to mislead anybody. As I tried to follow the gentleman I heard him talking about feed grains, and the gentleman is including in his figures the wheat figures also.

Mr. FINDLEY. Yes, indeed. In his memorandum Mr. Freeman was referring to wheat, too.

Mr. SMITH of Iowa. Not just feed grains?

Mr. FINDLEY. He was referring to wheat, too. If the gentleman will refer to Mr. Freeman's memorandum—it is entitled "The Effect of Wheat and Feed Grain Programs on CCC Costs"—he in-

dicated the total effect of all this—this was the message he was trying to put across—the total effect of the wheat and feed grain program, was a billion-bushel reduction in stockpiles.

Mr. SMITH of Iowa. In comparison with what it would have been if we had not had the program; is not that true?

Mr. FINDLEY. No. He was not dealing in predictions at this point. The peculiar thing, which I brought out in my statement, is that he did not take comparable dates. He took the peak date for wheat inventory in 1961. He took the peak date for feed grain inventory in 1961. The peaks occurred on entirely different days. He added those two figures together. Then instead of relating those peak figures to comparable peak figures in another year he chose to relate them instead to the inventory existing on February 15, 1963.

Mr. SMITH of Iowa. The gentleman would not claim that we have as much corn on hand in the U.S. inventory as we would have had if we had not had the feed grain program?

Mr. FINDLEY. That is speculative. I would question your conclusion. I might point out we were moving toward a sound marketplace basis for corn when Mr. Freeman took office. Disappearance of corn was increasing. The export subsidy required to keep corn moving in foreign channels was about 5 cents a bushel. Corn was headed in the right direction when Freeman took over. Now it is in a mess.

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

Mr. FINDLEY. I yield to the gentleman from Kansas.

Mr. DOLE. On March 1, 1963, we had an increase of over one-half billion dollars in the inventory of cotton, and on March 1, 1963, under the Department's figures the present inventory of wheat was 968 million-plus bushels, corn 823 million, and grain sorghums some 475 million. I think the point the gentleman from Illinois [Mr. FINDLEY] will make is that the reduction is due to utilization. This I think is possibly more important than the feed grain program advanced by this administration.

Mr. SMITH of Iowa. If the gentleman will yield further, I think the gentleman has a good point in relating utilization to this whole program. The fact is that last year we consumed more grain than we produced. That difference between consumption and production had to come from Government stocks, so we have had to reduce Government inventory, have we not?

Mr. FINDLEY. No one is denying that a reduction occurred. The Secretary in an obvious effort to try to exaggerate the amount of reduction has tried to relate two completely unrelated pieces of data, and he has thereby created the false impression that the reduction amounts to a billion bushels, when actually it is half that amount.

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

Mr. FINDLEY. I yield to the gentleman from Minnesota.

Mr. NELSEN. I thank the gentleman for bringing these facts to the attention

of the House. Let me refer to the RECORD of proceedings in the other body on Monday, March 4, 1963, when this very point was discussed.

I would agree with the gentleman from the sister State of Iowa that the feed grain bill has been effective in reducing the surplus. But I see no need to distort the facts by an inaccurate example of what has been accomplished. In the debate in the other body, it was pointed out that a claim was made for an approximate reduction of 1.1 billion bushels, not taking into account what was handled through Public Law 480 and not taking into account what was consumed by an additional population of livestock in this country. The comparison was not made on comparative dates of one year to another. The result was that the reduction was not 1.1 billion bushels but about 228 million bushels. I see no reason why we should use a comparison that is not a fair one. Certainly, we all want the facts presented as they should be presented.

I would like to call the gentleman's attention to another thing that is of great concern to the Midwest, not only to Minnesota but to Iowa as well and that is the feed deficit area situation. Twelve States have been declared to be a feed deficit area. Then by employment of section 22, we find that our surplus grain is now going out of Commodity Credit surplus into what has been determined to be a feed deficit area which simply means the surplus on our farms and elevators and grain terminals in the Midwest are now competing with the Federal Government in those areas where we cannot compete because we do not have a favorable rate on transportation for private industry. This grain is being sold at a rate that we cannot compete with.

The recent action by Secretary of Agriculture Freeman in selling CCC corn at reduced prices to Southeast feed interests is hurting Minnesota and other Midwest farmers.

In an announcement, never released through normal press channels, the USDA set a price for CCC corn stocks at 25 cents per bushel over the Chicago cash market price for five or more jumbo cars or 10 or more regular freight cars. This flat price was made available in 12 States in the Southeast from Maryland and Delaware south to Florida.

The use of this exclusive cutrate system is \$75 to \$200 per car less than normal competitive corn prices. Secretary Freeman set the price at the same level all the way from Virginia to Florida.

This is a complete rejection of the principle of a free market, and also gives an economic advantage to the Southeast feeders, especially of broilers. This Government action is lowering the price which corn farmers in the Minnesota area can receive. Private grain firms that bought corn and invested their capital in these inventories for later marketing in the Southeast area now find the market usurped by the Government. This also means that they can bid much less for corn in Minnesota.

In addition, this is providing a subsidy for the further expansion of broilers in the Southeast where most of the expan-

sion in output occurred in the 1955-62 period. Minnesota broiler producers can compete on a fair basis, but dumping corn into Southeast at uneconomic prices is just plain unfair competition.

I have here in my hand a letter from the Minnesota Poultry Hatchery Men's Association calling attention to this fact in the Southeast and making reference to this favorable rate that we cannot compete with.

Then I have further letters here which I have written to the Secretary of Agriculture in response to a letter which I received from one of our elevators back home in Minnesota. I have yet not been able to get any figures from the Department of Agriculture as to the disparity in regional prices. I think we are entitled to this information.

I deplore the fact that we have this so-called news management, and I deplore the fact that we have been denied information which I think we are entitled to have. If there is no objection, I would like to submit for the RECORD this file relative to the sale of surplus corn to the southeastern feed deficit areas by the Department of Agriculture. Finally, Mr. Speaker, I want to thank the gentleman for bringing to our attention again these facts that he has so clearly related to this body.

Mr. FINDLEY. I thank the gentleman, and I ask unanimous consent that the data offered by the gentleman from Minnesota be inserted in the RECORD at this point.

The SPEAKER pro tempore (Mr. ALBERT). Without objection, it is so ordered.

There was no objection.

The letters and material referred to are as follows:

ST. JOHN GRAIN CO.,
Waldorf, Minn., January 18, 1963.

HON. ANCHER NELSEN,
New House Office Building,
Washington, D.C.

DEAR CONGRESSMAN NELSEN: Can you tell me why it is proper for one department of the Federal Government to violate the principles of an act passed by this same Government while another department is engaged in prosecution of violators of this act in private business? I am referring to the Department of Agriculture and the Department of Justice and the Robinson-Patman Act.

Last week the Department of Agriculture announced a new program of corn sales to 12 Southeastern States which completely ignored the freight rates established for private business by the Interstate Commerce Commission. The USDA is selling this grain for a flat price of 25 cents over the Chicago cash price for 10 or more cars and 27½ cents over Chicago cash for 2 through 9 cars. This pricing system does not in any way attempt to adjust for freight rate differentials. This program apparently is allowable under section 22 of the Interstate Commerce Act which apparently permits the Federal Government to ignore published freight rates by direct negotiation with the individual railroad.

We have heard the officials of the USDA loudly proclaim that the Commodity Credit Corporation was not intended to compete with established marketing channels for agricultural products. The reason for these proclamations was the Congress of the United States has specifically instructed the USDA to avoid such competition. Can the Congressman from an agricultural district condone such actions by the USDA and let

them continue to act in such a capricious and arbitrary manner?

If the Congress is going to continue to allow the Federal Government's increasing usurpation of the functions of the States, individual businesses, and the individual, let them discontinue the sham of calling our country one of free enterprise and free people. If nothing else, let the Congress be honest with the people it is supposed to represent. I have faith that you, as our elected representative, will not fail to do everything in your power to halt this usurpation of power by the Federal Government. How can this tide be stemmed?

Very truly yours,

CHARLES T. ST. JOHN.

JANUARY 23, 1963.

HON. ORVILLE L. FREEMAN,
Secretary of Agriculture, Department of
Agriculture, Washington, D.C.

DEAR MR. SECRETARY: This has reference to an announcement issued by your Department on January 9 of this year concerning the pricing policy of the Commodity Credit Corporation on grain shipped to 12 Southeastern States.

Following is an excerpt from a letter which I have received, commenting on the effect that this pricing policy tends to have on operations of the grain trade in the Midwest:

"Last week the Department of Agriculture announced a new program of corn sales to 12 Southeastern States which completely ignored the freight rates established for private business by the Interstate Commerce Commission. The USDA is selling this grain for a flat price of 25 cents over the Chicago cash price for 10 or more cars and 27½ cents over Chicago cash for 2 through 9 cars. This pricing system does not in any way attempt to adjust for freight rate differentials. This program apparently is allowable under section 22 of the Interstate Commerce Act which apparently permits the Federal Government to ignore published freight rates by direct negotiation with the individual railroad.

"We have heard the officials of the USDA loudly proclaim that the Commodity Credit Corporation was not intended to compete with established marketing channels for agricultural products. The reason for these proclamations was the Congress of the United States has specifically instructed the USDA to avoid such competition. Can the Congressman from an agricultural district condone such actions by the USDA and let them continue to act in such a capricious and arbitrary manner?"

I would appreciate having your comments on this action.

Sincerely yours,

ANCHER NELSEN.

U.S. DEPARTMENT OF AGRICULTURE,
AGRICULTURAL STABILIZATION AND
CONSERVATION SERVICE,
Washington, D.C., February 19, 1963.

HON. ANCHER NELSEN,
House of Representatives.

DEAR MR. NELSEN: This is in further reply to your letter of January 23, 1963, in which you quote from a letter you received regarding the Department's sale of corn for delivery in the Southeastern States, announced January 9, 1963.

The decision to make corn available in the Mid-Atlantic and Southeastern States at specific prices was based on a finding that a distortion in interregional price relationships, apparently related to the feed grain program, had begun to develop and seemed likely to widen further if no corrective action was taken.

Contrary to opinion in some quarters, the fact that reduced freight rates were available from the Southern Railway system was not considered as a justification for the action. Once the determination had been made,

however, the Department in the interest of minimizing operating expenses arranged to take advantage of available reductions in transportation rates. It should be added, however, that the Department is not limiting its sales to buyers served exclusively by the Southern Railway system.

The action also is not in terms of offsetting quantitatively the effect on the area's 1962 feed grain production of program acreage diversion. The percentage of such diversion in the Southeast was approximately comparable with that in surplus-producing areas and a case could hardly be made for undertaking a quantitative offset through CCC sales. It has been and continues to be the Department's intention to conduct sales operations under the feed grain programs in a manner which would avoid, as nearly as practicable, upsetting normal competitive relationships among regions.

It is expected that feed grain prices in the Southeast can be stabilized with a rather limited volume of CCC sales. The CCC sales price is not widely different from local price levels in many localities and in some localities is clearly noncompetitive.

Meantime, the Department is keeping under review the free grain price relationships in all areas. In event distortions related to the feed grain program do develop in any area, the Department within the limits of its authority will take appropriate remedial action. Also, if it appears in succeeding weeks that a modification in the offer to the Southeast is essential to the maintenance of a normal differential with other areas, the Department will take due action. In its sales to the Southeast last year, the Department did not act to correct all of the differential since part of it appeared to have been due to variations in weather effects on 1961 per-acre yields. Selling by CCC gradually phased out as the private trade improved its competitive position through greater economies in originating and moving corn supplies.

Meantime, on January 24, the Interstate Commerce Commission approved for general availability to all shippers the reduced rate schedule requested by the Southern Railway system on multiple "jumbo" carlots. This schedule had been expected to be put into effect by the Southern in the near future, but it is now understood that such action is contingent on a decision of the Supreme Court. Thus, it is impossible to determine at this time how the final decision will relate to the feed grain price situation in the Southeast.

We are pleased to provide you with the requested information and are always ready to render further service at any time.

Sincerely yours,

H. D. GODFREY,
Administrator.

FEBRUARY 21, 1963.

Mr. H. D. GODFREY,
Administrator, Agricultural Stabilization and Conservation Service, Department of Agriculture, Washington, D.C.

DEAR Mr. GODFREY: I have your letter of February 19 in reply to mine of January 23 concerning the Department's announcement of January 9 on the sale of corn for delivery in the Southeastern States.

In your letter you refer to "a distortion in interregional price relationships, apparently related to the feed grain program." It is obvious to me that some such price disparity must have been the basis for the January 9 announcement and I had hoped that in your reply to my letter of January 23 that you would have indicated just what these interregional price relationships distortion amount to.

In that you have referred to interregional price relationships I assume that your statistical analysis of these price relationships has taken into account other feed deficit

areas of the Nation as a basis for your comparison.

I would appreciate your providing me with a tabulation of price quotations and your analysis which gave rise to the action announced by the Department on January 9. Your early reply will be much appreciated.

Sincerely yours,

ANCHER NELSEN.

MINNESOTA POULTRY
HATCHERY ASSOCIATION,
March 9, 1963.

HON. ANCHER NELSEN,
House of Representatives,
Washington, D.C.

MY DEAR Mr. NELSEN: A recent article taken out of the Business Management Newsletter of the Southeastern Egg and Poultry Association, Decatur, Ga., has just been brought to my attention. An excerpt from this article is as follows:

"Regional grain prices: Some members of the feed industry have stated concern about regional pricing for Commodity Credit Corporation grains. Early this year, the USDA announced a set price formula for CCC corn moving into 12 Southeastern States, plus use of section 22 freight rates to move the commodity.

"This move could give Southeast favorable grain cost in comparison with other sections, by adjusting the freight rates, feed industry observers say. It can be also used under the same system, it was pointed out, to adjust freight rates to the west coast and lower the cost of feed grains there, or the Northeast, or any other section of the country."

I would appreciate any information you might have regarding this. Needless to say that we in the poultry industry are fighting southeastern competition as hard as we can and are trying to maintain our poultry industry here in the upper Midwest and especially in Minnesota.

If the southeastern section is receiving preferential price treatment in both the corn and freight rates this will be just another straw upon the back of our already groggy poultry industry. I would appreciate any information you may have regarding this matter.

Very sincerely yours,

LLOYD STONE,
Secretary.

Mr. FINDLEY. The gentleman brought out a very significant idea when he spoke of news management. This advocate of supply management is apparently also an advocate of fact management.

Mr. Speaker, I should also like to respond to some of the comments made by the gentleman from Minnesota. He spoke of the effect of the Public Law 480 program and other factors and the increased utilization of these grains. That is undoubtedly true. However, in my criticism of the Secretary's statement, I adhere entirely to data supplied by the Department itself. Based on that data the fair and accurate figure representing the amount of reduction which actually did occur in the last 2-year period was a half billion bushels instead of the 1-billion-bushel figure that the Secretary used.

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

Mr. FINDLEY. I yield to the gentleman.

Mr. ALBERT. Mr. Speaker, the gentleman has used certain figures and certain data and has quoted from certain memoranda. I, myself, have not been able to examine these figures and data

in detail. I know the gentleman is a fair and knowledgeable member of the Committee on Agriculture. I have served with the gentleman. I think the material he has cited should stand on its own feet. I do think the gentleman has charged the Secretary of Agriculture with certain improper motives which I do not think the Secretary of Agriculture has.

I have known the Secretary a long time. I do not expect anyone always to agree with him, but I have always found him to be a man of the highest integrity. He has never misrepresented anything to me. I have always been able to rely implicitly on his word. What I am saying to the gentleman is that I think the material he gives is certainly a pertinent matter for debate, but I think the conclusions with reference to it as a matter of fairness should be drawn by those who read or hear them.

Mr. FINDLEY. I thank the gentleman. I wish to state in clarification that I have inserted the full text of the memorandum upon which I base my criticism. I have inserted the full text of the official Department of Agriculture news releases, which are the latest available official news releases on this subject.

As to Mr. Freeman's motive, each of us must draw his own conclusion, but I invite the gentleman's attention to the text of the memorandum itself, and I am sure that every Member of this body received the full text of the memorandum. In that—and I quote—he said:

The CCC holdings of wheat and feed grains are [1.077 million bushels] less on February 15, 1963, than the peak quantities held in 1961 before the new program was effected.

All of what he says can be supported from official documents, but I ask the gentleman why he underscores parts in such manner as to convey the idea that the effect of the wheat and feed grains program of the CCC is shown to result in such a great reduction in stocks? Why did he not instead report data which has been made available to the press in the Department's latest release on the subject—why did he not take that which showed clearly the inventory reports as January 31, 1963, related to the inventory levels as of January 31, 1961? Instead of that he chose the seasonally low February 15, 1963, inventory for both wheat and feed grains, then try to relate that figure with the peak figure for wheat in 1961 added to the peak figure in 1961 for feed grains? Was this fair?

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

Mr. FINDLEY. I yield.

Mr. ALBERT. Is the gentleman referring to the question of motive or interpretation? I think that is the whole point.

Mr. FINDLEY. I do not know whether the gentleman from Oklahoma heard the first part of my statement or not, but if he did he will recall, I am sure, that I referred to the full text of the memorandum and I summarized the message which the first page of this memorandum was clearly intended to

convey. If the gentleman wishes I will be glad to repeat it.

I would invite the gentleman's attention further to a quotation from Secretary Freeman's speech before the ADA in Pittsburgh.

Commenting on the effect of the farm programs he was administering, Mr. Freeman said: "We have already reduced our stockpiles of surpluses by 1,077 million bushels."

That is not a correct presentation of the true facts.

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. FINDLEY. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. In 1961 and 1962 the Secretary was given certificates to sell corn that would have been produced on the diverted acres. At the end of 1961, he started selling the certificates, and by January 31, 1962—that was the 1961 marketing year—he had sold about 460 million bushels out of the stockpile; but by January 31 of this year—during the 1962 marketing year—only 240 million bushels had been sold out of the stockpile. In other words, the certificates were being sold at a slower rate and by using the January 31 figure for both years would have been a misleading comparison, or would not have been an accurate measurement of the effect of the feed grain program.

Mr. FINDLEY. I did not suggest that the way for him to inform the public and the Congress as to the amount of stockpile reduction was by using the inventory figures alone. That is only a half truth, as I said. What he should have done was to total the loan figures and the inventory figures. Then he could present an honest straightforward estimate of how much the stockpiles have been reduced.

Mr. JONES of Missouri. Mr. Speaker, will the gentleman yield?

Mr. FINDLEY. I yield to the gentleman from Missouri.

Mr. JONES of Missouri. I would like to ask the gentleman from Illinois if I heard him correctly when he stated that the figures used by the Secretary are correct in the release but it was the inference that was left because of the comparison he made of a specific date; that is, taking the low point in other years was not proper. Am I correct in that?

Mr. FINDLEY. Those were not my words. What I intended to convey in my statement was that the Secretary reached into his statistical warehouse, if I may use that expression, and used unrelated facts, improperly related one to the other, in order to reach the conclusion that our stockpiles have been reduced by a billion bushels.

Mr. JONES of Missouri. I was asking the gentleman, did the Secretary give any figures that the gentleman says are incorrect, not in the way he used them but the figures or statistics he used? Does the gentleman contend they are incorrect?

Mr. FINDLEY. Each isolated fact presented in a memorandum by the Secretary could be substantiated, I am sure, by going through original documents in the Department of Agriculture.

Mr. JONES of Missouri. If that is a fact, does not the gentleman think he is being unfair with the public, with the Secretary, and misleading the Members of Congress when he makes the statement in the letter he sent out?

In my opinion Secretary Freeman is deliberately trying to mislead Congress, the press, and the public. The memorandum was neither fair nor honest.

Mr. FINDLEY. That is a fair statement of my opinion as to the purpose of his memorandum. That is why I took this time today. That is also why I sent to the gentleman notice so that he would have knowledge of this presentation and could come and defend the Secretary, if he wished.

Mr. JONES of Missouri. I think I can defend the Secretary, for whom I have the highest regard and in whose integrity I have the greatest confidence and whom I have been trying to support in his efforts. I think he has done a wonderful job. He has reduced the surplus, whereas Secretary Benson went around the country stating it was costing a million dollars a day to store these things, yet today we are saving \$770,000 a day in storage costs that were not being carried on during the Benson administration.

Mr. FINDLEY. I might respond to the gentleman by saying that there are many items included in the cost column. Carrying charges are just one item, as I pointed out in my statement.

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

Mr. FINDLEY. If I have the floor, yes.

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

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

There was no objection.

Mr. DOLE. I might point out that whatever Mr. Benson may have said as Secretary of Agriculture or how much may or may not have been saved on storage costs, I think that has now been eaten up by additional employees in the Department of Agriculture. Mr. Freeman has a background for this sort of thing. I notice that during his term as Governor of Minnesota, from 1955 to 1960, the debt increased from \$84 million to \$211 million. This record would qualify him as a first stringer on the New Frontier team of deficit dandies.

I think we should point out, too, that Mr. Freeman, on the very first page, in the very first paragraph, flatly states there has been over a \$1 billion reduction in stocks, and I think this is to be taken for what it may be worth. It is all part of the record. I have had a chance to go over it, and I certainly commend the gentleman from Illinois for making the statement today.

I noted the discrepancies you have pointed out and did a bit of checking on some of Freeman's policies dealing with his administration as Governor in the State of Minnesota.

In Minnesota in 1958 the Minnesota Legislative Research Committee, a fact-

finding body set up by the legislature of that State, issued a statement that Minnesota must find \$72 million of additional tax revenue to meet State expenditures. Freeman on June 23 of 1958 rose in great indignation remonstrating that this was not an accurate statement and in a letter to the St. Paul Chamber of Commerce he stated, and I quote:

To say that we must find \$72 million of new revenue for the next biennium is a reckless distortion of facts.

In his attempt to put the fires out, an additional item appeared in the Duluth Labor World in August of 1958 in which fortuneteller Freeman said:

New industries attracted to Minnesota and more people moving into the State has brought enough new revenue to eliminate the need for new or increased taxes.

But Freeman, the fortuneteller, in January of 1959 in his budget message asked for an additional \$84 million in added tax revenue. This is not a good batting average in anybody's league and I submit his juggling act has improved in 26 months as Secretary of Agriculture.

During Freeman's administration from 1955 through December 1960 the Minnesota State debt increased from \$84 million to \$211 million. This record should qualify him as a first-stringer on the New Frontier team of "deficit dandies."

Appropriations by the legislature pursuant to requests made by the last Republican Governor preceding Mr. Freeman totaled \$306.8 million; the 1959 session of the Minnesota legislature on the basis of the last Freeman budget message appropriated \$476.9 million.

The family farm and the small businessman got quite a jolt because the State levy on real estate went from 9.15 mills in 1955 to the highest level in Minnesota history of 14.32 in 1960—an increase of 5.17 mills.

One is safe in predicting Freeman has a short fuse and will blow his stack when he doesn't get his own way. As evidence of that I include an editorial that appeared in the Mankato, Minn., Free Press of July 21, 1962, commenting on his outburst following the defeat of his police-state farm bill last year.

TEMPER, TEMPER

Secretary of Agriculture Orville Freeman exhibited his usual display of temper when he told a news conference recently, that the Republican party wants to keep agriculture in what he called a mess. He said the GOP tactics, which he blamed for defeating his farm bill, have a political motive.

The secretary delivered the same kind of slashing attack on his political opponents as he developed a habit of doing while he was governor of Minnesota. In his home State it resulted in a defeat for his administration.

Personally, Mr. Freeman is affable and there is no more sincere or harder worker than he, but he leaves himself in a bad light when he launches tirades such as he unleashed a few days ago on the Republican party.

The farm problem is one that neither party has been able to solve. Mr. Freeman's solution was to give the farmers a harsh choice between strict controls and none. Democrats, as well as Republicans, objected and

that is why his legislation failed of passage. It now is up to Mr. Freeman and his agricultural advisors to frame the kind of program

that Congress and the people will accept. It cannot be done however, merely by launching political attacks on the persons who

disagree with him. He will advance his cause further by taking a more moderate approach.

U.S. DEPARTMENT OF AGRICULTURE—COMMODITY CREDIT CORPORATION

Report of price support commodities owned as of Mar. 1, 1963

[Quantity and value in thousands]

Commodity	Unit	Estimated total stocks ¹		Estimated cost value		
		Mar. 1, 1963	Change from a year ago	Dollars per unit ²	Total, Mar. 1, 1963	Change from a year ago
Cotton: ³						
Upland	Bale	4,685	+3,236	\$172.866	\$809,877	+564,541
Extra long staple	do	16	+1	274.209	4,387	+230
Dairy:						
Butter	Pound	265,278	+59,905	.588	155,983	+31,938
Cheese	do	16,112	+26,448	.375	6,042	+10,216
Milk, dried	do	505,100	+277,429	.149	75,269	+37,693
Grains and feeds:						
Wheat	Bushel	968,468	-86,100	1.946	1,884,639	-199,187
Corn	do	823,173	-146,564	1.163	957,350	-248,033
Barley	do	28,035	+1,211	.860	24,110	+880
Oats	do	14,417	+8,089	.600	8,650	+4,739
Grain sorghum	do	475,010	-86,294	1.059	503,036	-94,191
Rye	do	528	-2,609	1.038	548	-2,554
Soybeans	do	1,549	+1,549	2.379	3,685	+3,685
Flaxseed	do	81	+81	2.712	220	+220
Oils and peanuts: ⁴						
Peanuts, shelled	Pound	14,516	+12,354	.200	2,903	+2,557
Cottonseed oil, refined	do	8,340	+8,340	.121	1,009	+1,009
Naval stores: Turpentine	50 gallons	18.8	-15.8	26.200	493	-415
Total					4,438,201	92,896

Report of tobacco loans held by CCC as of Jan. 31, 1963

[Quantity and value in thousands]

Type	Unit	Quantity		Dollars per unit	Total loan value	
		Jan. 31, 1963	Change from a year ago		Jan. 31, 1963	Change from a year ago
Tobacco:						
Burley	Pound	85,268	+54,131	\$0.695	\$59,235	+34,905
Fire-cured and dark air-cured	do	48,714	+4,958	.532	25,920	+2,475
Flue-cured	do	503,491	+109,554	.745	375,325	+99,137
Other	do	29,872	+5,035	.517	15,436	+2,516
Total		667,345	+173,678		475,916	+139,033

¹ Estimated quantity of stocks owned by CCC, including commitments to purchase less commitments to sell.

² Estimated on the basis of average costs determined from the Jan. 31, 1963, issue of the "CCC Report of Financial Condition and Operations."

³ Estimated total stocks as of Feb. 27, 1963.

NOTE.—The estimated cost value of inventory since June 30, 1961, is based on acquisition cost of the commodity.

Mr. CLANCY. Mr. Speaker, I ask unanimous consent that the gentleman from Washington [Mrs. MAY] may extend her remarks at this point in the Record.

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

There was no objection.

Mrs. MAY. Mr. Speaker, I want to commend my distinguished colleague from Illinois for bringing to the attention of the Congress this most serious situation. Certainly the farmers of our Nation have every right to expect that the Department of Agriculture will be completely factual in presenting the effect of wheat and feed grains programs on Commodity Credit Corporation stocks. We all have the right to expect that the Department of Agriculture will be factual at all times and if the Department is deliberately trying to mislead the farmers, the press, the Congress, and the entire public, I consider such action inexcusable.

Let me mention briefly a case in point.

The other day I received a letter from Richard Perkins, president of the Whitman County Farm Bureau in the State of Washington. Mr. Perkins informed

me that farmers throughout the State are alarmed and resentful of the misrepresented information in the Department's pamphlet, "The Wheat Program for 1964." Mr. Perkins informs me this wheat referendum campaign document is definitely not a balanced presentation. He states it presents short run costs and rates to the exclusion of other factors and he states further that estimates presented by the Department of Agriculture involve highly debatable assumptions.

All rounded figures, he states, are in the direction of supporting a yes vote. As an example, the pamphlet says that the price of wheat with a no vote would be about \$1.20. At the time of printing of this pamphlet, parity price of wheat was \$2.45, and 50 percent of \$2.45 is \$1.22½.

Mr. Perkins says the pamphlet also implies that with a yes vote, a farmer would get market certificates for about 80 percent of the normal production of the farm acreage production. The statistics, however, indicate the certificates are to be issued to farmers for only 925 million bushels, or 75.8 percent of the national marketing quota of 220 million bushels.

I agree with Mr. Perkins that the information put out by the Department of

Agriculture should be factual and the wheat program for 1964 which will soon be voted upon in referendum, must stand on its own merits.

I have brought my views to the attention of Secretary Freeman and I am pleased to bring my views to the attention of the House of Representatives at this time.

Again, I wish to commend my colleague, the gentleman from Illinois, for leading today's discussion. This is a serious matter which should not be allowed to continue.

POSTAL SERVICE AND FEDERAL EMPLOYEES SALARY ACT

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Illinois [Mr. DERWINSKI] is recognized for 30 minutes.

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

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

There was no objection.

Mr. DERWINSKI. Mr. Speaker, I have today introduced a bill to amend

the 1962 Postal Service and Federal Employees Salary Act to remove a special privilege reduction in second-class postage rates which was granted to associations of rural electric cooperatives in Public Law 87-793.

This special privilege is completely without justification and is, in effect, a subsidy and a grossly unfair one at that. This special privilege which my bill would correct is an abuse of the taxpayer, in addition to representing discrimination and, as I have stated, a subsidy contrary to the status of other publications in the second-class category.

There was a very disturbing series of events which led to this clever little windfall for associations of rural electric cooperatives.

First, may I direct to your attention that the classification into which these publications have been placed is that of religious, educational, fraternal, and other so-called qualified nonprofit organizations which are eligible for special low postage rates on second-class mail.

In this discussion I am not entering into the operations of these cooperatives which already are subsidized by the Nation's taxpayers; for example, in the interest rate subsidy on loans. Let me say in reference to this, however, that I compliment Secretary of the Treasury Dillon on his proposal to terminate the low-interest subsidies enjoyed by cooperatives at the expense of the general public.

However, to necessarily dramatize the history behind this latest rural electric cooperative windfall, I refer you to the legislative history of the 1962 Postal Service and Federal Employees Salary Act.

One of the avowed reasons for the postage increase section of that law was to alleviate at least a part of the huge postal deficit. Most of us in the Congress and many other citizens felt this was a worthwhile goal and supported the legislation.

In the House of Representatives we held almost year-long hearings on the matter without a reference to classification for these rural electric cooperatives. The matter was never presented on the floor of the House when our version of the legislation was enacted.

The matter seems to be a mystery but to the best of my knowledge certain influential Members of the other body who are evidently politically beholden to the lobbyists of rural electric cooperatives slipped this brief amendment into the bill. The matter then quietly slipped through the Senate, was accepted without discussion in the conference and was not discussed on the floor of the House when the conference report was accepted.

In effect, apparently almost unnoticed because of the serious concern expressed during the debates over the treatment of Communist propaganda mail and the consideration of pay increases for Federal employees, this amendment was cleverly inserted by the Post Office and Civil Service Committee of the other body into this 40-page public law which now results in a loss of revenue to the

Post Office. These few words change the definition of a "publication of a qualified nonprofit organization" in section 4359(e) of title 39, United States Code, to include "associations of rural electric cooperatives." In this way, publications of associations of rural electric cooperatives are not only exempted from the new second-class postage rate increases applicable to other nonprofit business-type organizations, but are actually granted special new rates that on the basis of the minimum per copy rates are 75 percent lower than they were paying before enactment of the law. Instead of paying a minimum of one-half cent per copy as previously, they now pay only one-eighth cent per copy. There are 28 of these so-called statewide rural electric cooperative associations with publications having a circulation of almost 3 million, as well as the publications of the National Rural Electric Cooperative Association.

The magazine, Editor & Publisher, called particular attention to this new privilege for rural electric cooperative associations on November 3, 1962. The article quoted Mr. Sanford Smith, general manager of the American Newspaper Publishers' Association as having said there was "no justification for this special privilege."

Mr. Speaker, I wish to insert at this point in my remarks this article from Editor & Publisher:

REC PAPERS GET ONE-EIGHTH-CENT RATE IN NEW BILL

Publications of the rural electric cooperatives were granted a special nonprofit rate in the Postal service bill that recently passed Congress, it was learned this week. This is a reduced second-class mailing rate one-fourth of the regular charge.

"This privilege previously was granted to certain nonprofit organizations," the U.S. Chamber of Commerce stated in its recent Washington memo. "So REA groups will now be able to enjoy a financial advantage while propagandizing against their prime target, the investor-owned private power industry. Meanwhile, the publications of the private power industry will be compelled to pay the regular rates to tell their side of the story."

NO JUSTIFICATION

Sanford Smith, general manager of the American Newspaper Publishers Association, expressed the opinion that there was "no justification for this special privilege."

Other users of second-class mail, including newspapers must pay three 10-percent increases starting January 1, 1963. According to estimates published in the CONGRESSIONAL RECORD this will amount to an increase of \$9.8 million the first year and a total increase of \$27.4 by the end of 1965.

Mr. Smith commented that the special rate for the REC publications was not in the postal bill as presented for public hearings and that it must have been added in subsequent Senate and House committee hearings. This was confirmed by a spokesman for the National Rural Electrification Cooperative Association, headed by Clyde Taylor Ellis, one-time Congressman from Arkansas.

THREE MILLION CIRCULATION

There are 28 monthly REC publications covering 30 States with an aggregate circulation of about 3 million. They carry some advertising, at most 20 percent of total matter, according to a spokesman for NRECA, who described them as "nonprofit lightweight monthlies serving farmers."

Formerly these publications paid one-half cent rate, and it is estimated the special rate will approximate one-eighth-cent per copy.

On January 19, 1963, the New Mexico Press Association passed a resolution stating in part that it "finds this special additional subsidy an unfair burden to other publications and taxpayers." I wish to insert this resolution also.

RESOLUTION OF NEW MEXICO PRESS ASSOCIATION

Whereas the postal-rate legislation passed by the 87th Congress, while raising rates for most users of postage, reduced the rates for publications of rural electric cooperatives to one-fourth the regular charges for second class mail; and

Whereas all other users of second-class mail, including newspapers, must pay three 10-percent increases, starting January 1, 1963; and

Whereas the changes granting special low rates to rural electric cooperatives were not even discussed in the postal bill hearings: Now, therefore, be it

Resolved, That the New Mexico Press Association, while recognizing the great contribution of the rural electric cooperatives to farm electrification, finds this special additional subsidy an unfair burden to other publications and taxpayers; and be it further

Resolved, That the secretary of this organization is instructed to forward a copy of this resolution to the Postmaster General and Members of the congressional delegation of the State of New Mexico.

Mr. Speaker, it is impossible to ascertain from the public record exactly why—or even how—this special privilege for these rural electric cooperative associations was slipped into the new law. During April, May, and June, 1961, the House Committee on Post Office and Civil Service, on which I have the pleasure of serving, held extensive public hearings on the postal-rate revision bill and not one single word that I can recall was said concerning any special privileges being granted to these rural electric cooperatives.

On January 24, 1962, the House of Representatives passed H.R. 7927 and still there was no mention of any special privileges for rural electric cooperative associations.

On May 28, 1962, spokesmen for the National Rural Electric Cooperative Association and three statewide rural electric cooperative associations finally came out and testified before the Post Office and Civil Service Committee of the other body and expressed opposition to the provisions of the postal rate increase bill passed by the House of Representatives. It is interesting to note, however, that the public testimony of this group did not request or even suggest the granting of this special privilege. They even said they were willing to pay a fair increase in their rates. Nowhere in the public record of the hearings of the other body was such a request made.

A careful study of the colloquy on the floors of both Chambers does not reveal any discussion for this new preferred status for rural electric cooperative associations. In fact, the amendment was not directly pointed out nor discussed by the floor manager of the bill. However, to the contrary, the distinguished Senator from South Carolina,

the chairman of the Post Office and Civil Service Committee, did say:

I have never been in favor of the Post Office Department's balancing its budget as long as every Tom, Dick, and Harry comes to the Congress and expects their 9,900 nonprofit organizations to bear only about one-eighth of the cost of their mail delivery. We cannot do that and at the same time be fair to the other mail users if we make them balance the budget.

And, this action is directly contrary to his statement.

Mr. Speaker, how much will this amendment cost the Post Office? Because of this new provision, rural electric cooperative associations not only are exempted from an increase in postal rates, but, as I said a moment ago, will now pay a minimum per copy rate of one-fourth of what they were paying last year for their publications. It is not possible for me to estimate exactly the total loss in postal revenues represented by this change. It is possible, however, to calculate roughly the loss to the Post Office assuming these publications pay minimum charge per copy required by these new provisions of the law. I recognize that perhaps these publications never are light enough to pay the minimum; but, at least, this assumption gives us some parameters of the problem.

According to the testimony of rural electric cooperative witnesses, there are 28 such statewide associations having publications with a circulation around 2,632,693. Normal publications of business-type organizations must pay a minimum charge per copy of 0.6 cent during 1963, 0.8 cent during 1964, and 1 cent each for pieces mailed after December 31, 1964. On the other hand, publications of these 28 rural electric cooperative associations will pay a minimum charge per copy of only 0.125 cent—or one-eighth cent—throughout this period. On the basis of these data, it can be said that the annual loss to the Post Office Department as a result of this change, and considering only these statewide publications, could approach \$150,000 in 1963, \$213,250 in 1964, and \$276,435 in 1965 and thereafter.

When one takes into consideration the very slick propaganda publication of the National Rural Electric Cooperative Association entitled "Rural Electrification" and the multitude of other publications such as the Rural Electric Minuteman emanating from that organization, a very substantial additional loss must be added.

It is inconceivable to me how or why these associations of business-type organizations—even though they are cooperative type organizations—should have been permitted to get special privileges in postal rates when we were making an honest effort to ease the financial burden on the Post Office Department. It is even more inconceivable that the conscientious Members of this Congress will allow this situation to continue. The discriminatory nature of this special privilege is even greater magnified when one considers that the privilege was not even extended to associations of rural telephone cooperatives or any other farm cooperative associations or any other nonprofit, business-type organizations.

There are literally thousands of publications of other nonprofit business-type associations, but they do not get this special privilege. Take, for example, the magazine *Nation's Business*. This is the official publication of a nonprofit association of business-type organizations and should be just as entitled to special postage as the magazines of rural electric cooperatives. What about *Public Power*—the magazine of the American Public Power Association? Does not this prove the unfairness and discriminatory nature of the subsidy written into the law last year?

Mr. Speaker, I am not the only one who is concerned about this new special treatment for rural electric cooperative associations. The Citizen Patriot of Jackson, Mich., editorially calls it "A Strange Bit of Business." I wish to include this editorial at this point in my remarks:

A STRANGE BIT OF BUSINESS

The postal service bill, passed by the Congress at its 1962 session, which raises the postage on your letters and the rates for newspapers and magazines, contains a strange concession to publications of rural electric cooperatives.

Under a provision apparently slipped into the bill after public hearings were held, the REA groups were given a special "nonprofit organization" rate which amounts to one-fourth of the regular second class charge.

It is difficult to see any justification in this privilege granted cooperatives which are in direct competition with private business. The REA publications (there are some 28 of them reaching a total of about 3 million readers) primarily are propaganda organs designed to carry on the public power advocates' fight against the investor-owned private power industry.

In any event, a cooperative of this sort should pay its own way without special concessions from the Government. It is particularly unfair to grant it a postal rate reduction at a time when individuals and private business are being tapped to make up the perennial postal deficit.

But it seems that, in this wonderland of Washington, if you have a bit of socialism on your side you have no trouble getting what you want.

The Oelwein Daily Register of Oelwein, Iowa, also discussed this matter in an editorial on December 18, 1962, which I wish to include at this point:

JANUARY 1 AND THE REA

January 1, when most users of postage in America will start paying more for mailings, the Rural Electrification Administration—which borrows money from the Government at 2 percent that costs the U.S. Treasury about twice that much—will start enjoying a reduction in postage.

Also in January the REA will intensify its demand on the taxpayer for more money; a record appropriation of nearly half a billion dollars.

This statement was made by the late Sam Rayburn, coauthor of the Rural Electrification Act: "We are not in this bill (creating REA) intending to go out and compete with anybody. By this bill we hope to bring electrification to people who do not now have it. This bill was not written on the theory that we are going to punish anybody or parallel their lines or enter into competition with them."

How the thinking in Washington changes. The bill which was authorized about 25 years ago did result in changing the face of America by bringing much-needed electric power to the Nation's farms. Today that job has

been 96.8 percent completed, partly by REA, partly by investor-owned utilities. But as is characteristic of projects and bureaus set up by our Federal Government, it now seems that the REA is determined to perpetuate itself permanently.

REA Administrator Norman M. Clapp is sparking the program that would move REA now into urban areas, competing with tax-paying investor-owned utilities, offering inducements to prospective industries on prospective new REA lines with cheap 2-percent money that costs the Treasury some 4 percent, the difference being made up by the taxpayers.

One of these REA projects involved an REA-approved loan of \$30,000 for the purchase of snow-making equipment for a ski lift at the Chestnut Hills Resort at Hanover, Ill.

REA hurts the U.S. taxpayer in several ways. By bidding against and encroaching upon investor-owned, taxpaying utilities it is extending its service with a non-income-tax-paying operation. Oh, it is true that the REA pays some taxes, but not to compare with those assessed against corporations. Their bids are difficult to overcome because of their saving on taxes and their use of 2-percent taxpayers' money. The goal obviously is the long-range plan of replacing all investor-owned utilities, depriving the Government of its tremendous revenue from corporate income taxes. The taxpayer, then, will have to make up the loss.

This is all being done by an agency that was set up exclusively for rural areas. Now five out of six customers added by REA borrowers are nonfarm consumers.

Moreover, REA appears to be financing a good many co-ops unnecessarily. A total of 246 borrowers boast general funds amounting to \$600 million, \$300 million of it in U.S. Government bonds. Significantly, of this total some \$19 million is in special 2-percent REA bonds. The borrowers, in short, as pointed out in *Barron's National Business and Financial Weekly*, are reinvesting the Government's 2-percent money in Government bonds, which pay them a higher return. Some even have money in common stocks. But remember, this 2-percent money costs the U.S. Treasury nearly twice that much. The taxpayers make up the difference.

Getting back to higher postal rates, and subsequent additional costs to the taxpayers by the REA operation. January 7 first-class letters advanced 5 cents, post cards 4 cents, airmail letters 8 cents, and airmail cards 6 cents. But in a last-minute change, not even discussed in the postal bill hearings, the bill passed allowing rural electric cooperatives a reduced second-class mailing rate, one-fourth the regular charges.

Other users of second-class mail must pay three 10-percent increases starting January 1, 1963. There are 28 monthly rural electric cooperatives covering 30 States with an aggregate circulation of about 3 million. They carry some advertising. Formerly these publications paid a one-half-cent rate, and it is estimated the special rate will approximate one-eighth cent per copy. People paying the higher postage rates are helping make up the difference.

REA groups will now be able to enjoy a financial advantage while propagandizing against their prime target, the investor-owned utilities. Meanwhile, the publications of the private power industry will be compelled to pay the regular rates to tell their side of the story.

As stated above we commend the accomplishments of REA since the plan was adopted a quarter century ago. We do not believe it should be kept going in perpetuity at the expense of the taxpayers, and we are concerned over this evidence of encroachment on free enterprise, which is another example of creeping socialism.

Over in Lorain, Ohio, the Lorain Journal called the inclusion of rural electric cooperative associations in this "qualified nonprofit" category as "A Puzzling Concession." This newspaper said:

It is difficult to imagine what argument was used to justify the cooperatives this concession in the face of a general postal increase.

I wish to include this editorial also:

A PUZZLING CONCESSION

To purchase a commodity at a reduced price at the very time the price is being raised is a nice trick—but not an impossible one.

It is being done by rural electric cooperatives, which were granted a special nonprofit rate in the postal service bill adopted by Congress to raise postal rates.

Starting January 7, 1963, the cost of mailing a letter first class will advance from 4 cents to 5 cents. Rates on most other mail services will go up. Not so, however, with the Rural Electrification Administration. Publications of the electric cooperatives, now paying a half-cent per copy, will be granted a new rate of approximately one-eighth of a cent per copy.

Just why the cooperatives should be given a postage price cut in the same bill that raises rates is a problem that would require explanation from inner—and perhaps smoke-filled—committee chambers. The special rate for REC's was not in the postal bill as presented for public hearings. This means that it had to be added in subsequent House and Senate committee hearings.

If privately owned electric firms are chagrined by this action, their irritation is understandable. They are frequently the target of criticism by the advocates of public ownership of electrical facilities, but they are not given a special postal rate to mail out publications to defend themselves.

At present there are 28 REC publications covering 30 States, with an approximate aggregate circulation of 3 million. The postal reduction from one-half to one-eighth of a cent won't break the Post Office Department, but it certainly won't help clear up the annual postal deficit.

It is difficult to imagine what argument was used to justify granting the cooperatives this concession in the face of a general postal increase.

There is another editorial which I think would be worthwhile calling to the attention of my colleagues here today. The De Pere, Wis., Journal-Democrat carried this one on November 29, 1962, and I heartily commend it to your reading:

SUBSIDIZING THE REC

Recently, Congress passed a new postal bill raising second-class rates (newspapers), first-class rates (general mail) and most other postal charges.

These cost increases hold true for the Journal-Democrat, the local power utility, the local businessmen, unions, and householders.

However, one group has actually "snuck" in with a postal decrease. The rural electrification co-op has been granted a special nonprofit rate in the recently passed postal bill, it was learned this week. This is a reduced second-class mailing rate, one-fourth the regular charge. This special rate was not in the postal bill as presented at public hearings and was inconspicuously included at a later date.

There are 28 publications put out by REC groups with a total circulation of about 3 million. They formerly paid a one-half-cent-per-copy rate. This has been reduced to about one-eighth of a cent.

The irony of the situation is that in a nation of free enterprise, the Federal Government and State government will not allow bona fide paid advertising by the tax-paying power utilities boasting that they do pay taxes (and therefore a share of the cost of government) as a business expense. Meanwhile the Federal Government gives what amounts to a subsidy to propaganda telling the story of the tax-exempt rural electrification cooperatives with our money.

The American public went along with the postal increase because they felt that the postal department should be self-supporting, but as long as special privileges are being given on the sly, we defy the postal department to ever get another increase past the people.

I think my colleagues will also be interested in the following editorial from the Electrical West Industry Newsletter dated December 15, 1962:

AU REVOIR: AN EDITORIAL

This is the last newsletter. We think you will have some interest in how it came about. Some months back the Post Office Department decided that the newsletter was not a regular issue of our magazine. Thus, by post office decree, the newsletter had to be mailed at a much more costly rate. This decision put it out of the economic ball park. We will sincerely miss the chance to visit with you in the newsletter. We like its informality and the chance to keep you better posted. All this happened some months back, and we have accepted the additional mailing costs until the first of the year to fulfill commitments to advertisers.

We tell you the why of the loss of the newsletter for two reasons. First, so that you will know that the change has nothing to do with our new owner, who only inherited the problem. Second, we feel that all of us can take some concern when a governmental interpretation of some fine print can make this kind of change in our private life.

We cannot overlook the irony of the action of the last Congress that placed REA publications in a special postal class far below any rate we as private business have ever enjoyed. This special class has heretofore been reserved for churches and other nonprofit organizations. Nor can we quite see how the President can condone raising first-class mail rates by \$320 a ton and refuse steel a \$5-a-ton raise.

We believe the individuals that made this decision in the Post Office Department made the decision in full conscience. Here is our point.

The hand of Government, grown too mighty, grasps at each of us.

Mr. Speaker, I think we should all give some serious second thoughts to these new subsidies. These cooperatives are getting out of paying Federal income taxes and a large part of State and local taxes—at least they are generally not taxed on a comparable basis as other electric suppliers. They are borrowing money from the Federal Treasury at less than one-half of what long-term loans cost the Government. They want to build their own high-voltage transmission lines when there is no necessity for it and in most cases where they could or are purchasing their power cheaper from existing suppliers. They want to and are competing with highly regulated and highly taxed electric companies for business—including service to industries. They are operating proprietary businesses and like to refer to themselves as free enterprise. They may have started out years ago as small operations, but to-

day they have about a 20-percent equity in a \$3.8 billion investment. They want to enjoy all of the privileges of free enterprise but without the obligations. Now, somehow or other, they have slipped into a postal rate bill a provision that lets them enjoy mailing privileges for their propaganda organs at a fraction of the cost to the postal service for handling them.

If we are all interested in fairness to our free enterprise businesses and to the taxpayers, one of our first orders of business should be to correct this mistake which was made last year. Therefore, I sincerely urge my colleagues on the House Post Office and Civil Service Committee—and in this Chamber—to give serious thought and quick approval to the bill I am introducing today.

We have all seen and recognized the special interest pleading and propaganda in many of these publications. We have seen almost everyone of them calling for the enactment of legislation in their own self-interest, suggesting—if only by indirection—that the readers bring pressure on Congress for certain bills. I do not criticize them for this kind of activity. They have as much right as anybody to bring their thinking to the attention of their members. But, I do feel very strongly that Congress cannot and must not be placed in the position of further subsidizing this effort to the detriment of other taxpaying businesses or by giving them preferred postage rates to carry out their propaganda campaigns.

I am asking the chairman of the Post Office and Civil Service Committee to appoint a subcommittee to look into this matter. Under standard operating procedures in the committee, all bills referred to subcommittees receive a report from the Post Office Department, in which the Department expresses either its approval or disapproval of the proposal. In advance of this procedure, on January 23, 1963, I sent a letter to the Postmaster General requesting information on this matter.

On February 4, Assistant Postmaster General Ralph W. Nicholson, responded to my inquiry saying the Post Office Department did not recommend or suggest that associations of rural electric cooperatives be included in the definition of "qualified nonprofit organizations." In fact, the Post Office expressed its opposition in writing to this change in the law on September 13, 1962. Mr. Nicholson said the special preferential postage rates are a form of subsidy which is consequential to the Department since every piece of "qualified nonprofit" second-class mail is carried at a substantial loss.

In order that my colleagues may get the full flavor of Mr. Nicholson's reply, I wish to include the entire letter at this point in my remarks:

FEBRUARY 4, 1963.

HON. EDWARD J. DERWINSKI,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN: The Postmaster General has sent me your letter of January 28 in which you asked some questions about postal rates extended to rural electric cooperatives.

1. The Post Office Department did not recommend or suggest that these associations be defined as "qualified nonprofit organizations."

2. The staff of the Senate Committee on Post Office and Civil Service asked us for our position on this matter. I replied on September 13, 1962, saying we opposed the change.

3. We do not justify the net reduction in postage.

4. We believe the Congress is in a better position than the Department to determine the fairness or equity of this change. In setting second- and third-class rates Congress faces the same question of fairness or equity. I would point out however that preferential postage rates are a form of subsidy. In the case of nonprofit second-class rates this subsidy is consequential to the Department since each piece of mail at this rate is carried at a substantial loss. From the postal point of view it would seem desirable to make a direct subsidy to an industry that merits Federal support rather than an indirect one through postal rates. The change made a number of years ago providing direct payment of subsidies to certain airlines who previously were benefited by special postal payments is a case in point.

Sincerely yours,

RALPH W. NICHOLSON,
Assistant Postmaster General.

Still seeking information, I sent a letter to the Rural Electrification Administrator on January 28, 1963. I received a reply from the Honorable Norman M. Clapp on February 4. He said REA was not involved directly or indirectly in obtaining the new postage rate for associations of rural electric cooperatives. Mr. Clapp, however, I feel, was a little misleading in his reply—even though he may not have meant to be—in his explanation that the Senate committee in reporting the postage revision bill "included a provision extending the nonprofit rate established in 1917 to associations of rural electric cooperatives." The implication of that sentence—standing alone—is that the committee merely extended the nonprofit rate enjoyed by others since 1917 to the electric cooperative associations. The 1917 law to which he refers was 40 Stat. 327-328, October 3, 1917. This law merely established the classification of "qualified nonprofit organizations" and none of them were associations of business-type organizations as are the associations of rural electric cooperatives.

I will also include the full text of Mr. Clapp's letter at this point in my remarks for the benefit of my colleagues:

FEBRUARY 7, 1963.

HON. EDWARD J. DERWINSKI,
House of Representatives.

DEAR MR. DERWINSKI: This is in response to your letter of January 28, 1963, in which you ask if REA had anything to do with obtaining a new mailing rate for associations of rural electric cooperatives.

This agency was not involved, directly or indirectly, in obtaining the new rate.

When the Senate Post Office and Civil Service Committee held hearings in May 1962 on H.R. 7927, Postage Revision Act, testimony was presented by statewide associations of REA borrowers and by the National Rural Electric Cooperative Association in opposition to proposals that would increase postal rates on their publications. The Senate committee in reporting H.R. 2927 included a provision extending the nonprofit rate established in 1917 to associations of rural electric cooperatives.

The conference report on this legislation retained the Senate language and the report was adopted in the House on October 5, 1962, by a rollcall vote of 312 to 20.

Please let us know if we can be of further assistance.

Sincerely yours,

NORMAN M. CLAPP,
Administrator.

I am also communicating with all of the members of the Post Office and Civil Service Committee in the other body, bringing this to their attention if it has escaped their scrutiny. I certainly hope they will see fit to remedy the situation.

When hearings are held, as I hope they will be, we will then be able to determine the background for these subsidies, and give the Post Office Department, the rural electric cooperative associations, and other interests Government officials an opportunity to join with us in correcting this situation.

In my opinion, congressional intent as well as congressional knowledge was flouted. The Members of the House understand the confusion which prevails in the closing days of a session, and I believe we have been duped by the inclusion of this special amendment in the 1962 act.

I urge you to join me in the necessary corrective legislation.

MR. FOREMAN. Mr. Speaker, will the gentleman yield?

MR. DERWINSKI. I am glad to yield to the gentleman from Texas.

MR. FOREMAN. Mr. Speaker, I commend the gentleman from Illinois [Mr. DERWINSKI] on his interest and work in saving and looking after the savings of the taxpayers themselves with reference to the unnecessary spending of tax dollars.

MR. SPEAKER, recently one of our very fine weekly newspapers in southeast Texas, the Waller County Record, had an article written by Elisabeth Douthitt concerning the new low postal rates for rural electric cooperatives. This is an interesting development which seems to be coming more to the fore in recent weeks.

Like Elisabeth Douthitt says, I do not have any quarrel with these rural electric cooperatives either, so long as they continue to serve the function for which they were organized. But, I do question the propriety of their getting the special postal rates to which she refers in her article if the facts she points out are correct.

MR. SPEAKER, I think all of us will be interested in reading her comments, so for this reason I ask unanimous consent to insert her article in the RECORD at this point.

THE SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The article referred to follows:

WHY LOW POSTAL RATES FOR RURAL ELECTRIFICATION CO-OPS?

(By Elisabeth M. Douthitt)

It is to be hoped that the Texas Press Association will follow that lead of its sister State, New Mexico's press group, in adopting a resolution denouncing the sneaky postal rate concession given to the Rural Electric Cooperatives. The New Mexico association

labeled the concession "an unfair burden to other publications and taxpayers."

It is certainly all of that.

I have no quarrel with these cooperatives. Quite the contrary I think they have done a terrific job of bringing electricity to farms and ranches not served by investor-owned utility companies.

I don't, however, see where they come off getting a postal rate supposedly set up for nonprofit organizations only, because I don't believe anyone in his right mind believes them to be nonprofit organizations. It must also be noted that the rate was sneaked into the bill and that no changes granting special low rates to these cooperatives were even discussed in the postal bill hearings. It was not in the postal bill as presented for public hearings. One can only conclude it was "snuck in" during subsequent congressional committee hearings.

REA borrows money from the Government at 2 percent interest, money which costs the U.S. Treasury about 4 percent. Electric cooperative users pay a membership fee when they tie in to the REC lines. After that they pay a healthy kilowatt rate for power used. I know. I averaged between \$15 and \$25 a month on the ranch electric bills.

This newspaper and every other publication in the profitmaking designation got a postal hike of 10 percent this year and will get two more 10-percent hikes in 1964 and 1965. Rural electric cooperatives publish 28 monthly publications covering 30 States. These class-printed jobs carry some advertising and have an aggregate circulation of about 3 million. I'm one of them who gets the paper.

Anyone with a grain of commonsense knows that advertising is for profit and any sort of publication that carries paid advertising should be grouped with profitmaking ones.

But through a, to put it mildly, very puzzling concession the electric cooperatives got a reduction in postal rates rather than the raise everyone else got. While they had been paying the half-cent rate, they now have this special rate of about one-eighth cent per copy. Publications, such as the Record, will be helping pay for their mailing and I call it ridiculous and unfair. Moreover, the REA groups will be able to enjoy a financial advantage for issuing propaganda against their prime target, the investor-owned utilities, because of this special rate. And the private power industries will have to pay the higher rate for their publications in order to tell their side of the story.

MR. DERWINSKI. I thank the gentleman. I appreciate the widespread interest this question has received across the country. As a matter of fact, this issue is just coming to the attention of the Congress since in effect it quietly slipped through the House in the closing days of the 1962 session. In all fairness and in all logic and, let us say, in the interest of normal consistency of the Congress this should never have happened.

MR. SAYLOR. Mr. Speaker, will the gentleman yield?

MR. DERWINSKI. I yield to the gentleman from Pennsylvania.

MR. SAYLOR. Mr. Speaker, I have always been impressed with the sincerity and thoughtfulness of the gentleman from Illinois; but, Mr. Speaker, he outdid himself today. I think in all honesty that his incisive analysis of the implications and ramifications of granting subsidy postage rates for publications of associations of REA co-ops is one of the finest statements delivered for the bene-

fit of all Members of this body in a long time.

The whole Nation is concerned about the magnitude of Government spending, and we all would like to find some way to improve the situation—no matter how large or small the contribution might be. The gentleman from Illinois, in his quiet and unassuming way, has clearly set out for us a positive and constructive way of further reducing the postal deficit—which is a form of Government spending—while at the same time doing for the REA co-ops only what they asked Congress to do. They asked that postal rate increases be fair.

We Americans have always prided ourselves on fairplay and good sportsmanship. I agree with everyone here today who asked for the speedy consideration of this bill by the Post Office and Civil Service Committee and its enactment by the Congress in the name of fairplay and good sportsmanship. It is not good sportsmanship to give these associations of REA co-ops a subsidy advantage in the postage they must pay to disseminate their propaganda.

Mr. Speaker, on behalf of myself and my taxpaying constituents, I would like to say to the gentleman from Illinois, thank you for a job well done, I hope the rest of us in this Chamber can do as well by enacting your bill as soon as possible.

Mr. DERWINSKI. Mr. Speaker, I thank the gentleman from Pennsylvania.

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

Mr. DERWINSKI. I yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Speaker, I would like to compliment my distinguished colleague from Illinois on the scholarly approach he has taken on this question. Furthermore, the thoroughness with which he has presented the results of his research to us today must be commended.

After listening to the careful delineation of the facts he brought out concerning the special postal subsidies granted associations of rural electric cooperatives, I must agree with his sincere request for speedy congressional action to correct this mistake. I do not see how any of us in good conscience can procrastinate any longer than is absolutely required by the necessary legislative machinery to enact the bill he introduced today.

Mr. Speaker, I do not feel that consideration of this bill should be thought of as being either for or against rural electrification as such. Rather, it is a question, first and foremost, of fairness and equity to other free-enterprise, business-type organizations, and of fairness to the taxpayers who must make up the Post Office Department deficits.

Again I compliment my colleague from Illinois on his fine contribution to the Nation here today. And, with his kind permission, I would like to associate myself wholeheartedly with his remarks and with what he is sincerely trying to do in the best interest of the taxpayers and a financially sound Post Office Department.

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

Mr. DERWINSKI. I yield to the gentleman from New York.

Mr. ROBISON. Mr. Speaker, as I sat here and listened with great interest to the statement of the gentleman from Illinois, I could not help but be reminded of those words of the immortal bard, in *King Henry VIII*:

He was a scholar, a ripe and good one; exceeding wise, fair spoken, and persuading.

I think it is self-evident why these words came to mind because the gentleman's statement today indicated him to be an exceeding wise scholar, fair spoken and, at least to me, persuading.

I must admit that this special exemption which was given last year to associations of rural electric cooperatives had come to my attention in recent weeks. But, it was not until today that I realized the full significance and import of this seemingly minor change in the language of our postal laws. I compliment the gentleman for his part in alerting all of us so cogently to this situation.

Mr. DERWINSKI. Mr. Speaker, I thank the gentleman from New York and I should like to assure the Members that I think it behooves all of us to develop a concerted program, to have at least a very careful review of the record to determine the true intent of the Congress in processing this legislation in 1962. I think the facts and the logic and the wisdom of Congress will produce the necessary change that I propose.

A CITIZENSHIP OF CONVENIENCE

The SPEAKER pro tempore (Mr. STRATTON). Under previous order of the House, the gentleman from Florida [Mr. ROGERS] is recognized for 30 minutes.

Mr. ROGERS of Florida. Mr. Speaker, on June 20, 1955, Mr. Manuel E. Kulukundis was naturalized as a U.S. citizen. Yet companies in which this man has substantial interest account for approximately 30 percent of all current free world shipping to Communist Cuba, and the U.S. Government has underwritten his farflung shipping operations in the amount of some \$32 million in insured loans.

Mr. Speaker, in recent weeks I have uncovered facts which are appalling to me as an American and a Member of Congress. As these facts are revealed, I am sure the American people and the Congress of the United States will be shocked and amazed at the extent to which the privileges of citizenship in this Nation have been violated.

From information I have obtained from the Justice Department, the Maritime Administration, and other sources, Manuel E. Kulukundis operates not only under flags of convenience, but a citizenship of convenience as well.

During the period 1951-56, after complaints were received from the Congress that some shipowners had acquired U.S. vessels from the U.S. Government under the Ship Sales Act of 1946 without meeting citizenship requirements, investigations of such sales were undertaken. One of the major corporations involved was a group controlled by Kulukundis.

Investigations disclosed that Mr. Kulukundis, while still an alien, held a

direct and/or beneficial interest, often concealed, in many corporations which bought war-built surplus U.S. vessels. However, Kulukundis could not qualify for purchase of these vessels because he was an alien. Subsequently he was indicted. After lengthy negotiations, final settlement was worked out with the Department of Justice whereby the Kulukundis-controlled corporations paid fines of approximately \$900,000 in cash, and consummated purchase of the vessels, on the day of June 20, 1955. Curiously, it was on that same day that Kulukundis obtained his citizenship in this country.

However, Manuel E. Kulukundis did not relinquish his shares in the family-held British shipping firm of Rethymnis & Kulukundis, Ltd. I am advised that he owns 25 of the 115 shares outstanding in that firm.

On August 27, 1958, Manuel E. Kulukundis received a U.S. Government-insured loan in the amount of \$9,593,900 for the purpose of constructing a 41,000-ton oil tanker, christened the *SS Atlas*, which was registered under the American flag.

Then U.S. citizen Manuel E. Kulukundis' British firm signed a 4-year long-term shipping contract with the Soviet Union, and the first shipment of that charter took place in 1960. However, on April 27, 1960, Kulukundis received another U.S. Government-insured loan in the amount of \$12,369,300 for the purpose of constructing another oil tanker, the *SS Titan*, which was registered under the American flag.

Then on June 27, 1960, Kulukundis received still another U.S. Government-insured loan in the amount of \$10,792,900 for the purpose of constructing still another huge tanker, the *SS Achilles*, which was registered under the American flag.

The total amount of these loans is \$32,756,100. As of February 28, 1963, Kulukundis owed a balance of \$30,067,404 on his debts.

As you can see, the U.S. taxpayer has a substantial stake in this man's operations. It is shocking that a situation could occur whereby the good faith and credit of the U.S. Government could be used to keep afloat a fleet of ships owned in part by a U.S. citizen who chooses to play both ends against the middle by doing business with the Communists.

On March 1 of this year the Maritime Administration had to intercede and guarantee the wages of the crew of the *Titan*, on which is owed some \$11 million, to sail the ship from the coast of Pakistan back to the United States. On that same day, the Justice Department leveled suit against Kulukundis in U.S. District Court of the Southern District of New York, because he has failed to maintain the proper security for his Government-insured loans. The suit involves some \$5 million, and the Government requests sale of Kulukundis' new multistory office building at 555 Madison Avenue, New York, as part of the claim.

However, Mr. Speaker, the American people should be advised that his British company, Rethymnis & Kulukundis, Ltd., along with several companies in which it holds controlling interest, accounts for

two-thirds of all current British shipping to Cuba, and is responsible for 30 percent of all free world shipping into Cuba for the first 6 weeks of this year.

Of the shipping to Cuba during the Soviet buildup of that unfortunate island in the summer months of 1962, 10 percent of all non-Communist traffic to Cuba was controlled by Kulukundis' in-

terests. Of the 14 Kulukundis-controlled ships calling in Cuba at that time, 12 were tankers transporting vital cargo from ports located in the Soviet Union. These vessels were of British, Greek, and Panamanian registry.

A breakdown of these ships engaged in trade with Cuba during June-August 1962, is as follows:

Type	Name	Flag	Beneficial ownership	Arrival in Cuba	From—
Tanker.....	Aldebaran.....	Greek.....	Rethymnis & Kulukundis, Ltd.	Jan. 3, 1962	U.S.S.R.
Do.....	Cedar Hill.....	British.....	do.....	July 11, 1962	U.S.S.R.
Do.....	London Confidence.....	do.....	do.....	July 25, 1962	U.S.S.R.
Do.....	London Glory.....	do.....	do.....	June 29, 1962	U.S.S.R.
Do.....	London Independence.....	do.....	do.....	June 1, 1962	U.S.S.R.
Do.....	London Majesty.....	do.....	do.....	July 11, 1962	U.S.S.R.
Do.....	London Spirit.....	do.....	do.....	July 3, 1962	U.S.S.R.
Do.....	London Splendour.....	do.....	do.....	July 14, 1962	U.S.S.R.
Do.....	London Victory.....	do.....	do.....	do.....	U.S.S.R.
Do.....	Overseas Pioneer.....	do.....	do.....	Aug. 7, 1962	U.S.S.R.
Do.....	Overseas Explorer.....	do.....	do.....	July 5, 1962	U.S.S.R.
Do.....	Perseus.....	Greek.....	do.....	July 17, 1962	U.S.S.R.
Do.....	Sifius.....	do.....	do.....	Aug. 31, 1962	U.S.S.R.
Do.....	Streatham Hill.....	British.....	do.....	June 4, 1962	U.S.S.R.
				June 16, 1962	U.S.S.R.

Mr. Speaker, this U.S. citizen of convenience, Manuel Kulukundis, is accused to operating all over the globe, and not always in the interests of the country he is foreshorn to uphold. In 1962, he was able to have construction work performed on four of his ships of American registry in foreign shipyards. Our own U.S. shipyards could have used these American dollars to combat the unemployment problem in this country.

Mr. Speaker, there are many questions surrounding the operations of Manuel E. Kulukundis. One of them has a simple answer: Close U.S. ports to shipping traffic engaged in trade with Cuba. This shipping continues today under the aegis of Kulukundis and other like him who value dollars over democracy.

The Justice Department and the Maritime Administration are doing excellent work in pursuing the violations of public trust which have occurred in this case. However, much remains to be done by the State Department in pursuing the violations of our national interest which are occurring each day as ships from countries engaging in trade with Cuba put into U.S. ports for profitable American cargoes.

In the coming weeks, much will undoubtedly come to light as the Kulukundis case unfolds. Hopefully, one of the steps which will be taken will be the closure of U.S. ports to interests engaged in trade with Cuba.

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

Mr. ROGERS of Florida. I am glad to yield to my distinguished colleague, the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. The gentleman is a member of the Committee on Merchant Marine and Fisheries and also a member of the Committee on Interstate and Foreign Commerce; is he not?

Mr. ROGERS of Florida. That is correct.

Mr. FASCELL. Is the subject matter which he has brought to the attention of this House today a matter of investigation by either of those committees at this time?

Mr. ROGERS of Florida. Not at the present, but I am hopeful that the Committee on Merchant Marine and Fisheries, after we develop these facts, will go into this matter very thoroughly. I personally have gone into this and I have been shocked.

Mr. FASCELL. In other words, these facts which the gentleman brings to our attention at this time are the result of the gentleman's own investigation?

Mr. ROGERS of Florida. The gentleman is correct.

Mr. FASCELL. I certainly must compliment the gentleman for his diligent work in presenting these shocking facts to the Members of this House and the American people. I compliment him and I trust that this matter will be very carefully followed up not only by the gentleman but by the appropriate committees having jurisdiction.

I was interested in several facts brought out in your discussion. I do not recall, and I wish the gentleman would refresh my memory, as to when the man referred to in your remarks became a citizen. I believe you said 1955?

Mr. ROGERS of Florida. Yes, he became a citizen in 1955.

Mr. FASCELL. Then, as I recall it, there was a series of steps by which this gentleman received the benefit and assistance of programs of this Government in behalf of shipping.

Mr. ROGERS of Florida. That is right. In other words, he obtained loans from certain companies or banks and these loans were then insured by this Government. Undoubtedly, if there had not been Government insurance for his loan program, this man probably could never have obtained these loans.

Mr. FASCELL. When was his last loan?

Mr. ROGERS of Florida. I believe his last loan was in June of 1960.

Mr. FASCELL. When was this gentleman indicted? Did I understand correctly that he was indicted?

Mr. ROGERS of Florida. He was indicted before citizenship was granted and that is a rather unusual thing—to

see citizenship granted after a man has already been indicted.

Mr. FASCELL. That would depend probably on the nature of the offense. I do not know what that was. But, actually, of paramount interest to me and to the Members of Congress and to the American people is the fact that he was able while under indictment to receive the benefits of these assistance programs; is that correct?

Mr. ROGERS of Florida. This was after settlement but it is unusual.

Mr. FASCELL. When did it follow in period of time?

Mr. ROGERS of Florida. Actually they have just recently instituted suit. It has not been too long, because of the requirements of certain securities to be kept by the company in order to assure that the Government will not have to step in. Since these assurances have not been given the Government has entered the matter and it was necessary for the Maritime Administration, as I pointed out, to take the necessary steps to pay the wages of the crew to get one of the ships back from Pakistan to this country, because it is very vital for us to protect that interest if we are called upon as the U.S. Government to pay the owed amount on that ship if default on payments or anything were to happen to it.

Mr. FASCELL. I thank the gentleman and compliment him for the work he has done in bringing this to light. I certainly would hope and I am sure the gentleman will continue his own interest and investigation. Does not the gentleman agree, it falling within the jurisdiction of the committee, that perhaps there may be need for study and investigation and legislative or administrative authorization? This matter has drawn so many developments and hearings and now we find ourselves having to resort to a suit to protect the interests of the American people.

Mr. ROGERS of Florida. Yes. Furthermore, I am hopeful, too, this will point up to us the necessity of taking effective action such as the gentleman and I have been working for, to close ports to ships doing business with Cuba.

Mr. FASCELL. I thank the gentleman. As I understand, this man's ships are using U.S. ports.

Mr. ROGERS of Florida. The British company, I am sure, does use U.S. ports, and his own American companies which ship under the American flag certainly use American ports.

Mr. FASCELL. This subject matter of closing ports, if it becomes a legislative matter, is within the jurisdiction of the committee on which the gentleman serves.

Mr. ROGERS of Florida. This could possibly be done that way, or closing of ports could be done by Presidential proclamation. As the gentleman knows, I am sure, we are trying to encourage the State Department to move on this so we can quickly close our ports to ships flying the flag of any nation which allows any of its ships to trade with Cuba; and this is a case in point.

Mr. FASCELL. The gentleman has made a very good case in point. I might add that I have joined with the gentle-

man over a long period of time to try to get this up; as a matter of fact, if my memory serves me correctly, we did something similar to this with reference to the mutual security bill, did we not?

Mr. ROGERS of Florida. That is right.

Mr. FASCELL. So that we did in one piece of legislation try to get this body to take some action with respect to this problem.

Mr. ROGERS of Florida. This has been done.

Mr. FASCELL. The gentleman is saying that there are other forms of proposed legislation, also that the Merchant Marine and Fisheries Committee can act, and finally through administrative action this problem can be attacked. As I understand, a proclamation has already been issued. It does not go far enough.

Mr. ROGERS of Florida. That is only one step.

Mr. FASCELL. I thank the gentleman for his interesting analysis of this problem and commend the gentleman.

Mr. ROGERS of Florida. I thank the gentleman for his contribution. His untiring efforts have been of great help in the study of this problem and have meant much not only to the people of his district but his work has thrown much light on this whole problem for the entire Congress.

Mr. Speaker, I yield back the balance of my time.

PROPOSED IRS MERGER SHOULD BE ABANDONED

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from New Jersey [Mr. CAHILL] is recognized for 20 minutes.

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

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

There was no objection.

Mr. CAHILL. Mr. Speaker, I have taken this time today to discuss the utter foolishness of the recently announced decision of the Commissioner of Internal Revenue concerning the merging of certain IRS offices throughout the country on the announced ground that it would save \$5 million to the taxpayers of the United States. Now I do not propose to know the effect that this reorganizational plan will have on the entire country or certain parts of the country with which I am not personally familiar. It may effect some savings in these areas. But I can talk with some degree of knowledge about the proposed merger of the Newark, N.J., and Camden, N.J., offices into one office to be located in Newark, N.J. Under this plan the Camden office would be limited to investigations and all returns from all citizens in New Jersey would be mailed directly to and maintained at the Newark office. All collections would be made by the Newark office. All supervision would be located at the Newark office. In other words, the Camden office, which has been oper-

ating successfully for decades, would in effect become a substation of the Newark office and would provide little or no convenient facilities for the taxpayers of south Jersey. Now I can assure the Members of the Congress that this plan will not save the taxpayers any money. The utter foolishness of the proposed reorganizational plan and the lack of planning preparatory to its announcement is best illustrated by the fact that the Camden office had requested, and the district office had approved, additional space approximating 10,000 additional square feet for the Camden office.

This additional space was allegedly required for the additional employees necessary in the Camden office to process the increasing volume of revenue returns in the South Jersey district. Apparently the Camden office, the district office, and presumably the General Services Administration were caught by surprise by this sudden announcement of a change in plans. Had this proposal been carefully considered I am certain that a great deal of money already expended in planning for the additional space and in the many, many conferences that were held concerning it could have been eliminated and the moneys saved for the taxpayers. Aside from this, however, the merger of these two offices cannot possibly save the taxpayers money. The savings as I understand it from representatives of the Internal Revenue Service would result from the elimination of certain supervisory personnel and their followup employees in the Camden office. According to my information this work and these duties would be assigned to existing personnel in the Newark office. It has been represented to me that the existing supervisory personnel at the Newark office will be able to carry on their present work and the additional work resulting from the transfer of the Camden office without any additional personnel. Now if this is true, the supervisory personnel at the Newark office have obviously been underworked for some time. If not true, as I suspect it to be, obviously the supervisory personnel at the Newark office will, after the merger, be overworked. There is little question in my mind that additional personnel will be required in the Newark office if this merger is carried out. This is so because the Camden office as of this date is processing over 1 million returns and is collecting in excess of \$650 million. After a personal investigation of this matter, I am convinced, first, that the proposed saving of \$5 million is strictly a publicity gimmick and has no basis in fact; and, second, that the proposed merger was announced without adequate planning and without sufficient investigation of the needs for and the impact of the proposed merger. This is best illustrated by the fact that the announcement of the proposed mergers throughout the country was made by Secretary Dillon on March 5, 1963. On March 7, 1963, 2 days later, an urgent press release titled "For Immediate Release" was issued reading as follows:

Treasury Secretary Douglas Dillon announced today that he was giving careful consideration to protests received about proposed changes in the organization of the

field structure of the Internal Revenue Service, designed to increase its efficiency and economy of operation. He pointed out that none of the changes are scheduled to become effective before January 1, 1964, which will give full opportunity to review all aspects of the matter in the light of these protests. No implementing action will be taken pending the completion of such a review.

A reading of this release is convincing, I think, that no thought whatsoever was given to the facts which prompted the many protests. What investigation was made on the local scene in Camden, N.J., to determine the impact of this merger on the local community? What study was made of unemployment in the Camden area? Does not this administration, which has been preaching the need for full employment, know that today Camden, Gloucester, and Burlington Counties have the highest rate of unemployment that they have had since 1956? Do not our Treasury experts ever talk to our labor experts? Do not the planners of the Treasury Department have any liaison with the planners of the Labor Department? Why did the Treasury Department aid in unemployment in an area already "enjoying" a 9.7 percent unemployment of the existing labor force at this particular time?

Mr. Speaker, I could go on and on to illustrate the lack of planning, the lack of investigation, the lack of thought in this ill-advised, ill-conceived proposal. The only comfort I can take and the only comfort that the people of the south Jersey area can take in this entire matter is the fact that after all the fanfare and all the publicity and all the cost involved in conferences throughout the country, which probably will reduce appreciably the estimated savings, the Secretary and the Commissioner now agree that they will "give careful consideration to the protests." I would like to point out to our friends in the Treasury Department that not only has our leading daily newspaper blasted this proposed merger but all forms of area communications have been united in criticizing this ill-conceived planning. In the event that the Treasury Department is interested, and with the hope that reconsideration will include some attention to the suggestions, I am submitting herewith certain reasons which I feel compel the rejection of the proposed merger and necessitate a rescinding of the proposal by the Secretary of the Treasury:

First. The Newark office is located in the northerly end of the State and is, therefore, farther removed from the field offices throughout the State than would be a centrally located office. If one office alone is indicated, it certainly should not be in Newark. Camden, geographically, is much more centrally located and south Jersey enjoys a higher rate of potential growth than any area in the State.

Second. The location of a single office in Newark would be extremely costly in view of the transportation involved for management, directors, supervisors, and supervisory personnel.

Third. The Camden office indeed would provide much better liaison with the State offices being so much closer to the State capitol at Trenton.

Fourth. More importantly, however, the regional office located in Philadelphia is approximately 5 miles from the Camden office and approximately 95 miles from the Newark office. Additional moneys in time and traveling expenses if multiplied similarly throughout the country would more than offset the proposed savings by the Internal Revenue Service.

Fifth. Obviously the Newark office space would be inadequate in view of the additional duties that would be imposed and since additional space would be more expensive in Newark than in Camden, again the possibility of any savings would be reduced.

Sixth. South Jersey has recently had approved a proposed rapid transit system which, it is believed, will develop even more rapidly the entire area. A jet airport is on the planning boards and a population explosion is anticipated by all knowing civic planners. Why the Internal Revenue Service would want to inconvenience so many hundreds of thousands of taxpayers is beyond understanding.

Seventh. The Newark office would be completely removed from the resort areas in the State of New Jersey where the administration-inspired organized crime drive is spearheaded. The cost of transportation and living expenses and time that would be consumed in travel by personnel on these assignments would again increase the cost of the operation and offset any possible saving by consolidation of supervisory personnel.

Eighth. The south Jersey area today is a depressed area from the standpoint of unemployment statistics and as outlined above has at the present time a 9.7 rate of unemployment. New jobs should be created for this district by the Federal Government rather than eliminated by the Federal Government.

Ninth. Automatic data processing which is utilized by the Internal Revenue Service as a time and money saver is located in the service center in Philadelphia. With a collection division and with all other facilities now working satisfactorily in the Camden office, it is again difficult to understand how the proposed merger will result in any savings.

Tenth. With the returns filed in Newark, the taxpayers of south Jersey, the accountants, the lawyers, and particularly those interested in adjusting, explaining, revising, or correcting an income tax return will, in all probability, be compelled to travel to Newark to discuss it. To do otherwise would mean the costly transfer of personnel from the Newark office to the Camden office and would require almost daily messenger service between the Newark and the Camden office.

Eleventh. All appeals from findings of the Internal Revenue Service would necessarily be held in Newark and would impose great inconvenience on the part of taxpayers and those representing them.

Twelfth. Lastly, I have not been able to determine by any real proof that any money will be saved, let alone \$5 million. This is a figure right out of somebody's hat and is the result, in my opinion, of

a vivid imagination on the part of some Treasury statistician. But even if I were to agree that some appreciable savings could be made in the merger, it would be entirely lost to the Treasury Department by reason of the tremendous damage that has already been done, and which would be increased appreciably if the merger were consummated, to the morale of the employees of the Internal Revenue Service in New Jersey and throughout the Nation.

My office has been swamped by complaints, by illustrations of hardship cases, by family problems which prevent moving to either Newark or to any place outside of the south Jersey area. The entire Camden office, and I suppose the personnel of all offices throughout the country are wondering, "what next?"

In one unthinking, unplanned, unnecessary swoop, the Commissioner and the Secretary have wrought untold harm to the morale of the employees of the Internal Revenue Service. The average worker is now saying: "If they can merge the Camden office with the Newark office, when will they merge the Newark office with the New York office" and then, of course, the \$64 question will be: "When will all of the offices be merged into one presumably located in Boston?"

Now, Mr. Speaker, I have spoken a lot longer than I had anticipated but I could really speak much longer and outline more reasons why this proposal should be discontinued forthwith by the Secretary of the Treasury.

While the announcement indicates that the entire matter is being reconsidered, I have been informed by authoritative sources that the planning to implement this proposal is still going on. I urge the Secretary and the Commissioner to stop wasting the taxpayer's money in planning to carry out this merger and to withhold implementation until a sincere, careful, objective study is made. I am certain that when this occurs, the Secretary and the Commissioner will permit the Camden office to remain "as is" so that it may continue as it is now doing to service the needs of the people of south Jersey.

Mr. Speaker, I include the following editorial, published in the Camden-Courier newspaper under date of Friday, March 8, 1963, in full because it expresses fully the views of all the citizens of south Jersey:

DOWNGRADING OF CAMDEN BY INTERNAL REVENUE SERVICE MERITS VIGOROUS OPPOSITION

Camden once again is being given second-class, back-of-the-hand treatment in the reshuffling of a governmental agency.

The Camden and Newark offices of the Internal Revenue Service are being merged to Newark's advantage and our disadvantage in a national reorganization of the IRS that affects 16 of its 62 offices.

Whereas Camden up to now has been the headquarters of an independent IRS district and has had its own district office, the Camden district will now become part of the Newark district. The office here, while not to be closed entirely, will be downgraded to a branch of Newark's.

The Camden district is one of only four in the entire country that are to be merged out of existence.

Reasons given for the national reorganization are to effect the relatively petty sav-

ing of \$5 million a year in overhead and administrative costs; and to facilitate the use of the IRS electronic processing system, which is due to be in full operation by 1966.

At first, Treasury officials claimed that the reorganization would in no way inconvenience taxpayers in this area. Within 24 hours, however, they admitted that statement was in error.

Taxpayers in this area will continue to file their returns at the Camden office and receive some other services there that are provided now. However, all returns will be sent to Newark and kept there instead of in Camden, and taxpayers whose returns are questioned or reviewed may be required to travel to Newark. All records will be held at Newark instead of Camden.

Certified public accountants who aid taxpayers in making out their returns probably will be forced to make many trips to Newark to settle disputes.

Officials also claim that few, if any, IRS employees will lose their jobs and that "reassignments in nearby offices or transfers to new duties will be made."

But the first IRS statement also significantly admitted that about 93 persons in the Camden office will be affected. Of them, 33 now hold supervisory positions—including District Director William F. Culliney—and they are told that reassignments will be worked out for them to suit their personal convenience.

The number of employees here, according to a second and conflicting statement given out by regional IRS officials, will drop from 350 to 150.

Some may be moved to the Philadelphia service center, an IRS spokesman says. Others will be given the option of continuing as field agents in the Camden area or moving "to new, nearby assignments." But it also is stated, and certainly sounds like an ominous hint, that employees "who have 20 years of service and 50 years of age could retire," if they desire.

According to Treasury Secretary Dillon, the reorganization will be gradual and timed according to local circumstances. Our share of it is scheduled to be completed by next January 1.

Dillon says he and the IRS are "fully aware of the unemployment problems in the Camden area, and every effort has been made to keep the impact of this proposed change to a minimum."

Nevertheless, even if every one of the 90—or 200—Camden employees affected retains a job elsewhere with the IRS, it will mean the loss of just that many jobs to Camden. As far as the city is concerned it will be a blow, an added economic loss to an area that already is struggling against its most serious unemployment situation in many years.

Adding to our frustration is the disclosure that a plan by the IRS to enlarge its Camden quarters and increase its personnel by 150 will be postponed or canceled under the reorganization.

It now is revealed for the first time that the agency's present 50,000-square-foot headquarters at 808 Market Street, which was remodeled extensively and expensively when it took over, has become inadequate. Plans had been prepared for a new building to add 10,000 square feet of space. The plans also called for expansion of the Camden working force from 350 to 500 when the new building was completed.

Both the building and personnel expansions now must be held in abeyance. Culliney—to whom the "merger" announcement came as a surprise—does not deny that with the merger, and the resultant slash in the Camden working force, a move to smaller quarters is likely.

It may be true that what you never had you'll never miss. But it is galling nonetheless to learn that Washington had thought this expansion necessary until the reorgani-

zation move sidetracked it, and that the city stands to lose not merely 93, or 200, jobs already existing here, but another 150 that might have been.

Congressman CAHILL is dead right in his hostile reaction to the reorganization.

It is hard to believe that under it, south Jersey will get "the adequate service it gets now" from the IRS, despite pious protestations to that effect.

It is even harder to see any sense in "merging" this district with—rather, into—the Newark district.

It would make better sense to merge Newark into Camden, since we are nearer the geographical center of the State, even though Newark is nearer the population center.

It is impossible to see where the change will mean any appreciable saving to the IRS. It is possible to see where it might cost it more.

This is the same kind of a deal Camden and south Jersey got from the Veterans' Administration a few years ago in a similar "reorganization" that transferred major VA functions from Camden to Newark, to the great inconvenience and distress of veterans throughout south Jersey.

It is the same kind of stepchild treatment that south Jersey is accustomed to getting from various State agencies, yet to which it never has been and never will be reconciled.

The Courier-Post shares Congressman CAHILL's anger at this proposed raw deal for Camden and south Jersey, and will join with him in doing all we can to prevent it.

AID TO EDUCATION

Mr. CLANCY. Mr. Speaker, I ask unanimous consent that the gentleman from Kansas [Mr. SKUBITZ] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. SKUBITZ. Mr. Speaker, today I am introducing a bill to provide for direct aid to the States and Territories for educational purposes only. Forgetting the protagonists of the Marxian panaceas for all that ails us, I feel certain the Members of this Congress will come to terms on three points, namely, first, that education is a responsibility of government that should be left forever under State control; second, that excessive Federal taxation has left the States with few, if any, new sources of tax revenue; and, third, that American education, through inadequate financing, has drifted to an alarmingly low level in academic standards in some areas of our country.

The bill I am introducing provides that the collectors of internal revenue of the several States and Territories shall return to the States, following each quarter, 1 percent of the personal and corporate income taxes collected within such State during that quarter.

I am not now, and never have been, in favor of Federal control over our educational institutions. This bill does not entail Federal control. It merely earmarks the funds for education, and leaves the States free to put them to use in localities where the need is the most urgent.

The merits of this bill may be briefly stated. It returns the tax dollars to

the people who paid them and leaves them free, through their elected representatives, to use the money for school construction and for other countless educational needs. Mr. Speaker my bill calls for no new bureaus and in consequence removes the necessity of adding a horde of employees to the Federal payroll to administer the law. This bill insures a fair ratio of distribution. This bill meets the requirements of those who have been searching for a simple and direct plan to meet our educational needs without imposing another tax. It will allay the fears of those who properly oppose Federal control over American education.

CRIPPLING COMPETITION IN U.S. WOOLEN INDUSTRY

Mr. CLANCY. Mr. Speaker, I ask unanimous consent that the gentleman from New Hampshire [Mr. CLEVELAND] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. CLEVELAND. Mr. Speaker, the U.S. woolen industry is faced with crippling competition from abroad. Wool imports are up 80 percent over last year.

Until quite recently, the President took a position that the woolen industry should be treated as a thing apart. Moreover, this administration gave assurances following the February 9, 1962, International Cotton Textile Agreement, that a similar agreement would be concluded for the woolen industry.

The President's position left New England voters with the distinct impression that wool would be given at least equal treatment with cotton.

I read with great concern the following article in today's Washington Post and Times Herald:

ADMINISTRATION REPORTED VETOING WOOL RAISERS' PROTECTION DEMANDS

(By Julius Duschka)

The domestic wool industry apparently has lost its 2-year fight to get President Kennedy to give it special protection against imports.

It was learned last night that the President has decided to drop for the time being any effort to help the industry by trying to limit wool imports through a system of international quotas.

Mr. Kennedy's decision was said to have been made known to the industry by Christian A. Herter, the President's special representative for trade negotiations, at a secret meeting last Wednesday in Washington.

EUROPEANS OPPOSED

Herter met with members of the U.S. Wool Textile Advisory Committee following a trip to Western Europe during which he encountered stiff resistance to suggestions that wool imports be controlled through a system similar to the International Cotton Textile Agreement that went into effect last fall.

At the meeting Herter reportedly told the industry in soft but unmistakable language that the Kennedy administration plans to take no steps at this time to cut back wool imports.

The President himself is reported to have told Senator JOHN O. PASTORE, Democrat, of Rhode Island, last Friday that the domestic industry could expect no help.

It is understood that both Herter and the President indicated that the decision against aiding the industry would be periodically reviewed and was always open to reconsideration in the light of new facts.

Mr. Kennedy's decision will have political repercussions among the New England and Western Senators who have been putting pressure on him to provide assistance to the domestic wool industry. During the 1960 presidential campaign he promised to help the industry.

LIBERAL POLICY SEEN

But the decision will be welcomed in Western Europe, particularly in the big wool-exporting countries of Britain and Italy. Together with Japan they supply 75 percent of the wool that is imported by the United States.

In Europe and Japan the decision will be taken as a welcome indication that Mr. Kennedy is determined to pursue a liberal policy under the 1962 Trade Act even in the face of domestic pressures.

Herter is reported to have flatly told the domestic wool industry that there is no way to aid them with the new trade law unless the industry institutes a case under the escape clause in the act providing relief for domestic industries that can show they are being harmed by tariff concessions.

The wool industry has been unwilling to proceed under this clause because it does not think it could win its case. The new law provides that trade concessions must be "a major factor" in depressing domestic industries before relief will be given them.

Herter is also understood to have ruled out for now an international wool agreement along the lines of the cotton agreement or a finding that wool imports must be restricted because the domestic industry is vital to national security.

The domestic wool industry has favored an international agreement to limit imports, which have increased from a negligible amount 10 years ago to about 20 percent of total U.S. consumption.

Mr. Speaker, if this story reflects the actual views of the administration, it is a sad, sad day for the American wool businesses and the thousands of jobs they provide.

According to Mr. Duschka, the President has decided against fair play for the woolen industry. He has rejected the fairplay principle of according the woolen industry similar treatment as that given the cotton industry.

He has also refused to impose quantitative restrictions pending an agreement among the major wool-exporting countries.

The only relief, suggested in the article, is under the escape clause. Now, escape-clause proceedings require time and the outcome is by no means certain.

I hope Mr. Duschka's article does not represent the final decision of this administration. Further, I hope the President will make his views known directly to the people.

On March 8, 1963, the board of directors of the Northern Textile Association unanimously adopted the following statement of policy:

We have been encouraged by the President's obvious grasp of the nature of the textile import problem, and are conscious of the efforts made by the administration to deal with the problem which adversely affects not only New England and the South, but wool- and cotton-growing areas of the West and urban apparel centers.

During the first month of the present administration, a direct and forthright approach was adopted in establishing a Cabinet Committee, followed by the announcement in May of 1961 of a program that encompassed all fiber branches of the industry.

The first international cotton arrangement was completed in July of 1961, and a second early last year. Both provide means for preventing market disruption by the limitation of imports.

Although it was agreed that these arrangements would be followed promptly by action to restrain imports of textiles made of wool and other fibers, nothing has been accomplished; no international conference to restrain imports has been called; and no steps for control by the United States have been developed.

Meanwhile, imports of wool products in 1962 rose 78 percent over the level of 1961, and manmade textile imports rose 39 percent. An additional 18 wool mills closed in 1962, and the share of the U.S. market taken by foreign goods has increased by over 40 percent.

Direct appeal to the administration by Members of Congress and the industry to carry out the textile program have been to no avail. The program has continued to drift, jobs have continued to disappear, and conflicts between agencies of government grow. The program announced by the President appears to be more dependent for its implementation upon the whims and changing policies of foreign governments than upon domestic direction. Our own Government delays as a major American industry is eroded.

This situation is known to textile producers and textile workers, to apparel manufacturers and apparel workers, and to wool growers throughout the country.

With a deep sense of responsibility to the employees and people in the communities where textile and apparel plants are located, to those who produce the fibers we use, and to those in the Congress who have worked for a solution of this problem, the board of directors of the Northern Textile Association calls this ominous situation to the attention of the public and to those members of Government who are unaware of the situation or whose opposition to the clear intention of the President has contributed to this crisis.

Mr. Speaker, as may be seen from the foregoing, 18 woolen mills closed in 1962. The share of the U.S. market taken by foreign goods has increased by more than 40 percent.

This situation is grave and a satisfactory solution is nowhere in sight.

I hope the President's advisers will carefully consider the Northern Textile Association's statement.

As things now stand, the Kennedy administration is the court of last resort. Only this administration can save American woolen industries and the jobs they provide.

SIR WINSTON AND ROCHESTER, N.Y.

Mr. CLANCY. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. HORTON] may extend his remarks at this point in the Record and include extraneous matter.

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

There was no objection.

Mr. HORTON. Mr. Speaker, I rise to commend the action of our colleagues in voting to proclaim Sir Winston Churchill

an honorary citizen of the United States of America.

Because of his outstanding and distinguished record in world public life, I think we are inclined to forget the close personal ties Sir Winston has to the United States. This bond, of course, extends to his own parentage, for his maternal ancestors were citizens of this Nation.

My home community of Rochester, N.Y., is particularly proud of the fact that Sir Winston's grandmother, Clara Hall, grew up in Rochester. She later married Leonard Jerome, who came to Rochester from New York City.

While in Rochester, Leonard Jerome played an important role in the development of the Native American, a daily newspaper. In 1857, his publication combined with another to become the Democrat and American, a direct forerunner of today's Rochester Democrat & Chronicle.

For these and many other reasons, I regard my opportunity to vote in favor of this bill proclaiming Sir Winston an honorary citizen as a great privilege in behalf of a great man.

APPLICATION OF INVESTMENT CREDIT TO CERTAIN LEASED PROPERTY

Mr. CLANCY. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the Record and include extraneous matter.

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

There was no objection.

Mr. CURTIS. Mr. Speaker, today I introduced a bill to amend section 48(d) of the Internal Revenue Code.

EXPLANATION OF PROPOSED AMENDMENT TO SECTION 48(D) OF THE INTERNAL REVENUE CODE OF 1954, CONCERNING THE APPLICATION OF THE INVESTMENT CREDIT TO CERTAIN LEASED PROPERTY

Under section 48(d) of the Internal Revenue Code the lessor of leased new section 38 property may elect to pass through the investment credit to his lessee, in effect placing the lessee in the same position as a purchaser of the property under the investment credit provisions. The present law contains an oversight, however, which places independent distributor-lessors at a competitive disadvantage with manufacturer-lessors.

Section 48(d) as presently written provides that the amount of the investment credit is based on fair market value in the case of a lease from a manufacturer, but on cost when the lease is from an independent distributor. Since most equipment dealers and distributors receive a discount of from 10 to 20 percent, this means that they can pass through a smaller investment credit than can the manufacturer of the same equipment.

For example, if a machine having a useful life of 8 years or more would sell to a customer for \$100,000, and is leased by the manufacturer to the customer, the manufacturer can pass through an investment credit of \$7,000—\$100,000

times 0.07—to the customer. The independent distributor, however, purchases the same machine from the manufacturer at his regular dealer's discount, say 20 percent, and on a lease to the same customer can only pass through an investment credit of \$5,600—\$80,000 times 0.07. It is clearly to the customer's advantage in this situation to lease from the manufacturer, rather than from the independent distributor.

The investment credit was not intended to discriminate between industry groups, and in fact it is understood that the purpose of the investment credit pass through provisions of section 48(d) was to permit the lessee of qualifying property to be put in a position equal to a purchaser of the same equipment. The distinction outlined above is clearly the result of an inadvertent oversight.

Accordingly, the attached amendment is proposed to section 48(d). The amendment would permit both manufacturers and independent distributors to base the investment credit pass through on the fair market value of the property. The lessor's basis—ordinarily cost—would apply where the property was leased by one member of an affiliated group—80 percent common control—to another member of the same group. No revenue loss will result from enactment of the proposed amendment, since under present law the lessee can always obtain the maximum investment credit by leasing from the manufacturer. In fact, a revenue saving could result from the closing of a potential abuse in the affiliated corporation lease situation. This provision will insure that the investment credit provisions will not be abused by taxpayers through lease transactions between commonly controlled corporations.

THE MCKELWAY PLAN FOR THE PRESIDENT JAMES MADISON MEMORIAL, AND OTHER MEMORIALS, IN THE NATION'S CAPITAL MAY BE ONLY WHISTLING IN A GRAVEYARD

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New Jersey [Mr. WIDNALL] is recognized for 5 minutes.

Mr. WIDNALL. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include newspaper articles.

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

There was no objection.

Mr. WIDNALL. Mr. Speaker, growing concern is being expressed at the lengthening list of memorials in the Nation's Capital. Many people have observed that this great city is coming to resemble a graveyard through the multiplication of memorials, some to forgotten people. While some have deplored this trend few have done much about coming to grips with the problem which is misusing the few acres which remain of Washington's once vast open spaces.

Secretary of the Interior Stewart L. Udall has, indeed, come up with a plan to create yet another board to deal with

the problem but is it likely that it will be more successful in coping with this matter than the boards, commissions, and committees which already exist? True, the Udall plan will accomplish something—and that something is most likely to be a multiplication of memorials. These memorials would be built under the watchful eye of the Secretary of the Interior, and quite possibly would be dedicated to heroes of the majority party rather than leading Americans regardless of party affiliation, as in the past.

The problem has now been analyzed by John McKelway, of the Washington, D.C., Evening Star, and he has come up with a solution which, while it may not immediately gain unanimous approval, still looks promising. If it were anyone but a newspaperman doing the promising it would behoove us to examine this new plan most critically, but, as we all know, newspapers do not make promises lightly, and this McKelway plan may prove to be the answer we have all been looking forward to—that is, every one but the marble salesman.

In any event, it sheds light on the complex matters involved, and I include the McKelway plan for memorials in the Nation's Capital for the information of my colleagues and for the edification of others throughout the country concerned with these matters, particularly the preservation of land for open spaces, and high-rise developments.

THE RAMBLER—PUTS FORTH A PLAN

(By John McKelway)

Some 5 acres of expensive land has been lying fallow for about a year now, in the heart of the District, just south of the Library of Congress, up on Capitol Hill.

Various suggestions have been put forth for its use. But, so far, Congress—which ultimately must decide what goes up on the land—has been unable to make up its mind.

The best bet up to now seems to be a memorial to President James Madison. It would be constructed on top of an underground annex to the Library of Congress. Cost of the whole project has been set at \$39 million.

The bill authorizing the structure died in Congress last year, although it was backed by such powerful personalities as Representative SMITH, Democrat, of Virginia, chairman of the House Rules Committee, and Speaker McCormack himself.

Judge Smith liked the idea. The relentless foe of big spending saw in the memorial a chance to impress enough people with a need to turn the country around and head back for the early 1800's. He was willing, he said, to spend \$15 million on the memorial for such an experiment.

But his argument was apparently unimpressive. The plans for the memorial fell through and Congress went home.

It seems a shame, to the Rambler at least.

While wandering over the vacant land up on the Hill, the Rambler feels he hit upon a happy solution. It would lead to a remarkable, arresting structure—a tourist attraction that might even top the Washington Monument.

First, an extremely large hole would have to be excavated.

Into this would go the \$10 million fish aquarium that Congress authorized last year.

It would include, on this, the basement level, an office where fish research could be conducted, and a restaurant, specializing in seafood and operated by one of the restaurant owners who were asked to leave to make room for the vacant lot.

On top of the aquarium, but still below ground, would come the much-needed annex to the Library. The floors would be of glass so that bored librarians could watch the fish.

Next, the new FBI building, to prevent all the fuss over razing buildings downtown north of Pennsylvania Avenue. This, too, should be underground to avoid any architectural difficulties with the Fine Arts Commission.

Now, above ground, and skillfully supported by the old sandstone columns removed from the east front of the Capitol, would be placed an attractive parking lot for the Supreme Court.

Then, rising from this relatively flat area, would come the Madison Memorial, a Greek-temple-like building, to show we have not lost touch with the past.

It could house Presidential papers and additional offices for librarians who felt uncomfortable doing research immediately above the fish, and under the FBI.

And, of course, to demonstrate our awareness of the future, up on top of the Madison Memorial, the eight Franklin Delano Roosevelt slabs should be situated.

These could stand proudly against the sky and support, if necessary, eight statues of prominent individuals, yet to be named and memorialized by Congress.

It is hard to see how anyone could object to such a plan. It is a beautiful compromise, saving time, money, and talk. It provides needed space and leaves room for expansion.

It would also prevent construction—for a while, anyway—of a fourth House Office Building.

Get behind it. Write your Congressman.

ELIMINATION OF CAMDEN DISTRICT OFFICE IN THE STATE OF NEW JERSEY

THE SPEAKER pro tempore (Mr. STRATTON). Under previous order of the House, the gentleman from New Jersey [Mr. GLENN] is recognized for 5 minutes.

Mr. GLENN. Mr. Speaker, I am deeply concerned over the announcement by the Internal Revenue Service of the elimination of the Camden District Office in the State of New Jersey, and the transfer of this office to the Newark office, to cover the whole State of New Jersey, on January 1, 1964.

I join with my colleague, the gentleman from New Jersey, the Honorable WILLIAM T. CAHILL, in endorsing everything he has just said, and call to your attention that his First Congressional District and my Second Congressional District encompass the whole of the south New Jersey area, and that for years we have had coverage of all internal revenue matters out of the Camden office.

The Internal Revenue Department is a big branch of the Government, and undoubtedly has contact with all citizens, and particularly with those who practice law, accountancy, and specialize in this service. It is going to be a terrific hardship on our whole south Jersey area if the Camden office is closed, because the Newark office is at the other end of the State of New Jersey. Further, this will not be an economic move, and will be a disservice to the citizens of our State.

In the long run, it will cost the Government more money in expenses in sending the agents into south Jersey from the Newark office and will be of great incon-

venience and expense to the taxpayers in making the long trip to Newark rather than to Camden. If there must be a comparison, it certainly will not be of great moment—considering the small amount of money that might appear to be saved in a book evaluation—when one considers the multi-million-dollar budget, and compares this to the additional expenses which will be thrust upon the taxpayers in the closing of the Camden office, and the need of all processing of income tax matters in the Newark office. I am sure that the employees in the Camden office are going to be greatly inconvenienced in that they are homeowners in the south Jersey area, and will have to sell their homes and move to the north Jersey area, if their positions are retained and transferred to the other office.

The matter of Internal Revenue Service is such an important part of our Government, and even our economy, that to make a major change of this nature just at a point when we are certainly going to need close contact with the Internal Revenue Service will only make for confusion and difficulty both to the Service and to the citizens.

I am opposed to this move, and will make my opposition known not only to the Commissioner but to the Secretary of the Treasury, and even to the President, because this is of vital importance to the welfare of the whole south Jersey area.

FLORIDA EAST COAST RAILROAD STRIKE THREATENS NATIONAL SECURITY—CUBA CRISIS MAKES TRANSPORTATION MOBILITY VITAL

Mr. FASCELL. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes, to revise and extend my remarks, and to include extraneous matter.

THE SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. FASCELL. Mr. Speaker, I rise to warn of impending crisis in the Florida East Coast Railway strike. I bring the matter to your attention in the hope of preventing a tragedy which at best could deal permanent injury to Florida's economy and at worst could derail a vital sector of the national defense program.

The direct consequences of this strike are a personal tragedy for those families involved, and possibly a serious monetary loss for the over 1,000 stockholders—reliable sources indicate losses since suspension exceed one-quarter million dollars. The number now idled as a direct strike consequence is estimated at about 2,000 persons. The number unemployed as a proximate result is inestimable, but rising.

Fruit and vegetable growers and shippers are constrained to haul their produce to far distant railheads. The damage to this group alone is estimated at \$35,000 per week. This economic injury compounds the distress which the industry is experiencing from the winter freeze—the most severe in Florida history.

The construction industry, already affected, is apprehensive of long-range consequences to plant operations, employment of personnel, and cost to business. Federal, State, and local projects are jeopardized.

Tourism in its peak months will be dealt a severe blow; a blow which could scarcely be endured by a community beset with a multitude of problems brought on through absorption of 150,000 to 200,000 Cuban refugees.

The increasingly serious economic plight of the Dade County, Fla., area is well known. The official unemployment rate now stands at about 6 percent. This figure ignores the large number of unemployed Cuban refugees. It is presently under revision by the Department of Labor, in coordination with the Florida Industrial Commission. Dade County officials believe that the revised figure will more than double the present figure. Add to this malady a prolonged railway strike and you have a climate conducive to rapid deterioration.

Since the FEC railway suspended operation January 23, 1963, no progress in the negotiations is in evidence. Both parties have not agreed to bring in the National Mediation Board as a mediator—labor for, FEC no response. And as yet the Board has not taken steps to establish the existence of a national emergency.

Although the National Mediation Board has not yet certified the situation as a national emergency, it is clearly a national hazard. The Nation can ill afford a major transportation rupture in the critical south Florida area. FEC's transportation facilities would play a vital role in the mobilization of south Florida should further compounded crises from Communist Cuba arise. FEC carried approximately 50 percent of landborne military troops and hardware during the Cuban crisis of October 1962.

These rail facilities must be kept fully operational in the event needed on a moment's notice for our national defense. The apathetic manner in which the disputant parties are approaching the problem suggests that they recognize neither the local nor the national danger.

It is to be hoped that all parties will be jolted into recognition of this threat.

That the dangers implicit in this situation are clear to see, I refer you, Mr. Speaker, to an article in U.S. News & World Report of March 11, 1963, which I wish made a matter of record in order to bring it to the attention of my colleagues:

WHERE RAILWORKERS ARE ON STRIKE—AND TRAINS ARE RUNNING

(For years, the Florida East Coast Railway has been in financial trouble. Now it is battling unions over wages and a principle—the right to bargain outside of national patterns.)

(The unions have been striking since January 23. Yet some trains are running, manned by supervisors instead of union crews. It's the company's way of trying to break the strike.)

JACKSONVILLE, FLA.—This is an on-the-scene report of how one railroad—the Florida East Coast—is trying to break a strike.

It is the story of a "rebel" carrier that pulled away from the 192 other class 1 railroads last year. Florida East Coast's aim is to establish its right to negotiate its own wage settlement with rail unions, independent of national bargaining patterns.

The Florida East Coast is a major line with 572 miles of track running mainly between Miami and Jacksonville. It serves, in addition, such cities as Daytona Beach, St. Augustine, and Palm Beach. The carrier's tracks run through one of Florida's prosperous citrus fruit belts. Much of its business is hauling fruits and vegetables.

For years, the railroad has been in financial trouble. It was in receivership nearly 30 years. On January 1, 1961, control of the carrier was passed to Edward Ball, 74-year-old Florida financier, who bought a majority of FEC's outstanding bonds while it was in receivership.

BIG LOSER

Although out of receivership, the road is still losing money. Last year it lost nearly \$13 million, only slightly less than losses in 1961.

The railroad unions, despite FEC's financial troubles, are insisting that the carrier bargain along with the other railroads and settle on the same terms.

The strike began on January 23 when 1,200 nonoperating employees—including office-workers, track crews, and shop repairmen—walked off their jobs. The 600 operating workers—the train crews—also refused to work.

STRIKERS FIRED

The FEC management promptly announced that all the strikers were fired. Then, on February 3, some freight trains started running again. Foremen and other supervisors took the place of regular crews. But passenger trains remained idle.

By the end of February, the FEC had two freight trains operating daily, one each way, between Miami and Jacksonville. Five times a week a train is run over a branch line.

With unions out of current operations, a single crew working about 8 hours a day runs the train the length of the line. Formerly three crews were required by union work rules. Now, too, the trains are running without firemen—a form of featherbedding other railroads are trying to end for good.

Getting rid of featherbedding when, and if, a settlement is reached is regarded as a side issue. The main questions, as defined by both sides in the dispute, are as follows:

1. The railroad insists on negotiating a settlement that meets its own situation. The unions are demanding the same pay raises granted by other roads in 1962.

2. Florida East Coast contends that its wages already are far above the going rate in Florida for comparable work. An example cited: FEC stenographers earn from \$91 to \$100 a week, compared with a general Florida average of \$61 to \$70. The unions say rail employees are specialists, deserving higher pay.

The company's position in the dispute was spelled out by Winfred L. Thornton, vice president and chief operating officer.

As Mr. Thornton put it:

"You reach the place where you have to make a decision on these union wage demands. You have to decide whether to make a pay raise you know you cannot afford, or you have to stand up and take a position against it.

"Our position is that no company can obligate itself to pay wage increases that it is financially unable to pay.

"If we agreed to pay these increases, the ultimate result could only be financial ruin.

"The wage increase triggered the strike, but the basic issue is whether a railroad can negotiate for itself or whether it has to be a part of a national handling. We feel we have the right to negotiate for ourselves.

"The union organizations want to keep everyone negotiating together. They are afraid that if one carrier steps out of line, next year others will do so."

Officials of the union strike committee had this to say:

"It would be dynamite for us to have separate wage agreements on each road. The National Mediation Board refused to give the Florida East Coast a separate emergency board at the start of this strike.

"The Board said the same issues had been covered in the national dispute, and an emergency board there had made its recommendations.

"This is the first time in history that a railroad has pulled out of the national handling of a dispute.

"Railroads that compete with the Florida East Coast have the same freight rates, fixed by the Government. There's no reason why this one road should get lower wage rates.

"As for the FEC talking poor mouth, there are other carriers that have been reporting losses, too. But they gave the same wage increases that the other railroads did."

OFFERED AND REJECTED

As for wages, FEC offered—and the unions rejected—a raise of 1½ percent retroactive to September 1, 1962, and equal increases in March and September of this year.

The "national" pay raise last year averaged about 4 percent—4 cents an hour, effective February 1, 1962, and 6.28 cents additionally last May 1.

Florida East Coast's offer, after being rejected by the unions, was withdrawn on January 30.

Where will the present controversy end? How will the railroad get back into full operation?

Each side says it is waiting for the other to change its bargaining position. Actually, no negotiations have been held since the end of January.

OPPOSING VIEWS

Mr. Thornton says the company expects to increase the volume of its freight operations as the supervisors become more experienced in handling the trains.

Union leaders predict a breakdown, since tracks and rolling stock are not getting normal maintenance.

Meanwhile shippers are pressing the Government to end the walkout. Growers of vegetables and citrus fruits along Florida's eastern shore are demanding restoration of full service. Communities which rely on FEC for passenger service are eager for settlement of the controversy.

Political pressure is being brought, too. Some Members of Congress from Florida are urging the White House to intervene. The Florida Development Commission is urging a prompt settlement.

Most of the traffic now being handled is piggyback freight—with truck trailers driven onto flatcars by nonunion truckdrivers. Most of this is general merchandise, although some perishables are being hauled in refrigerator cars.

Growers report that big crops of vegetables are due to go to market in the period just ahead. They say millions of dollars will be lost unless they can use the Florida East Coast.

Some firms have been shipping products by truck to other railroads, but there may not be enough trucks to do the job in the busy marketing season. Besides, growers say this adds greatly to shipping costs.

How it will all turn out cannot now be foreseen. But in the early days of March the end was not in sight.

COMMITTEE ON UN-AMERICAN ACTIVITIES

Mr. SMITH of Iowa. Mr. Speaker, I ask unanimous consent that the gentle-

man from California [Mr. ROOSEVELT] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, I read with dismay the speech of the Honorable JOHN MARSH which appeared on page 3075 of the February 27 CONGRESSIONAL RECORD.

It is ridiculous for anyone to imply that those of us who expressed concern about activities and the excesses of the House Un-American Activities Committee "seem to be insisting that it is undemocratic and unconscionable for a democracy to post guards against its subversion."

As I stated in my remarks during the debate on appropriations for HUAC, there definitely is a need for a committee with jurisdiction over actual threats to our Government, such as sabotage and espionage. But we have no need for a committee which piously talks about its role as our guardian against subversion but which in reality uses that role to make a mockery of the basic rights of our citizens to be "wholly free to speak fearlessly for or against their officials and their laws." In many instances, this is presently being accomplished by wrongly correlating many legitimate causes, such as drives for peace, civil rights and civil liberties with communism, and un-American activities.

It was Charles Evans Hughes, in an address as president of the American Bar Association, who stated:

The most ominous sign of our times, it seems to me, is the growth of intolerant spirit. It is more dangerous when armed, as it usually is, with sincere conviction.

Concluding his remarks, he stressed that "we be on our guard against varieties of false Americanism which profess to maintain American institutions while dethroning American ideals." Mr. Hughes sounded that alarm in 1925, but the warning could not be more apropos for today.

ALABAMA INDUSTRY COOPERATES

Mr. SMITH of Iowa. Mr. Speaker, I ask unanimous consent that the gentleman from Alabama [Mr. ROBERTS] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. ROBERTS of Alabama. Mr. Speaker, I would like to take this opportunity to read to you and the other Members of this body a letter I recently received from the Honorable Robert Sargent Shriver, Jr., Director of the Peace Corps.

I believe that this letter indicates the cooperative spirit shown by the manufacturers of Alabama and our Nation in promoting the United States in foreign fields.

This letter reads as follows:

Last fall when I visited Ethiopia the Peace Corps volunteers there told me the country had no street signs. The volunteers offered

to undertake to mount signs if we provided them with the necessary materials.

When I returned home we immediately looked for the necessary materials. To the credit of several Alabamians, we not only got the materials, but we were also able to get the street signs made at no expense to the Government.

Republic Steel Corp. provided the sheet metal. Then Mr. William C. Ireland, president of the Vulcan Sign & Stamping Co. of Birmingham, offered to stamp the signs. The Nifty Manufacturing Co. of Birmingham volunteered to package them for shipment to Ethiopia. Painting materials were acquired through the efforts of Mr. William E. Hood, also of Birmingham, who is president of the National Paint, Varnish & Lacquer Association. The street signs are now on their way to Ethiopia.

This is one example of many where American citizens and private organizations have responded to help the Peace Corps. In this case Alabama really did a tremendous job for us.

Mr. Speaker, I believe that this is a typical example of what can be done by the cooperation of industry and I am proud that the industries of Alabama have taken it upon themselves to be of assistance in the interest of promoting peace throughout the world.

SALUTE TO ALABAMA VETERANS

Mr. SMITH of Iowa. Mr. Speaker, I ask unanimous consent that the gentleman from Alabama [Mr. ROBERTS] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. ROBERTS of Alabama. Mr. Speaker, I would like to call to the attention of the Members of this body a letter I have recently received from the Honorable J. S. Gleason, Jr., Administrator of the Veterans' Administration, of which I am very proud. I am certain that all Alabamians are proud of this letter since the information that Mr. Gleason furnished me certainly indicates that Alabamians have done more than their share in the service of their country.

Alabama was the 22d State to enter the Union. It entered the Union on December 14, 1819. It seceded from the Union on January 11, 1861, and Montgomery became the Capital of the Confederacy in February of 1861. In 1865, after the War Between the States, the Constitution of Alabama adopted and ratified the 13th amendment abolishing slavery, nullified the ordinance of secession and provided for the election of State officers.

In the ensuing years, Alabama contributed to the national welfare as a great State and the men of Alabama served in the Armed Forces of the United States with great credit.

I would like to quote a paragraph from Mr. Gleason's letter:

The fact that 7 out of every 10 Alabama men between the ages of 35 and 39 years are war veterans is a solid testimony of the Cotton State's contribution to this Nation's successful struggle for freedom—not only for ourselves but for others—in World War I, World War II, and the Korean war. I

am proud, as I know you are, to have a part in our country's effort now to "care for him who shall have borne the battle, and for his widow and his orphan."

There are some 316,000 Alabama war veterans. This means that 1 out of every 11 citizens of our fine State has served his country; one-third of the civilians over 18 years of age has served in either World War I, World War II, or the Korean war.

Eighty-three percent of our veterans are employed, of which 43 percent are craftsmen, foremen, operators, or in similar work. One out of every four is a professional or technical worker, manager, official, or proprietor. One out of seven employed veterans is a clerical or sales worker. One out of eight is a service worker, laborer, or farmworker; and 1 out of 25 is a farmowner or manager.

If you consider the number of veterans who have attained the age of 60 years or more and who have been institutionalized or are in school, there are less than 3½ percent of our veterans who are unemployed. This speaks highly for our State and we are proud of these men. The average income for a veteran—if single—is some \$4,014 per year or, if head of a family, \$5,395 per year.

I take this opportunity to talk to you about the great State of Alabama, the Cotton State, not only because I am most proud of my heritage and my State, but because I believe that the men and women of the State of Alabama who gave so much during the trying days of strife, have indeed honored us with their unselfish loyalty to their country and they have also indicated outstanding competence as veterans of the various wars in which they have participated.

I salute these men of my fine State and I salute all other veterans who have participated in the various wars in which the United States has been involved for they have demonstrated the true meaning of democracy and that they are willing to lay down their lives in defense of this great country of ours.

RESIGNATION FROM AND APPOINTMENT TO COMMITTEE

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

HON. JOHN W. MCCORMACK,
Speaker of the House,
Washington, D.C.

DEAR MR. MCCORMACK: I greatly appreciate having been appointed by you as a member of the U.S. delegation of the Mexico-United States Interparliamentary Group for the meeting to be held in Mexico on March 18, 1963.

It was a wonderful opportunity, I thought, to help strengthen our relationship with our good neighbors to the south.

I find, however, that I will be unable to attend the meeting and therefore submit my resignation.

Sincerely,

J. IRVING WHALLEY,
Member of Congress.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

The SPEAKER. Pursuant to the provisions of section 1, Public Law 86-420,

the Chair appoints as a member of the U.S. delegation of the Mexico-United States Interparliamentary Group for the meeting to be held in Guanajuato, Republic of Mexico, beginning on Monday, March 18, 1963, the gentleman from Massachusetts [Mr. MORSE] to fill the existing vacancy thereon.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 20. An act to promote the coordination and development of effective Federal and State programs relating to outdoor recreation, and for other purposes; to the Committee on Interior and Insular Affairs.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. HEALEY (at the request of Mr. KEOGH), for Tuesday, March 12, 1963, on account of illness.

Mr. SMITH of Virginia (at the request of Mr. HARDY), for an indefinite period on account of illness in family.

Mr. RIEHLMAN (at the request of Mr. AREDS), for March 13 and 14, on account of official business with House Committee on Science and Astronautics.

Mr. GURNEY (at the request of Mr. HALLECK), for March 13 and 14, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. ADAIR, for 30 minutes, on Thursday next.

Mr. WIDNALL (at the request of Mr. CLANCY), for 5 minutes today.

Mr. PELLY (at the request of Mr. CLANCY) for 1 hour March 13.

Mr. GLENN (at the request of Mr. CLANCY) for 5 minutes today.

Mr. ROGERS of Florida, for 30 minutes on tomorrow, Wednesday, March 13, 1963.

Mr. OLSEN of Montana (at the request of Mr. SMITH of Iowa), for 10 minutes on March 14, 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:

Mr. PHILBIN in three instances and to include extraneous matter.

Mr. NEDZI.

Mr. WILSON of Indiana.

Mr. BRUCE.

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

Mr. WESTLAND.

Mr. FINDLEY.

Mr. PILLION.

Mr. DEROUNIAN.

Mr. BARRY.

Mr. SHORT in two instances.

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

Mrs. SULLIVAN.

ADJOURNMENT

Mr. SMITH of Iowa. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 24 minutes p.m.), the House adjourned until tomorrow, Wednesday, March 13, 1963, 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:

539. A letter from the Secretary of the Army, transmitting the Annual Report of the U.S. Soldiers' Home for the fiscal year 1962, pursuant to 24 U.S.C. 59, 60; to the Committee on Armed Services.

540. A letter from the Secretary of the Interior, transmitting one copy each of certain laws enacted by the Sixth Guam Legislature, 1962, pursuant to section 19 of the Organic Act of Guam; to the Committee on Interior and Insular Affairs.

541. A communication from the President of the United States, transmitting amendments to the budget for the fiscal year 1964 involving decreases in the amount of \$8 million in new obligatory authority, and \$2,225,000 in an administrative expense limitation for the Department of Agriculture (H. Doc. No. 81); to the Committee on Appropriations and ordered to be printed.

542. A letter from the Comptroller General of the United States, transmitting a report on the examination of unnecessary costs incurred by the Department of the Navy in the procurement of airborne early warning search radars; to the Committee on Government Operations.

543. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Outdoor Recreation Resources Review Commission for the period of its existence, June 28, 1958, through September 1, 1962; to the Committee on Government Operations.

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. PHILBIN: Committee on Armed Services. H.R. 307. A bill to authorize the sale, without regard to the 6-month waiting period prescribed, of cadmium proposed to be disposed of pursuant to the Strategic and Critical Materials Stock Piling Act; without amendment (Rept. No. 87). Referred to the Committee of the Whole House on the State of the Union.

Mr. BARING: Committee on Interior and Insular Affairs. H.R. 1087. A bill 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; with amendment (Rept. No. 91). Referred to the Committee of the Whole House on the State of the Union.

Mr. BARING: Committee on Interior and Insular Affairs. H.R. 277. A bill to amend the act of April 22, 1960, relative to the transfer of certain public lands to the Colorado River Commission of Nevada; with

amendment (Rept. No. 92). Referred to the Committee of the Whole House on the State of the Union.

Mr. BARING: Committee on Interior and Insular Affairs. H.R. 1892. A bill to repeal the act of October 22, 1919 (41 Stat. 293; 43 U.S.C. 351-355, 357-360); with amendment (Rept. No. 93). Referred to the Committee of the Whole House on the State of the Union.

Mr. RODINO: Committee on the Judiciary. H.R. 2844. A bill to provide the same life tenure and retirement rights for judges hereafter appointed to the U.S. District Court for the District of Puerto Rico as the judges of all other U.S. district courts now have; without amendment (Rept. No. 94). Referred to the Committee of the Whole House on the State of the Union.

Mr. CELLER: Committee on the Judiciary. H.R. 2835. A bill to clarify the status of circuit and district judges retired from regular active service; without amendment (Rept. No. 95). Referred to the Committee of the Whole House on the State of the Union.

Mr. CELLER: Committee on the Judiciary. H.R. 2845. A bill to provide that the district courts shall be always open for certain purposes, to abolish terms of court and to regulate the sessions of the courts for transacting judicial business; without amendment (Rept. No. 96). Referred to the Committee of the Whole House on the State of the Union.

Mr. FORRESTER: Committee on the Judiciary. H.R. 824. A bill to incorporate Science Service, Inc., for the purposes indicated by Public Law 85-875; with amendment (Rept. No. 97). Referred to the House Calendar.

Mr. TOLL: Committee on the Judiciary. H.R. 2842. A bill to amend section 3238 of title 18, United States Code; without amendment (Rept. No. 98). Referred to the House Calendar.

Mr. FORRESTER: Committee on the Judiciary. H.R. 2833. A bill to amend subdivision d of section 60 of the Bankruptcy Act (11 U.S.C. 96d) so as to give the court authority on its own motion to reexamine attorney fees paid or to be paid in a bankruptcy proceeding; without amendment (Rept. No. 99). Referred to the House Calendar.

Mr. CELLER: Committee on the Judiciary. H.R. 2849. A bill to amend section 47 of the Bankruptcy Act; without amendment (Rept. No. 100). Referred to the House Calendar.

Mr. FORRESTER: Committee on the Judiciary. H.R. 4715. A bill to incorporate the Eleanor Roosevelt Memorial Foundation, Inc.; with amendment (Rept. No. 101). Referred to the House Calendar.

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. BARING: Committee on Interior and Insular Affairs. H.R. 1544. A bill for the relief of David H. Forman and Julia Forman; with amendment (Rept. No. 88). Referred to the Committee of the Whole House.

Mr. BARING: Committee on Interior and Insular Affairs. H.R. 2291. A bill regarding a homestead entry of Lewis S. Cass; without amendment (Rept. No. 89). Referred to the Committee of the Whole House.

Mr. BARING: Committee on Interior and Insular Affairs. H.R. 2294. A bill to authorize the Secretary of the Interior to convey certain land situated in the vicinity of Unalakleet, Alaska, to Mrs. William E. Beltz; without amendment (Rept. No. 90). Referred to the Committee of the Whole House.

Mr. ASHMORE: Committee on the Judiciary. H.R. 1230. A bill for the relief of Nicholas E. Villareal; without amendment

(Rept. No. 102). Referred to the Committee of the Whole House.

Mr. ASHMORE: Committee on the Judiciary. H.R. 3623. A bill for the relief of Col. Frank D. Schwikert, U.S. Air Force; without amendment (Rept. No. 103). Referred to the Committee of the Whole House.

Mr. ASHMORE: Committee on the Judiciary. H.R. 3625. A bill for the relief of Maj. Leonard H. Potterbaum, U.S. Air Force; without amendment (Rept. No. 104). Referred to the Committee of the Whole House.

Mr. ASHMORE: Committee on the Judiciary. H.R. 3626. A bill for the relief of Ronnie E. Hunter; without amendment (Rept. No. 105). Referred to the Committee of the Whole House.

Mr. ASHMORE: Committee on the Judiciary. H.R. 3627. A bill for the relief of Arthur C. Berry and others; without amendment (Rept. No. 106). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H.R. 1535. A bill to amend section 2 of Private Law 87-673; without amendment (Rept. No. 107). 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. BARRY:

H.R. 4774. A bill to amend the Internal Revenue Code of 1954 so as to provide for reform of personal and corporate income tax rates, and for other purposes; to the Committee on Ways and Means.

By Mr. COLLIER:

H.R. 4775. A bill to allow a deduction for income tax purposes of certain expenses incurred by the taxpayer for the education of a dependent; to the Committee on Ways and Means.

By Mr. DINGELL:

H.R. 4776. A bill to amend the Internal Revenue Code of 1954 to provide increased tax incentives for individuals and corporations which manufacture or produce goods for export by providing that amounts derived from an increase in exports of such goods will be excluded from gross income; to the Committee on Ways and Means.

By Mr. DULSKI:

H.R. 4777. A bill to amend the Federal Employees Uniform Allowance Act; to the Committee on Post Office and Civil Service.

By Mr. FLOOD:

H.R. 4778. A bill to amend title 38, United States Code, to provide for the payment of pensions to veterans of World War I; to the Committee on Veterans' Affairs.

By Mr. FULTON of Tennessee:

H.R. 4779. A bill to provide readjustment assistance to veterans who serve in the Armed Forces during the induction period; to the Committee on Veterans' Affairs.

By Mr. GUBSER:

H.R. 4780. A bill to amend section 84(a) of title 28, United States Code, to provide for three divisions within the northern district for the U.S. district courts in California; to the Committee on the Judiciary.

By Mr. HERLONG:

H.R. 4781. A bill to provide for the tariff classification of certain particleboard; to the Committee on Ways and Means.

By Mr. MATTHEWS:

H.R. 4782. A bill to provide for the establishment of a national cemetery on a portion of the site Camp Blanding Military Reservation, Fla.; to the Committee on Interior and Insular Affairs.

By Mr. MILLIKEN:

H.R. 4783. A bill to amend the Civil Rights Act of 1957, and for other purposes; to the Committee on the Judiciary.

By Mr. MILLS:

H.R. 4784. A bill to revise the provisions of law relating to the methods by which amounts made available to the States pursuant to the Temporary Unemployment Compensation Act of 1958 and title XII of the Social Security Act are to be restored to the Treasury; to the Committee on Ways and Means.

By Mr. BYRNES of Wisconsin:

H.R. 4785. A bill to revise the provisions of law relating to the methods by which amounts made available to the States pursuant to the Temporary Unemployment Compensation Act of 1958 and title XII of the Social Security Act are to be restored to the Treasury; to the Committee on Ways and Means.

By Mr. MONTROYA:

H.R. 4786. A bill for the relief of the State of New Mexico; to the Committee on the Judiciary.

By Mr. PEPPER:

H.R. 4787. A bill to provide for the designation of a highway from Tampa, Fla., to Miami, Fla., as a part of the National System of Interstate and Defense Highways; to the Committee on Public Works.

By Mr. TALCOTT:

H.R. 4788. A bill to amend section 84(a) of title 28, United States Code, to provide for three divisions within the northern district for the U.S. district courts in California; to the Committee on the Judiciary.

By Mr. WESTLAND:

H.R. 4789. A bill to provide that certain aircraft may travel between the United States and Canada without requiring the owners or operators thereof to reimburse the United States for extra compensation paid customs officers and employees; to the Committee on Ways and Means.

By Mr. WYMAN:

H.R. 4790. A bill to amend section 1391 of title 28 of the United States Code, relating to venue generally; to the Committee on the Judiciary.

By Mr. BURKHALTER:

H.R. 4791. A bill to promote the conservation of the Nation's wildlife resources on the Pacific Flyway in the Tule Lake, Lower Klamath, and Upper Klamath National Wildlife Refuges in Oregon and California; to the Committee on Interior and Insular Affairs.

H.R. 4792. A bill to provide for the establishment of a national cemetery within Los Angeles County, Calif.; to the Committee on Interior and Insular Affairs.

By Mr. CURTIS:

H.R. 4793. A bill relative to application of investment credit to certain leased property; to the Committee on Ways and Means.

By Mr. DERWINSKI:

H.R. 4794. A bill to amend the Postal Service and Federal Employees Salary Act of 1962 and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. EDWARDS:

H.R. 4795. A bill to amend section 84(a) of title 28, United States Code, to provide for three divisions within the northern district for the U.S. district courts in California; to the Committee on the Judiciary.

By Mr. GALLAGHER:

H.R. 4796. A bill to amend title 38, United States Code, to provide for the payment of pensions to veterans of World War I and their widows and dependents; to the Committee on Veterans' Affairs.

By Mrs. GREEN of Oregon:

H.R. 4797. A bill to authorize assistance to public and other nonprofit institutions of higher education in financing the construction, rehabilitation, or improvement of needed academic and related facilities in undergraduate and graduate institutions, and to provide additional student loan assistance for study in such institutions; to the Committee on Education and Labor.

By Mr. GIAIMO:

H.R. 4798. A bill to amend the Davis-Bacon Act to extend its application to contracts for the maintenance of Federal installations; to the Committee on Education and Labor.

By Mr. McCLOREY:

H.R. 4799. A bill to amend the Internal Revenue Code of 1954 to provide non-recognition of gain where a taxpayer aged 65 or over disposes of property in connection with the acquisition of right to life-long domiciliary care in a nursing home or home for the aged; to the Committee on Ways and Means.

By Mr. MORRISON:

H.R. 4800. A bill to amend title 39, United States Code, with respect to advancement by step increases of certain postal field service employees; to the Committee on Post Office and Civil Service.

By Mr. ROSENTHAL (by request):

H.R. 4801. A bill to amend subsection 506(d) of the Federal Property and Administrative Services Act of 1949, as amended, regarding certification of facts based upon transferred records; to the Committee on Government Operations.

By Mr. SKUBITZ:

H.R. 4802. A bill to provide direct aid to States and territories for educational purposes only; to the Committee on Ways and Means.

By Mr. CAHILL:

H.R. 4803. A bill to amend the Internal Revenue Code of 1954 to provide that an individual may deduct amounts paid for his higher education, or for the higher education of any of his dependents; to the Committee on Ways and Means.

By Mr. DERWINSKI:

H.R. 4804. A bill to repeal the excise tax on communications; to the Committee on Ways and Means.

By Mr. BROYHILL of Virginia:

H.J. Res. 322. Joint resolution designating March 27 as Gen. "Billy" Mitchell Day; to the Committee on the Judiciary.

By Mr. FLOOD (by request):

H.J. Res. 323. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mrs. KELLY:

H.J. Res. 324. Joint resolution extending an invitation to the International Olympic Committee to hold the 1968 winter Olympic games in the United States; to the Committee on Foreign Affairs.

By Mr. WHITTEN:

H.J. Res. 325. Joint resolution proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. FALLON:

H. Con. Res. 112. Concurrent resolution requesting the President to issue a proclamation designating the week of May 26 to June 1, 1963, as the third annual National Highway Week; to the Committee on the Judiciary.

By Mr. FLOOD:

H. Con. Res. 113. Concurrent resolution relating to Panama Canal sovereignty treaty interpretations; to the Committee on Foreign Affairs.

H. Con. Res. 114. Concurrent resolution expressing the sense of Congress on representation of China in the United Nations; to the Committee on Foreign Affairs.

By Mr. BENNETT of Michigan:

H. Res. 291. Resolution authorizing the payment of death gratuities in the case of certain employees under the jurisdiction of the Architect of the Capitol who are assigned to duty in the House of Representatives; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Idaho, memorializing the President and the Congress of the United States relative to requesting the calling of a convention for the purpose of proposing an amendment to the Constitution of the United States relating to setting a national debt limit of \$350 billion; to the Committee on the Judiciary.

Also, a memorial of the Legislature of the State of Montana, memorializing the President and the Congress of the United States relative to urging passage of legislation to amend the Reclamation Act and any other laws or rules, to waive the application of the land limitation clause in the area above Canyon Ferry Dam in the State of Montana; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the State of Montana, memorializing the President and the Congress of the United States relative to requesting the calling of a convention for the purpose of proposing an amendment to the Constitution of the United States relating to apportionment of representation in any State legislature; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Montana, memorializing the President and the Congress of the United States relative to requesting that the Federal portion of cost on Federal aid primary highways and secondary highways be increased from about 57 percent to 70 percent; to the Committee on Public Works.

Also, memorial of the Legislature of the State of South Dakota memorializing the President and the Congress of the United States relative to the so-called right to work laws of the respective States of this Union; to the Committee on Education and Labor.

Also, memorial of the Legislature of the State of South Dakota, memorializing the President and the Congress of the United States to allow singing at Mount Rushmore by nonprofessional student workers and to remove the restrictions imposed in 1962 which caused this to cease; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the State of South Dakota, memorializing the President and the Congress of the United States to support construction of the Crazy Horse Memorial near Custer, S. Dak.; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the State of South Dakota, memorializing the President and the Congress of the United States to propose an amendment to the Constitution of the United States to provide for the appointment of electors of the President and Vice President on a basis similar to the election of the Congress of the United States; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of South Dakota, memorializing the President and the Congress of the United States to take all necessary steps in promoting the sale of grain and to guarantee continuing access of U.S. wheat to the Common Market countries; to the Committee on Ways and Means.

H.R. 4807. A bill for the relief of Ourania Hondros; to the Committee on the Judiciary.

By Mr. CASEY:

H.R. 4808. A bill for the relief of Yee Chow Choi; to the Committee on the Judiciary.

By Mr. CONTE:

H.R. 4809. A bill for the relief of Maria Rossi; to the Committee on the Judiciary.

By Mr. PEPPER:

H.R. 4810. A bill for the relief of Casimira Villamil Pear; to the Committee on the Judiciary.

By Mr. RANDALL:

H.R. 4811. A bill for the relief of Mrs. Marjorie Curtis; to the Committee on the Judiciary.

By Mr. REUSS:

H.R. 4812. A bill for the relief of Mrs. Kosara Nikolic; to the Committee on the Judiciary.

By Mr. RYAN of New York:

H.R. 4813. A bill for the relief of Peter G. Corbett; to the Committee on the Judiciary.

H.R. 4814. A bill for the relief of Dr. Yellamaty Williams; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

65. By Mr. HANNA: Petition of the La Habra (Calif.) Chamber of Commerce opposing all plans for Federal subsidization of local transit and commuter services; to the Committee on Banking and Currency.

66. By Mrs. ST. GEORGE: Petition of Dorothy N. Sutherland and 48 others to preserve the Monroe Doctrine; to the Committee on Foreign Affairs.

67. By the SPEAKER: Petition of Eugene M. Boyd, Jr., city clerk, Marysville, Calif., relative to protesting the proposed subsidy formula of the Civil Aeronautics Board; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. BROXHILL of Virginia:

H.R. 4805. A bill relating to the effective date of the qualification of the profit-sharing plan of the Arlington Realty Co. as a qualified trust under section 401(a) of the Internal Revenue Code of 1954; to the Committee on the Judiciary.

H.R. 4806. A bill for the relief of Ulf Heinrich Goebel; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Boy Scout Honors for Third District

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 12, 1963

Mr. PHILBIN. Mr. Speaker, the Third Massachusetts District, which I have the great honor and privilege to represent in the Congress, was signaled out for special recognition last month by the Boy Scouts of America during National Boy Scout Week.

Peter W. Kotilainen of Millbury was chosen as 1 of 12 Scouts from throughout the United States to deliver in Washington the highlights of scouting activities in region 1 as part of the annual Boy Scout Report to the Nation. His alternate was Jon David Naparstek of Ayer, also from the Third District, another outstanding young Boy Scout leader and Eagle Scout, who has been active in the affairs of Mohegan Council of Central Massachusetts.

Peter, who is the junior assistant scoutmaster of Troop 9, sponsored by the

Millbury Federated Congregational Methodist Church, was designated to represent the entire New England region during the official weeklong ceremonies in Washington, New Jersey, and New York. In addition, he was awarded a \$300 college scholarship by the Reader's Digest.

During his 3-day visit to Washington, Peter attended the 53d anniversary breakfast in the Presidential Room of the Statler-Hilton and met many leaders in national affairs who were honored as helpful friends of Scouting.

Among other Scout honors earned by Peter during his active association in the Boy Scout movement are the Eagle Scout Bronze Palm Medal and the God and Country Award. In addition, he holds 30 merit badges for achievement in various phases of Scouting.

In 1961, Peter was named Boy Scout of the Year by Troop 109. More recently, the troop, Beaver Patrol, under Peter's leadership, was designated the best camping patrol by Mohegan Council. In 1960, he was a patrol leader at the National Boy Scout Jamboree at Colorado Springs.

A junior at Millbury High School, Peter is active in the debating and science clubs and a member of the track

team. He is the son of Mr. and Mrs. Toivo Kotilainen of 15 Alpine Way.

Mr. Speaker, I am pleased indeed to extend my congratulations to Peter Kotilainen and Jon Naparstek and their families who may well be proud of the honors granted these young leaders by the Boy Scouts in recognition of their leadership and work in Scouting. To Peter and Jon, I also extend my very best wishes for their continued advancement in Scouting and community achievement. I predict brilliant futures for both these young men.

Physical Fitness

EXTENSION OF REMARKS
OF

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 12, 1963

Mr. FINDLEY. Mr. Speaker, I have a report from Mr. Phillip Lorenc, of Macomb, Ill., a student teacher who has aided Mr. Gene Pavelonis, physical education instructor in a physical fitness