"Despite recent indications of some recovery from the recession and a decrease in the unemployment rate, there still remain large numbers of workers who have exhausted, even extended, unemployment insurance benefits—those whose skills have become obsolete; the unskilled, especially those without high school education; older workers; minority groups; and the youth. * * *

"The fact that we are in the midst of the cold war only increases the need for the programs this bill will provide. The present struggle requires the maximum use of all our manpower, with no waste of the skills and ability to produce that are now available in the ranks of our long-term unemployed, and which can be fully exploited and utilized when these unemployed are trained for the skills needed today and tomorrow" (CONGRESSIONAL RECORD, vol. 108, pt. 3, p. 3001).

Negro history

House Joint Resolution 635 (Mr. POWELL): To authorize the President to proclaim a week in 1963 as National Negro History Week.

Public health service facilities

H.R. 10217 (Mr. POWELL): Repeals the provisions of the Hill-Burton Act which permits Federal assistance for hospitals which discriminate against persons on the basis of race, creed, or color [repealing U.S.C. 42:291 e(f)].

Student aid

H.R. 9743 (Mr. POWELL): Authorizes the appropriation of $130 million for fiscal 1963 and $145 million for fiscal 1964 for making student loans under the National Defense Education Act. Repeals the limitation relative to the maximum amount of Federal capital contribution to any institution. Increases the number and amount of loans to medical and dental students and lengthens the period of repayment for such loans. Provides loans for interns.

Territories of the United States

Puerto Rico—House Joint Resolution 626 (Mr. POWELL): Constitutional amendment—proposes an amendment to the Constitution of the United States granting representation in the electoral college to the Commonwealth of Puerto Rico.

Virgin Islands—H.R. 11709 (Mr. POWELL): Amends the Revised Organic Act of the Virgin Islands concerning the election of senators to the legislature of the Virgin Islands.

Welfare and pension plans

H.R. 8723. "This Congress must assure the millions of men and women who are the beneficiaries of these plans, and their families, that their money is well handled and their promised benefits properly safeguarded" (CONGRESSIONAL RECORD, vol. 108, pt. 2, p. 1729).

SENATE

WEDNESDAY, OCTOBER 30, 1963

(Legislative day of Tuesday, October 22, 1963)

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

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

O Thou who dost speak to listening hearts in the holy hush of each new dawn and in the brooding quietness of the evening: Speak to us now, we pray, in the heat and burden of noontide's toiling.

Teach those who here, in the gaze of the Nation and of the whole world, minister in this temple of democracy, to value a conscience void of offense and the royalty of inward peace and poise, above all the pedestals, prizes, and preferments earth can give.

Help us to make true the image of our America, not as a giant flaunting its strength, but as a Good Samaritan bending in mercy and help over a sick and wounded world.

In the dear Redeemer's name, we pray. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, October 29, 1963, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

TRANSACTION OF ROUTINE BUSINESS

On request of Mr. MANSFIELD, and by unanimous consent, it was ordered that there be a morning hour, with statements limited to 3 minutes.

REQUEST FOR AUTHORIZATION FOR COMMITTEE MEETING DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Air and Water Pollution Subcommittee of the Public Works Committee be permitted to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection——

Mr. DIRKSEN. Mr. President, I am reluctant to object; but I had to object in the case of one of my own committees, and had to inform the chairman that I would have to object. Therefore, I think I must pursue a consistent policy, and must now object.

The PRESIDENT pro tempore. Objection is heard.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nominations on the Executive Calendar.

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

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

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

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. McNAMARA, from the Committee on Public Works:

Brig. Gen. Walter P. Leber, U.S. Army, to be a member of the Mississippi River Commission;

Lt. Col. Robert H. Allan, Corps of Engineers, to be a member of the California Debris Commission; and

Col. Robert E. Mathe, Corps of Engineers, to be a member and secretary of the California Debris Commission.

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

SUBVERSIVE ACTIVITIES CONTROL BOARD

The legislative clerk read the nomination of Frank Kowalski, of Connecticut, to be a member of the Subversive Activities Control Board for the term expiring August 9, 1966.

Mr. RIBICOFF. Mr. President, I am pleased to support the nomination of Frank Kowalski, of Connecticut, to be a member of the Subversive Activities Control Board. He has the qualifications needed for the job and I am sure he will discharge his duties with probity and ability—continuing to serve his Nation well as he did while a member of the Armed Forces and the House of Representatives.

I fully endorse this nomination and urge its approval by the Senate.

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

FOREIGN CLAIMS SETTLEMENT COMMISSION

The legislative clerk proceeded to read sundry nominations in the Foreign Claims Settlement Commission.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

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

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

LEGISLATIVE SESSION

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

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

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

BILLS AND JOINT RESOLUTION INTRODUCED

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

By Mr. KUCHEL:

S. 2268. A bill to amend section 7 of the act of May 21, 1920, to require the procurement of certain services from commercial suppliers when economy will result from such procurement, and for other purposes; to the Committee on Government Operations.

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

By Mr. GOLDWATER:

S. 2269. A bill to amend the Internal Revenue Code of 1954 to allow a tax credit for certain tuition and fees paid by individuals to institutions of higher education and to allow a tax credit for certain contributions made by individuals or corporations to institutions of higher education; to the Committee on Finance.

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

By Mr. GOLDWATER (for himself, Mr. ALLOTT, Mr. YOUNG of North Dakota, Mr. MORTON, and Mr. TOWER):

S. 2270. A bill to amend the Internal Revenue Code of 1954; to the Committee on Finance.

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

By Mr. CURTIS:

S. 2271. A bill for the relief of Shu Hsien Chang; to the Committee on the Judiciary.

By Mr. SPARKMAN:

S.J. Res. 129. Joint resolution to amend section 702 of the Housing Act of 1954 to increase the amount available to the Housing and Home Finance Administrator for advances for planned public works; to the Committee on Banking and Currency.

GOVERNMENT COMPETITION WITH PRIVATE ENTERPRISE

Mr. KUCHEL. Mr. President, many of our businessmen find themselves daily struggling with the problem of Government competition. This matter has become so acute in the past few years that some businesses have been forced to close their doors. Our economic system has always been based on competitive private enterprise, regulated, where necessary, in the public interest, to prevent monopoly. The bill I am introducing today has grown out of a constant trend of the Government to minimize and, in some cases, abolish the competitive system.

American private enterprise has generated initiative, ingenuity, inventiveness, and a degree of productivity which has never been equaled in the history of mankind. The same forces that have produced such high standards of efficiency in private industry have not usually been duplicated to the same degree in the enterprises controlled and dominated by the Federal Government, which are, in essence, in competition with private business.

But Government competition takes other forms besides that of the Government corporation. For instance, Mr. President, earlier this year I was informed that some members of the drafting staff of the Patent Office were doing outside work—moonlighting, as it were—for various patent law firms which do business with the Patent Office. I immediately discussed this matter with the Commissioner of Patents. I then asked the Comptroller General to investigate these charges. Subsequently, after consultation with him, the information I had received was turned over to the Criminal Division of the Department of Justice and to the Patent Office, for further action. Such outside drafting is a clear conflict of interest. The existence of such practices means that competent private draftsmen outside the Patent Office are deprived of work which some patent attorneys find it more convenient to give to employees of the Patent Office.

I was pleased to see that, at long last, in the Official Gazette of the U.S. Patent Office for October 15, 1963, some attention was finally given to Commissioner's Administrative Order No. 50 relating to conflict of interest. This order was issued 9 months earlier—on January 29, 1963. The order "prohibits employees of the Patent Office from engaging in a private activity for compensation when such activity is connected with any business of the Government with which the employee may have a relationship by reason of his Government position."

The order continues, more specifically, to note that:

> The preparations by Patent Office draftsmen of drawings which become a part of a patent application is considered to fall within the area of prohibited activity.

The Patent Office draftsmen were notified of this order on January 24, 1963. Patent attorneys were finally notified 9 months later—on October 15, 1963. The order had provided that:

> Notice is hereby given of this ruling to all those practicing before the Patent Office. All are expected to comply therewith.

It remains, Mr. President, to determine whether this practice has been fully stamped out.

Assistant Attorney General Herbert J. Miller, Jr., wrote to me on October 22, 1963, that:

> Representatives of the Department of Justice plan to meet with representatives of the Patent Office in the near future and discuss with them the effectiveness of their remedial procedures, and the possibility of prosecutive action against those Patent Office employees who may have violated the conflict-of-interest statutes since January 24, 1963.

Assistant Attorney General Miller, I am glad to say, has informed the Patent Office that Patent Office draftsmen who do drafting work for patent attorneys during their off duty hours are in clear violation of the conflict-of-interest statutes and the various opinions and rulings of the Attorney General thereunder.

However, as the first and the second Hoover Commissions noted:

> The Government creates business-type enterprises in economic emergencies, in the emergencies of war, and for the development of projects which are not adapted to private enterprise because of their nature or their magnitude.

A very large portion of the Federal business enterprises, as we know, Mr. President, originated with the necessities of the First World War, the depression, and the Second World War.

One of the major problems before the Hoover Commission was the continuation of Government business enterprises after the emergency that engendered them has terminated. Without exception, the Commission found that:

> Agencies tend to perpetuate themselves, since by the time their tasks have been completed, their personnel and the citizens in the communities where they operate resist termination.

As a consequence, all too often they continue to function long after the original need has passed, and even when their operation is not in the public interest. They perpetuate themselves, and even grow in personnel and stature, in part, by living off of direct contracts from other Federal agencies. This vexing situation is responsible as much as any other single factor for the unnecessary Federal competition and, indeed, the Government encroachment which American businessmen face today.

Under the so-called National Economy Act, the Federal Government is able to utilize a reimbursable funding system for work done by one agency for another. The services of one agency by another have been utilized with all too uncanny ease. The purpose of this law is to allow Federal agencies the use of the existing facilities of other agencies when it is evident that such services could not be procured from nongovernmental sources. Interagency contracts are often completed as easily as one picks up the telephone. Sometimes they are awarded to Federal agencies whose primary function lies in another area, and who may not even currently have the necessary facilities and personnel to perform adequately the desired work.

Except for a very few instances, interagency contracts result in no tax revenue; no interest is paid on the capital invested; they seldom charge depreciation; and frequently their directing personnel are not included on their payroll. In effect, they deprive the Government of taxes which otherwise would be paid by private enterprise if it conducted these operations.

The continuance of such activities by the Government must be made subject to rigid justification; and the burden of proof, in all instances, should be on the Government. When, as is now the case, private enterprise is not given the benefit of the doubt, when true Government costs are not portrayed, and when such costs are not a determining factor in interagency contract awards, then a definite injury to the vitality of the whole private enterprise system, and, indeed, to every taxpaying citizen of this country, has been done.

I have discussed this problem over the years with many businessmen in my State and throughout the Nation. One recent example of Government competition in a field which is capably handled by private enterprise is that which exists in photogrammetry. This is the science or art of making maps from

aerial photographs. Obviously, very accurate measurements are called for. This method is used today in all major mapping programs. Now we find that the Army Map Service has contracted to the Department of the Air Force to perform aerial photography and a Hiran survey of the country of Ethiopia, under a cooperative program that has been long established between the Department of the Army and the country of Ethiopia.

In a letter from the Department of Defense regarding this project it is stated:

> The cost of the operation was not a determining factor in deciding to assign this project to the Air Force rather than to obtain the photography by contract with commercial firms.

The result of this decision is a mapping program for 320,000 square miles, or about two-thirds of the country of Ethiopia, using three RC–130 aircraft for a period of 4½ years. The total cost is estimated to be approximately $10 million, of which $5 million "is for the additional costs involved in moving the elements to Ethiopia and providing the additional living expenses for personnel in the foreign area."

This means, according to the Department of Defense figures, that the normal precision aerial photography portion of the project is estimated to cost $11 per square mile. Even when taking into account a reduction for normal expenditures, which the Air Force has informally claimed reduces the square mile figure to $5, we find that several thousand dollars are being spent needlessly. These prices can be compared to that of a private firm which, in 1959, flew, on contract, 125,000 square miles of Ethiopia at a total cost to the Government of $2.93 per square mile, or a total difference of $3,461,400 of the taxpayers' money. This additional money is being spent—and, indeed, wasted—because the abilities and facilities of private industry were not considered.

There are still other areas where private industry's capabilities have not been utilized. For example, an interagency contract to the Coast and Geodetic Survey, from the Bureau of Reclamation for a silt-range survey on Lake Mead was recently completed. A previous survey was performed by the Navy some time ago, at a cost equal to that which a private firm would charge. However, since this type of a survey needs to be performed periodically, the Bureau of Reclamation again asked the Navy to perform the survey. Because of reasons of personnel, equipment, and so forth, the Navy declined to perform the survey, and suggested that a private company be contacted. A firm was contacted, and a proposal quoting an estimated cost of $135,000 was submitted. While reviewing this proposal, the Bureau of Reclamation received a solicitation by the U.S. Coast and Geodetic Survey to perform the survey. The contract was finally awarded to the Coast and Geodetic Survey, for amounts greatly exceeding that of the private proposal.

With regard to the activities of the Coast and Geodetic Survey, Mr. President, for almost 3 years, I have been interested in the unreasonable Government competition which has been occurring in the radio-avigation-chart field. A well-establised private firm, Jeppesen & Co., located in Denver, Colo., has been competently and competitively producing these charts. In the last few years, the Coast and Geodetic Survey has been providing unreasonable competition in that it has been selling comparable charts actually below its own cost of production. The Jeppesen Co. has not sought to eliminate the Coast and Geodetic Survey from competing with it. This company has merely focused its efforts on requiring that the Coast and Geodetic Survey include in its prices not only the cost of paper and printing, but also the cost of various technical processes which go into the production of the final product, as well as the mailing expenses and overhead and administrative expenses which the Secretary of Commerce allocates to the production of these charts.

As a result of the questions which were raised in 1961 by the senior Senator from Colorado [Mr ALLOTT], myself, and others, the Department of Commerce established an independent committee to study this question of unjust price competition in the area of radio avigation charts. The committee, chaired by Dr. Thomas Carroll, the president of George Washington University, had the benefit of background materials provided by both the Coast and Geodetic Survey and the Federal Aviation Agency. Representatives of the private business involved also appeared, and presented the views of private enterprise.

In its February 1 report to the Commerce Department, the Carroll committee stated:

> We have noted in our study that the definition of the cost of printing aeronautical charts is a narrow one, reflecting an 1895 law which requires a charge only for paper and printing. We believe that in the case of such charts the cost should include, in addition to paper, expenses incurred in actual reproduction after cartography, such as for photography, opaquing, platemaking, presstime, bindery-type operations, as well as materials used such as films and printing plates.

The committee also recommended "that the Coast and Geodetic Survey charge the purchasers of those aeronautical charts delivered by mail the full postage according to the public rates for postal services used."

In order to implement its recommendations, the committee urged that consideration be given to the enactment of legislation which would incorporate its recommendations.

There is presently pending before the Senate Committee on Commerce, S. 1336, which was introduced on April 18, 1963, by the Senator from Colorado [Mr. ALLOTT] and myself. This bill, completely in keeping with the Carroll committee recommendations, would codify these recommendations and update the 1895 statute which presently governs the pricing policy of the Coast and Geodetic Survey in the area of aeronautical charts. On June 19, 1963, the Aviation Subcommittee of the Commerce Committee held hearings on S. 1336. As yet, with other pressing matters before the committee, this bill has not been reported.

In my judgment, this substantive legislation should first be acted upon by the Commerce Committee, before any increases in the Coast and Geodetic Survey's radio aeronautical charting budget, which is now pending before the Senate Committee on Appropriation, is authorized. This is only simple justice. To me, it is unbelievable that the American taxpayer is expected to subsidize a Government operation which is already being capably and substantially conducted by qualified competitive private enterprise.

The PRESIDENT pro tempore. Under the morning-hour limitation, the time available to the Senator from California has expired.

Mr. KUCHEL. Mr. President, I ask unanimous consent that I may proceed for 2 additional minutes.

The PRESIDENT pro tempore. Without objection, the Senator from California may proceed for 2 more minutes.

Mr. KUCHEL. Mr. President, complaints have also been received in my office from several other organizations. The Consulting Engineers' Council, in its report entitled "Government Versus Consulting Engineers," noted that:

> Federal regulations and controls are difficult enough for the American businessman to comply with, but when direct competition from Federal agencies is added, the burden becomes unbearable.

This report concerns itself with another field of endeavor—that of consulting engineering—in which the Government has become a ruthless competitor.

Consulting engineering, which is a business practiced by professional engineers, contributes, through taxes, its full share of financial support to the operating cost of our Government. In fact, an increasing amount of our taxes seems to be going to pay thousands of professional engineers now in Federal employment. When the agencies employing these engineers openly solicit engineering services which could and should be performed by private consultants, we have the usual unhappy picture of one member of a profession paying another to take his livelihood away from him.

The Consulting Engineers' Council has noted several instances in which this has been the case. In December 1961, the Gering-Fort Laramie Irrigation District, composed of a group of private landowners in Nebraska, met to discuss with the Bureau of Reclamation personnel a proposed rehabilitation and betterment project, to be financed with loan funds secured from the Bureau. Five members of the irrigation district board of directors were present; six Bureau representatives attended. Two objections were entered by the irrigation district to the contract which was proposed: First, the 35-year repayment schedule; and second, the fee for engineering and administration proposed by the Bureau, equal to 23⅔ percent of the project cost.

Irrigation district representatives had already discussed this engineering project with a consulting engineering firm, and felt that their fee for the same project, approximately 6 percent of construction costs, would be preferable to the Bureau's 23⅔-percent fee. By resolution, adopted January 4, 1962, the irrigation district accepted the revised rehabilitation and betterment contract with the United States "with the express understanding that this district has the right to hire private engineering services if this district so desires."

The district met again on January 31, 1962, at the special request of the Bureau of Reclamation "to further consider the district's application for a rehabilitation and betterment loan." I am told that the official minutes show that Bureau of Reclamation representatives advised that the rehabilitation and betterment contract, as presented, involved the provision of all engineering by Bureau personnel, and that the retention of a consulting engineer would require redrawing the contract.

This would take several weeks—

Advised the Bureau—

and by the time the new form had been approved by the Director and the Commissioner, it could be too late to get it in the appropriations bill that year.

In case the hint was not strong enough, the Bureau further stated that the resolution of January 4 had been discussed with the regional director, and that, in the Director's opinion, "perhaps such a contract could not be approved."

Finding the obstacles erected by bureaucracy too much to overcome, the irrigation district reluctantly agreed to the retention of the Bureau as the engineering consultant. This is another tragic demonstration of the Government's refusal to consider the facilities of private industry. In this case, a group of local citizens seeking more water at lower cost was forced to pay more and to get less.

Several instances of outright solicitation by one agency to another have also resulted in competition with private business, thus higher costs. The Bureau of Commercial Fisheries has been active in soliciting AID contracts. It has become so active as to send one of its men around Africa, to see what possible jobs it could perform. This trip resulted in a $250,000 interagency contract between AID and the Bureau of Commercial Fisheries, for a ship and exploratory fishery survey of Ghana. This, unfortunately, coincides with its unsolicited proposal to Brazil, on which no action has, as yet, been taken.

Although no estimate can be adequately made regarding private industry's cost for the Ghana survey, it should be noted that private industry has adequate facilities to perform such a survey, and that probably the cost to private firms would be comparable, if not less. The important point here, however, is that no private firm was even considered, nor was the utilization of its facilities which were already in the area.

The damage of some interagency contracts can be exemplified in even more drastic terms upon the American free enterprise system. The Agency for International Development recently signed with the Corps of Engineers and its international branch known as the Inter-American Geodetic Survey an agreement to assist, advise, consult, and have responsibility for the accomplishment of detailed inventories of physical resources for Latin America. In effect, this means that the Inter-American Geodetic Survey, a military intelligence organization, will be advising and gathering civilian information which can only be of use to foreign governments and their domestic agencies whose functions are in land reform, taxation, and the advancement of natural resources.

On the surface, this agreement, known as the Participation Agency Service Agreement, appears to be in the interest of assuring technical quality. But there is no reason why competent private firms could not be contracted to serve the same function.

The Central American countries are already looking hesitantly at a U.S. military intelligence agency which wishes to gather such basic data for use in domestic reform and advancement. Out of all the needless waste and senseless competition with private enterprise in which the Government engages, no other single interagency contract or agreement can do the immeasurable damage that this agreement can do. It not only restricts private industry from work in natural resource surveys in Latin America, but it also tends to undermine the whole Alliance for Progress program which is seeking immediate reform. Presumably, one purpose of American assistance is to shore up neutral and free, friendly countries, so that they may know the values held by free peoples against totalitarianism. Certainly, one hallmark of a free society is the degree to which it encourages individual initiative and private enterprise. There can be little freedom when the state does everything. I hope that when comparable services are available at comparable cost from American firms, our Government will make better use of them than it is now doing. For that reason, I now introduce a bill to amend the National Economy Act in order that this principle may be more fully adhered to.

Mr. President, the bill I introduce will prohibit interagency contracting until the cost of such service had been ascertained and a determination has been made that such service cannot be obtained at lower cost under acceptable terms and conditions from any nongovernmental firm or business enterprise. This determination could be made by advertisement for bids; or, in the case of engineering, architectural, and other professional services authorized by law to be obtained under negotiated contract, a comparison of costs would be made on the basis of firm estimates submitted by the Federal agency or agencies offering to provide these services and free quotations submitted by a private firm selected for the assignment, following selection and negotiation procedures recognized and approved by the procuring agency. If the head of the agency then determined that such a service could not be obtained from private enterprise, he would prepare, and publish in the Federal Register, a notice containing a full and complete statement of the facts and circumstances relied upon in making that determination.

These procedures would not apply if a determination was made that the requirements of national security precluded procurement of such personal or other services from nongovernmental sources, or in case these services were authorized by other existing law. The Director of the Bureau of the Budget, with the approval of the Comptroller General, would issue the appropriate regulations to carry out this legislation.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD at the conclusion of my remarks and that it be held at the desk through Friday, November 8, for additional cosponsors.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD, and held at the desk, as requested by the Senator from California.

The bill (S. 2268) to amend section 7 of the act of May 21, 1920, to require the procurement of certain services from commercial suppliers when economy will result from such procurement, and for other purposes, introduced by Mr. KUCHEL, was received, read twice by its title, referred to the Committee on Government Operations, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the first sentence of subsection (a) of section 7 of the Act of May 21, 1920 (41 Stat. 613, as amended; 31 U.S.C. 686(a)) is amended by striking out the words "Any executive department", and inserting in lieu thereof the words "Subject to the provisions of subsection (d), any executive department".

(b) Section 7 of that Act is amended by adding at the end thereof the following new subsection:

"(d) (1) No executive department or independent establishment of the Government, or any bureau or office thereof, may obtain or receive from any other such department, establishment, bureau or office upon a reimbursable basis any technological service of a kind rendered by commercial organizations until (A) the cost of the rendition of such service by such other department, establishment, bureau or office has been ascertained, and (B) it has been determined that such service of like quality cannot be obtained at lower cost under acceptable terms and conditions from any nongovernmental firm or business enterprise.

"(2) Determination whether any such service of like quality can be procured at lower cost from any nongovernmental firm or business entity shall be made by (A) advertisement for bids for the rendition of such service by nongovernmental firms or business entities; or (B) in connection with engineering, architectural, and other professional services authorized by law to be obtained under negotiated contract, a comparison of costs will be made on the basis of firm estimates submitted by any Federal agency or agencies offering to provide these services, and fee quotations submitted by a private firm selected for the assignment following selection and negotiation procedures recognized and approved by the agencies concerned. Whenever the head of any executive

department, independent establishment of the Government, or any bureau or office thereof, determines that any such service cannot be so obtained from any nongovernmental firm or business enterprise, he shall cause to be prepared and published in the Federal Register a notice which shall contain a full and complete statement of the facts and circumstances relied upon in the making of that determination.

"(3) This subsection shall not apply to the procurement of the personal services of an individual, or to the procurement of any other service if it is determined that—

"(A) the requirements of national security preclude procurement of such service from nongovernmental sources;

"(B) the procurement of such service without regard to the provisions of this subsection is otherwise authorized by law.

"(4) All determinations made under this subsection shall be made in compliance with regulations which shall be promulgated by the Director of the Bureau of the Budget with the approval of the Comptroller General."

SEC. 2. The amendment made by this Act shall take effect on the first day of the fourth month beginning after the date of enactment of this Act.

AMENDMENT OF INTERNAL REVENUE CODE OF 1954, RELATING TO TAX CREDIT FOR CERTAIN TUITION AND FEES

Mr. GOLDWATER. Mr. President, I send to the desk a bill and ask that it be appropriately referred to committee.

Mr. President, during the many days of hearings held by the Education Subcommittee of the Senate Committee on Labor and Public Welfare on education legislation, it became more and more evident that one of the major problems facing our Nation's colleges and universities and the parents of college students, is not the need to build more academic facilities, but to ease the burdens of parents who are sending their children to institutions of higher education and to give some relief to college administrators in order for them to increase salaries of faculty and to combat rising educational operating expenses.

Testimony dealing with these major problems of higher education was offered to the committee by Mr. Roger A. Freeman, senior staff member of the Hoover Institute on War, Revolution, and Peace, Stanford University; Dr. John Howard, president of Rockford College, Rockford, Ill.; Dr. Landrum R. Bolling, president, Earlham College, Richmond, Ind.; and Dr. J. O. Edmunds, president of Stetson University, De Land, Fla.

I have, therefore, prepared a bill incorporating the recommendations made by these distinguished witnesses before our committee. Briefly, the bill consists of two amendments to the tax code: First, it would provide a tax credit to parents for the tuitions and fees incurred by their dependents in attending college; second, it would grant a tax credit to individuals and corporations for gifts and contributions made to nonprofit institutions of higher education.

Mr. President, I have prepared a section-by-section analysis of my proposal and I ask unanimous consent that it be printed in the RECORD.

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

The bill (S. 2269) to amend the Internal Revenue Code of 1954 to allow a tax credit for certain tuition and fees paid by individuals to institutions of higher education and to allow a tax credit for certain contributions made by individuals or corporations to institutions of higher education, introduced by Mr. GOLDWATER, was received, read twice by its title, and referred to the Committee on Finance.

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

SECTION-BY-SECTION ANALYSIS OF GOLDWATER-CURTIS BILL

SECTION 39—TUITION AND FEES PAID TO INSTITUTIONS OF HIGHER EDUCATION

(a) Taxpayer is allowed to take as credit against his final tax the amount of tuition and fees paid by him during the taxable year to one or more college or institution of higher education for himself or for any other individual for whom he can claim an exemption.

(b)(1) Credit for tuition and fees shall be allowed on the following schedule: (a) 100 percent of the first $100; (b) 30 percent of the next $400; (c) 20 percent of the next $1,000.

For example, a parent pays $1,350 in tuition and fees to a college on behalf of his son. Thus the parent would be entitled to a credit of $390 as follows:

(a) 100 percent of first $100	$100
(b) 30 percent of next $400	120
(c) 20 percent of next $850	170
Total	390

The maximum credit allowance under this provision would be $420.

(b)(2) Where more than one taxpayer pays the tuition and fees the credit allowance shall be prorated among the taxpayers. For example, a parent pays $500 and his son pays $1,000 in tuition and fees to a college. The credit allowance would be $420, of which the parent would be entitled to one-third or $140, and the son would be entitled to two-thirds or $280. NOTE.—The application of this subsection would be very limited inasmuch as each taxpayer must be able to claim an exemption for the individual for whom tuition and fees are paid. In the case cited above, the parent could continue to claim his son as an exemption even though the son is himself a taxpayer provided that the parent contributes more than one-half of his son's support while the son is a student.

(c)(1) Defines "tuition" and "fees" as those required for enrollment or attendance or required for courses of instruction at an institution of higher education. It excludes amounts paid for meals, lodgings and other personal, living or family expenses. If the tuition and fees include an amount for meals, lodging, etc., not separately stated, the portion of the amount attributable to meals, lodging, etc., shall be determined by the Secretary of the Treasury.

(c)(2) Defines "institution of higher education" as one which: (1) normally maintains a regular faculty and curriculum; (2) normally has a regularly organized student body in attendance where the educational activities are carried on (thereby excluding correspondence schools); (3) offer education at a level above 12th grade; and, (4) gifts made to it constitute charitable contributions within the meaning of the code.

(d)(1) If an individual receives a scholarship or fellowship grant (which are not included in gross income) or receives an education and training allowance under the Korean GI bill or War Orphans' Educational Assistance Act, the amount of such grant or allowance is deducted from the amount paid for tuition and fees in determining the credit allowance. Thus, if the amount paid for tuition and fees is $1,500 and the individual receives a grant or allowance of $800, then the credit allowance is based on $700, and not $1,500.

(d)(2) In the case of an individual who is a candidate for a college degree, credit allowance will be given only for tuition and fees paid for courses for which credit is allowed for a college degree. In the case of an individual not a candidate for a degree, credit allowance will be given for tuition and fees paid for courses required for the attainment of an educational, professional, or vocational objective. For example, a Foreign Service officer, transferred to a new post, may take a limited course of instruction in the language, culture, and history of the country to which he has been assigned, or a lawyer may wish to enroll in several graduate law courses to upgrade and enlarge his legal skills. Under both examples, it is intended that credit for tuition and fees paid would be allowed. On the other hand, a certified public accountant who enrolls in a course in Shakespeare merely for his own enlightenment and entertainment would not be entitled to a credit for tuition and fees paid, since the course in Shakespeare would not be part of an educational, professional, or vocational objective.

(d)(3) Provides that the credit allowance cannot exceed the amount of tax owed by the taxpayer. If the credit allowance is $420 and the amount the taxpayer owes is $400, then the credit allowance is reduced to $400. Simply a technical amendment to prevent a claim by the taxpayer that the Government owes him $20 or the amount in excess of his tax.

(e) If a taxpayer is entitled to a deduction under section 162 (relating to trade or business expenses) for tuition and fees paid, he may continue to claim the deduction and the credit allowance as well. However, the deduction and the credit together cannot exceed the amount actually paid for tuition and fees. For example, a taxpayer in the 30 percent bracket pays $150 in tuition and fees. He reduces his tax by $45 (30 percent of $150) by way of the deduction and is entitled to $115 as a credit. Since the total amount of the credit and the deduction is $160, the credit is thereby reduced to $105.

(f) Secretary of the Treasury is given authority to prescribe regulations to carry out this provision.

SECTION 40—CONTRIBUTIONS TO INSTITUTIONS OF HIGHER EDUCATION

(a) Provides a credit against his final tax for an individual for the amount of his contributions to one or more institutions of higher education during the taxable year.

(b) The credit cannot exceed $100 in the case of an individual or $10,000 in the case of a corporation.

(c) Such credit will apply only if the contribution to or for the use of an institution of higher education is deductible as a charitable contribution. Where the contribution is made not to a college or university but to an agency, foundation or institution, such contribution may be only used by the agency for the same purposes that a college or university may use its funds.

(d) Definition of "institution of higher education" same as section 39(c)(2).

(e) Same as section 39(d)(3).

(f) Permits taxpayer to continue to take a deduction for charitable contributions as well as the credit provided by this section. In no event shall the deduction and the credit together exceed the actual amount of the contribution. Similar to the example set forth in section 39(e)(2).

(g) Secretary of the Treasury authorized to issue regulations to carry out provisions of this bill.

(h) Technical amendment—renumbering of code sections.

Section 2: Provisions shall apply to taxable years ending after the enactment of this act. If this bill becomes law in September 1963, a taxpayer may take advantage of the credits provided herein in filing his income tax return for the taxable year 1963.

AMENDMENT OF INTERNAL REVENUE CODE OF 1954 RELATING TO TAX CREDIT FOR CERTAIN HOMEOWNERS

Mr. GOLDWATER. Mr. President, on behalf of myself, and Senators ALLOTT, YOUNG of North Dakota, MORTON, and TOWER, I introduce a bill to amend the Internal Revenue Code of 1954, and ask that it be appropriately referred to committee.

Mr. President, early in this session of Congress, I introduced a bill, S. 181, which provided for a national merit scholarship program and two amendments to the tax code. S. 181 was referred to the Senate Committee on Labor and Public Welfare and was the subject of hearings along with other matters before the Education Subcommittee.

I am now reintroducing this bill without the national merit scholarship program in order that the amendments to the tax code can be considered by the Senate Finance Committee during its hearings on the House-passed tax bill.

I ask unanimous consent to have included in the body of the RECORD a summary of the major provisions of this bill.

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

The bill (S. 2270) to amend the Internal Revenue Code of 1954, introduced by Mr. GOLDWATER (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Finance.

The summary presented by Mr. GOLDWATER is as follows:

1. TAX CREDIT TO HOMEOWNERS FOR THAT PORTION OF THEIR REAL PROPERTY TAX WHICH IS USED FOR THE MAINTENANCE, OPERATION, AND CONSTRUCTION OF PUBLIC ELEMENTARY AND SECONDARY SCHOOLS

A. The taxpayer would continue to deduct the amount of his real property tax from his gross taxable income; after he determines what his tax will be, he then credits against his final tax that amount of his real property tax which is used for the maintenance, operation, and construction of public elementary and secondary schools.

B. Tax credit would be the amount actually paid by the taxpayer or $100 whichever is less. To illustrate, a taxpayer pays a real property tax of $600, of which $350 is used for public school purposes. As he does at present, the taxpayer would be able to deduct from his taxable income $600, and assuming that he is in the 20-percent bracket, this would result in a tax saving to him of $120 (20 percent of $600). After determining his final tax, for example, $500, the taxpayer in addition would be able to take a credit of $100 against his net tax, thus, instead of paying a tax of $500, he would pay only $400.

C. The taxpayer who takes a standard deduction would also benefit since the credit granted is taken against the final tax after all exemptions and deductions have been made.

D. The deduction together with the tax credit cannot result in a saving to the taxpayer of more than the actual amount of that portion of the real property tax devoted to public school needs. For example, the taxpayer pays a real property tax of $100, of which $60 is used for public school purposes. Assuming the taxpayer is in the 20-percent bracket, he would be able to reduce his tax by $20 (20 percent of $100), $12 of which is attributable to the tax for school purposes. Giving such a taxpayer a $60 credit—the actual amount paid for school purposes—would return a saving to the taxpayer of $72 or $12 more than the tax he paid for support of the public schools. Thus, the tax credit in this case would be limited to $48.

2. TAX RELIEF FOR FAMILIES WITH CHILDREN ATTENDING COLLEGE

A. The taxpayer is granted an additional deduction from his taxable income for the expenses incurred by him, his spouse, or his dependent or dependents, while attending college.

B. Expenses shall include tuition and fees charged by the college for a course of instruction and attendance at such college; books, supplies, and equipment; room and board, whether the student is living on or off the campus. The amount the taxpayer may deduct shall be the actual amount of expenses paid but not to exceed $2,000 for each child attending college. Of this amount, the cost of room and board may not exceed $90 a month while the student is in attendance at college ($45 in the case of a student living at home).

C. In addition to his child or children, the taxpayer may also deduct such expenses which he incurs as a student as well as those of his wife and anyone else whom the taxpayer can lawfully claim as a dependent.

D. The deduction is available to a taxpayer whose dependent is attending a college, university, or other institution of higher learning, such as medical school, dental school, law school, or other graduate school. This deduction is not available to a taxpayer whose dependent is attending a trade or vocational school or any other school which does not award a baccalaureate or higher degree.

E. The amount of expenses which the taxpayer may deduct from his taxable income shall be reduced by the amount by which the taxable income of the taxpayer exceeds $10,000 if the taxpayer is unmarried or if married, files a separate return or, $20,000 if the taxpayer is married and files a joint return or is a head of a household or a surviving spouse. Thus, if a taxpayer has $2,000 in educational expenses and a taxable income of $20,800, he would be entitled to a deduction of $1,200 ($2,000 less $800, the amount in excess of $20,000). The taxpayer thereby reduces his taxable income from $20,800 to $19,600. If the taxpayer is in the 50-percent bracket, he would thereby reduce his tax by $600 (50 percent of $1,200).

FOREIGN ASSISTANCE ACT OF 1963—AMENDMENTS (AMENDMENT NO. 269)

Mr. LAUSCHE (for himself and Mr. DOMINICK) submitted an amendment, intended to be proposed by them, jointly, to the bill (H.R. 7885) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. JAVITS submitted amendments (No. 270), intended to be proposed by him, to House bill 7885, supra, which were ordered to lie on the table and to be printed.

Mr. PROXMIRE submitted an amendment (No. 271), intended to be proposed by him, to House bill 7885, supra, which was ordered to lie on the table and to be printed.

CLEAN AIR ACT OF 1963—ADDITIONAL COSPONSORS OF BILL

Mr. RIBICOFF. Mr. President, I ask unanimous consent that at the next printing of Senate bill 432, to accelerate, extend, and strengthen the Federal air pollution control program, the name of the distinguished Senator from Maine [Mr. MUSKIE], the chairman of the Subcommittee of the Public Works Committee, and the name of the Senator from Indiana [Mr. BAYH] be added as cosponsors.

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

PROTECTION OF THE RIGHT OF THE PUBLIC TO INFORMATION—ADDITIONAL COSPONSOR OF BILL

Mr. HUMPHREY. Mr. President, I ask unanimous consent that at the next printing of the bill (S. 1666) to amend section 3 of the Administrative Procedure Act, chapter 324, of the act of June 11, 1946 (60 Stat. 238), to clarify and protect the right of the public to information and for other purposes, introduced by the Senator from Missouri [Mr. LONG], on June 4, 1963, the name of the Senator from Tennessee [Mr. WALTERS] may be added.

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

PLANNING FOR PEACE—ADDITIONAL COSPONSORS OF CONCURRENT RESOLUTION

Under authority of the order of the Senate of October 15, 1963, the names of Mr. MORSE, Mr. PASTORE, and Mr. PELL were added as additional cosponsors of the concurrent resolution (S. Con. Res. 64) relative to planning for peace, submitted by Mr. CLARK (for himself and other Senators) on October 15, 1963.

NOTICE OF HEARING ON CERTAIN POSTMASTER NOMINATIONS

Mr. JOHNSTON. Mr. President, pursuant to the rules for committee procedure of the Committee on Post Office and Civil Service, the standing Subcommittee on Contested Nominations will hold a hearing in room 6202, New Senate Office Building on Tuesday, November 5, 1963, at 10:30 a.m. on the following postmaster nominations for: First, Graham, Tex.; second, Chugwater, Wyo.; third, Gettysburg, Pa.; fourth, Park Ridge, N.J.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. SCOTT:

Address by Senator GOLDWATER delivered before the Republican "Keystone Kickoff Dinner," on October 10, 1963, at Hershey, Pa.

FOOD SHORTAGES IN SOVIET RUSSIA

Mr. YOUNG of North Dakota. Mr. President, this year marks the 30th anniversary of the tragic famine which was artificially created by the Communist rulers in the Ukraine in 1932 and 1933. In my State of North Dakota, which has more than 20,000 fine citizens of Ukrainian descent, this anniversary was given public attention when these descendants held meetings to express their protest over this tragic event and to demonstrate their support for those people behind the Iron Curtain. In a recent letter from Dr. Anthony Zukowsky, president of the State Branch of North Dakota, Ukrainian Congress Committee of America, Inc., he depicts the plight of the Ukrainian people in 1932 and 1933; and I quote from his remarks:

Thirty years ago the Russian Communists instituted what history has recorded as the most inhuman act ever perpetrated on any nation, the famine which was deliberately started and maintained in an all-out effort to break the spirit of Ukrainians to agree on collectivization of their farms.

In 1933 through the streets of Kiev, Kharkov, Odessa, and many other cities, the miserable wrecks of humanity dragged themselves on swollen feet, begging for crusts of bread or searching for scraps in garbage heaps frozen and filthy. Each morning wagons rolled along the streets, picking up the emaciated remains of the dead. The year 1933 brought death from famine in Ukraine to 7 to 8 million people.

The Russians attempted to destroy the Ukrainian nation as they did to Volga-Germans, Krymian-Tartars and others after World War II, and there has been perhaps no disaster of comparable magnitude that received so little international attention. German Nazis were tried for their crimes but until now Russians were not brought before international courts for their crimes in Ukraine, Hungary, and elsewhere.

Thirty years ago a politically manmade famine blighted Ukraine, today shortages of wheat highlight colonial Russian performance. It is truly unbelievable, that historically Ukraine alone was regarded as "the granary of Europe," but under Soviet Russian colonialism it has not been able, along with other new areas, to feed the population. This is not the drought, this is after over 30 years of experimentation of the Communist system of collective farming and its complete failure, which has cost millions of Ukrainians their lives.

Mr. President, today the lack of food in Russia is due in part to a severe shortage of wheat and other grains which was caused by a drought that spread over a wide part of Europe and Asia. However, as Dr. Zukowsky pointed out, the most important factor is failure of the Communist system to produce sufficient food. There is a total lack of freedom and a lack of initiative for farmers in the Ukraine and other areas of Russia to produce to their greatest capacity.

This failure to properly feed the people of Russia should be regarded as a step backwards for the Communist system. As members of the free world, we hear great claims about the collective agricultural system; but it is not a system that will produce each year and will maintain an adequate supply for poor crop years. We, as citizens of the United States and members of the free world, must do everything in our power to show the people behind the Iron Curtain that there is a better way of life, and that famines, either real or artificial, do not have to prevail today.

SENATE SHOULD MOVE ON CIVIL RIGHTS NOW

Mr. KEATING. Mr. President, bipartisanship can be credited with breaking the deadlock on civil rights in the House Judiciary Committee.

Those on the committee seeking a stronger bill than the President originally recommended succeeded in obtaining a number of important concessions. The important fact, however, is not who yielded to whom, but that a spirit of bipartisan cooperation ultimately prevailed.

Yesterday, at a meeting of the Senate Committee on the Judiciary, I attempted to move for a resumption of the committee's civil rights hearings. The chairman ruled my motion out of order on the ground that the civil rights bill had again been referred to the Subcommittee on Constitutional Rights.

In view of the chairman's statement, I have requested that the Subcommittee on Constitutional Rights schedule prompt hearings on a daily basis until the hearings are completed and a report has been prepared.

Of course, I am not naive or optimistic about the Senate Judiciary Committee doing anything about civil rights, and we must not delay whatever action can be taken on the Senate floor for 1 minute because of deliberations by this committee or the subcommittee which are either pending, promised, or proposed.

But now that the House Judiciary Committee has acted, it would be extremely helpful if the subcommittee would give serious study and consideration to the language of the bill that has been ordered reported. Such hearings would be a constructive and meaningful contribution to the legislative process, and I would think that they would be welcomed by every Senator seriously interested in shedding light on the issues in this area.

Mr. President, civil rights legislation can be enacted during this session, but only if we are prepared to lay the groundwork in the Senate now for speedy action on the measure the House is considering.

After long delay, a significant breakthrough on civil rights has occurred in the other body. I hope that this will inspire the Senate to move quickly to fulfill its own responsibilities in this vital area. While it is likely that several amendments to the bill reported by the House committee are desirable, I plan to introduce that bill in the Senate as a means of bringing it directly before the Senate at the earliest possible moment.

Mr. JAVITS. Mr. President, I too, wish to say a word about the bipartisan civil rights bill agreed upon yesterday by the Judiciary Committee in the other body. I call attention in that connection to a number of facts. One is that the bill as reported is a distinct improvement over the President's civil rights package of last June 19, thus confounding the strategy of retreat. The bill, as it finally resulted, is an improvement over the retreat which had been sought by the administration and which would only have resulted in bringing down the President's average further when the bill is faced with the expected fight in the Senate. The bill's section on equal opportunity in employment, its mandatory prohibition against the use of Federal funds to aid segregated Federal-State programs, and its protection of rights under the 14th amendment to include other rights, in addition to public school desegregation, mark it as a practicable and major advance in the civil rights field.

The bill is not ideal, but if effectively enforced as a law, would be capable of doing what must be done at this time. I think it is very important to point out that since the bill is a bipartisan product, after so much struggle, our colleagues in the other body understand that the bill has support in the Senate, and that we think the members of the committee did a good job and did not run away from the issue or report a weak bill.

I do not believe that the bill is a weak bill; it is a tribute to bipartisanship, which is absolutely indispensable in both the House and the Senate. Credit goes equally to Representative CELLER, the chairman of the committee, and Representative MCCULLOCH, of Ohio, the ranking Republican member of the committee. It reflects the cooperation of the minority leader, Representative HALLECK. It shows also that liberals know how to deal with a difficult situation and are neither doctrinaire nor inflexible.

I take particular pride in the role of Representative LINDSAY, my own Representative in New York City, and also Republican Representatives MATHIAS, CAHILL, and MACGREGOR, who helped to turn the tide. I support them in their actions.

The PRESIDENT pro tempore. The time of the Senator from New York has expired.

Mr. JAVITS. Mr. President, I ask unanimous consent that I may proceed for 2 additional minutes.

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

Mr. JAVITS. Mr. President, as civil rights action must be bipartisan to be successful and giving all credit to Democrats who supported the committee bill, Republicans should be recognized, too. Republican members of the House Judiciary Committee made a very substantial and successful effort to strengthen the administration's proposals. This must be emphasized in order to counteract the highly erroneous impression which became current for a time to the effect that the effort of Republicans in the House over the past weeks has been only to weaken the civil rights bill. The provisions of the reported bill which strengthened the administration's proposals and in which the Republicans were important were as follows:

First. Extending part III, authorizing the Attorney General to bring civil rights injunctive suits, beyond only

school desegregation, for which the administration had asked, to include intervention in equal protection of the laws cases brought under the 14th amendment generally. Although I hope for the inclusion in a House-passed bill of due process of law as well as equal protection of the laws, and for initiation of suits as well as intervention in suits already brought, the House committee version would if enacted be helpful in the extremely important cases of police excesses and denials of the first amendment right of assembly and petition for the redress of grievances which are arising in the growing demonstration movement. It was a significant improvement in eliminating the subcommittee's far too broad inclusion of all constitutional rights, regardless of race or color.

Second. Adding a Fair Employment Practices Commission. The President's civil rights message of June 19 made reference to this proposal, but the omnibus bill lacked a provision on it. The version adopted by the committee differs from the subcommittee's bill in that enforcement is in the courts rather than in the Commission. While I would prefer the latter method as closer to the type of regulatory administrative procedure now most widely in use, the committee's version, embodying the approach used in the wage and hour law, is not so clearly defective as to be highly objectionable. Inclusion of FEPC is certainly an improvement over the administration's proposal, although I disapprove of certain limitations of coverage and remedy in it.

Third. Public accommodations truly based on the full scope of congressional power, including both the commerce clause and the 14th amendment. The administration bill did not exhaust congressional power but relied only on the commerce clause; the subcommittee bill added State action of specific types under the 14th amendment. The committee bill now improves on both by incorporating the full scope of State action under the 14th amendment. Certain retail establishments are not clearly enough covered in the committee bill, although most are clearly covered, and I feel they should be included.

Fourth. Mandatory cutoff of Federal funds from discriminatory State programs. The administration provision gave a discretionary power to the President which, in the opinion of a great many legal experts, he already has. The House bill now makes that an obligation rather than merely an authorization and subjects it to judicial review.

Fifth. Extension of the life of the U.S. Commission on Civil Rights. The administration asked for extension for 4 years along with a strengthening of its powers. The committee bill makes the Commission permanent and expands its powers even more broadly, especially in the field of voting frauds.

Sixth. A census provision which could lead to enforcement of section 2 of the 14th amendment, which provides for reduction of representation in the House of Representatives to the extent of denial of the right to vote. The administration bill contained no such provision.

Seventh. Appeal from remand of suits sought to be removed from State to Federal court where Federal constitutional rights are involved. The many State court prosecutions of demonstrators on spurious charges, often carrying serious penalties, cry out for a fair forum which only the Federal courts, in many cases, can provide. The administration bill was silent on this aspect, and the Republicans joined with Democratic committee members in adding this provision.

I believe an important side effect of this bill should be an increased awareness on the part of the administration to consider the views of Republican members in this and other fields. The confusion and uncertainty created during the committee's deliberations on this bill could have been avoided, in my judgment, if the Attorney General had begun discussing the merits of the provisions with Republicans at an early date and not only at the 11th hour, when it was vividly brought home to him that Republican support is vital to get a meaningful bill through the Congress. I hope this lesson has been learned and will be applied in the Senate as well as during the remaining House proceedings on the bill.

The bill, as it now stands, leads to the following:

First, it will give recourse to the law and the courts in many areas—areas of great importance to civil rights—in which Negroes believe they had no recourse except through demonstrations in the streets. I believe if enacted into law in time—and I emphasize those words "in time"—those provisions can operate effectively to do what must be done.

Second, the bill would give notice that racial segregation and discrimination are intolerable to the Nation, and that the national interest demands that they end now. That is important to Southern States, which by rationalizations of interposition of States rights believe they can defy the Constitution and perpetuate racial segregation.

Third, the bill would open the door and invite major progress by those outside of Government, especially from American business, and also from education and voluntary organizations. It would lend aid to equality of opportunity, which is indispensable to a solution of problems related to jobs, education, housing, and community life, and afford a framework within which nongovernmental efforts can be most effective, and a standard would be set to which the recalcitrant 10 percent must adhere.

There is pending now in the Senate a public accommodations bill which we are told was ordered reported by the Senate Committee on Commerce. No report has yet been filed. The report is still waiting. It has been in that status for quite a long time. I believe that the report should be filed promptly. I urge the chairman of the committee to bring it about, because I believe that the Senate ought to have an opportunity to make a move. I believe that that move should be to start the debate in the Senate on the civil rights bill.

Mr. President, nothing will be done on the question of tax reduction before the end of the present year. If debate were started on the civil rights bill, based upon the Commerce Committee's reporting the bill, at least we would take it up a number of weeks before the House civil rights bill comes over here, with that much more opportunity to complete action by Christmas time. If action is not completed by Christmas time, the subject will inevitably go over until next year, with a grave danger that by our failure to act in time, we shall be lending ourselves to the continued need for demonstrations in the streets because there will be no adequate law to give redress to those deeply held grievances.

Mr. President, I close as follows: Yesterday was a critical day in the civil rights struggle in our country. This is an affirmative achievement, which I fully support.

The PRESIDENT pro tempore. The time of the Senator has expired.

Mr. JAVITS. Mr. President, I ask unanimous consent that I may proceed for an additional 30 seconds.

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

Mr. JAVITS. The Senate, which is a great battleground of civil rights, must do its part. The way in which it can do so is by starting the civil rights debate promptly. That calls for a report by the Committee on Commerce, which I strongly urge the chairman to make promptly, and I urge the majority leader to encourage him to make it promptly. It calls for opening the debate on the floor of the Senate. Then the country will know that we are committed to the civil rights struggle until completed, and it will not be the fault of the Congress, as a Congress, for not even trying. We cannot have that record unless the Senate begins the debate. I, as one Senator, under the proper procedures in the Senate, shall do my utmost as soon as the report is filed, to endeavor to bring that about.

COLORADO STEEL WEEK

Mr. ALLOTT. Mr. President, on September 24, 1963, Gov. John Love of Colorado signed a proclamation designating the past week of October 20–26 as "Colorado Steel Week." Colorado Steel Week was aimed at telling steel's story to the people of Colorado and showing the increasing role of steel in our State's economic life.

A cornerstone of our Nation's economic and military strength, steel is one of America's basic industries, and its contributions to the State of Colorado have been many and varied. It is one of our State's largest employers, and one of the largest purchasers of goods, freight, and other services in the Rocky Mountain area. It works our mines, builds our bridges, lays our highways, erects our factories, works our farms, packages our food, supplies our homes, moves our trains and trucks, guards our security, and prolongs our lives.

Today in this Chamber I should like to express my appreciation to the people of this industry for their many contributions to the Nation and to my State. I feel that I can speak with some degree

of knowledge about these contributions, for I was born in the shadows of the largest steel mills of my State, in the city of Pueblo. As a young man, I gained valuable experience and economic aid toward the completion of my education by working in three different departments of those mills. Firsthand I observed what this major industry meant to my community and State, from the largest suppliers of raw materials down to the local drug, hardware, and grocery stores.

Hence, Mr. President, I am the first to admit that it makes my hackles rise when I hear or read of this industry being maligned by such adjectives as "heartless," "cold," and "oppressive." To me, certainly in Colorado, at least, it is none of these. Rather, it has been the means of a livelihood, of coal to keep warm, and of completing a much-wanted education. For these I am grateful, and I wish the industry well as it continues its many worthwhile contributions to my State and its people.

I ask unanimous consent, Mr. President, to have the text of Governor Love's proclamation follow my remarks in the RECORD and to have printed in the RECORD a feature story published in the Denver Post of Wednesday, October 23, 1963, relative to a page from the history of the West to which this industry has contributed, entitled: "Barbed Wire Changed the History of the West."

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

TEXT OF GOV. JOHN A. LOVE'S PROCLAMATION

Whereas steel, in its many sizes, shapes, and forms is a basic product essential to our happiness, prosperity, and progress and one of the basic foundations upon which is built the independence and welfare of our people; and

Whereas Colorado owes her position as a great State to the availability of steel through the manufacture, warehousing, distribution, and fabrication of steel within this great State; and

Whereas the past, present, and future economic health of Colorado's vast and growing industries must come from the availability of steel and steel products to the State; and

Whereas the livelihood of every citizen of the State is directly or indirectly dependent upon the availability of steel and steel products; and

Whereas the livelihood of every citizen of the State is directly or indirectly dependent upon the well-being of the industry in the State;

Now, therefore, I, John A. Love, Governor of Colorado, do hereby proclaim October 20–26, 1963, to be Colorado Steel Week and urge every citizen to give thought and recognition to the thousands of uses of steel on behalf of the continued productivity and well-being of Colorado labor and industry.

Given under my hand and the executive seal of the State of Colorado, this 24th day of September, A.D., 1963.

JOHN A. LOVE,
Governor.

[From the Denver Post, Oct. 23, 1963]

ADVANTAGES NOTED: BARBED WIRE CHANGED HISTORY OF WEST

"Gents, bring on your cattle, bring on your steers," the brash, husky young man shouted from his buckboard on San Antonio's military plaza. "This is the best fencing in the world; it's light as air, stronger than whisky, cheaper than dirt."

Behind the 22-year-old John Warne Gates, 40 rough, tough Longhorn steers stampeded toward the frail-looking strands of barbed wire enclosing them. They thudded against it. One of the mesquite posts snapped, but the wire held. Stupified, the steers launched another attack. Finally, they backed away, stamping and snorting but convinced.

Convinced also were the Texas cattlemen that early evening in 1877.

DRIES BROW

Gates, salesman for the barbed wire invented in De Kalb County, Ill., 3 years earlier by Joseph Glidden, pushed back his newly acquired Stetson and dried a perspiring brow. He had been convinced of the barbed wire's worth but had never put it to an actual test.

As Gates, later to be known as "Bet a Million," repeated his spectaculars, orders for the barbed wire followed. Within new enclosures, the cattle were better cared for and better fed.

However, as one era in ranching was ushered in, another was bowing out—the era of the open range, the sweep of plains and prairies where a ranch was not measured in thousands of acres but in hundreds of miles. In a few short years the wide open spaces between the Mexican and Canadian borders became a network of barbed wire.

A passage from one of the periodicals of the time between 1871 and 1876 sums up the tremendous impact fencing had:

"The fencing of the United States costs more than everything in the Union, except railroads and cities, and more than either of these separately * * * and the annual repair of fencing costs more than all the taxes of the country, Federal, State, county and municipal combined."

Although, for a time, barbed wire seemed to be at the root of many of the problems that plagued those who tried to make a transition from open range to clearly defined property lines, its advantages soon became apparent.

Stock could be upgraded, their blood lines improved.

Desirable land and water could be fenced in and developed.

CROPS PROTECTED

Those who were interested in farming found that their crops were protected and yields increased.

The coming of barbed wire and fencing had its humorous aspects as well.

One Texas Governor was asked to free the county seat of Jones County, which was completely encircled by a fence, 15 miles distance, and having but 2 gates.

Another event involved the old Taos chieftain, Standing Deer, who had dropped into the village of Clarendon after a trading trip and was having difficulty with the settlers. Not knowing much about Indians, the townspeople were about ready to kill Standing Deer and his group thinking they were a Comanche war party.

Charles Goodnight, a friend of Standing Deer, luckily happened to be present and saved the party. Anxious to get back to safer territory, Standing Deer asked Goodnight a question that amazed the cowman: "How do you get back to Taos?"

"You surely know the way back to Taos," Goodnight said. You've lived in this country all your life."

"Si, senor," answered Standing Deer. "Pero alambre, alambre, alambre, todas partes—but wire, wire, wire, everywhere."

During 1880, the Nation's factories were turning out about 80 million pounds of barbed wire. In 10 short years this tremendous output was tripled.

GOOD LOCATION

The Colorado Fuel & Iron Corp.'s plant in Pueblo was in an advantageous location to feed the farmers' and ranchers' insatiable appetite for wire—especially barbed wire.

Variations of barbed wire and fencing began to mount and multiply so that the number of types defied the imagination. As one oldtimer phrased it, "You could ask a thousand ranchers what their favorite barbed wire was and get a thousand different pointed answers."

Today, standardized to eight types, barbed wire is still an essential item in any farm or ranch program.

But farmers and ranchers have found that barbed wire has many relatives—all equally as useful in the upkeep and appearance of their property.

Wire products and fencing come out of the C.F. & I. wire mills in Pueblo in the thousands of tons to protect poultry, hogs, sheep, to provide the tie that binds her balers and for simple repairs that are a part of the everyday life on any farm and ranch.

Woven V-mesh fence to ward off marauding wolves stand near to garden, lawn and ornamental fencing installed by nature-loving wives who want to improve the appearance of their flower plots and greensward next of their neat and well-kept homes.

"Bet a Million" Gates didn't know what he started years ago with his barbed wire fence test. No doubt, he'd have thought twice about betting that a simple little barbed wire installation would grow into one of the staple items of American industry—and one that literally changed the face of this Nation.

THE CONTRIBUTION OF THE U.S. OIL INDUSTRY TO THE U.S. BALANCE OF PAYMENTS

Mr. FULBRIGHT. Mr. President, Mr. Emilio G. Collado, vice president of the Standard Oil Co. of New Jersey, has recently released a statement entitled "The Contribution of the U.S. Oil Industry to the U.S. Balance of Payments," which I think is a very useful document.

The study is based upon a survey of foreign activities of U.S. oil companies and shows that these operations produced a net inflow to the United States of more than $638 million in 1962 and that the trend has been upward.

I ask unanimous consent to have printed in the RECORD the statement and the accompanying table.

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

THE CONTRIBUTION OF THE U.S. OIL INDUSTRY TO THE U.S. BALANCE OF PAYMENTS

In view of continuing national concern about the deficit in the U.S. balance of payments, the Standard Oil Co. of New Jersey, has made a study of the payments impact of international oil trade by U.S. companies. It is hoped that the new data will provide a useful factual basis for public policy.

The survey shows that the foreign activities of some 200 U.S. companies engaged in international oil operations produced a net inflow to the United States of more than $638 million in 1962.

There was a net payments surplus in each of the last 5 years; and the trend has been upward. The favorable balance by years was as follows:

1958	$185,000,000
1959	261,000,000
1960	376,000,000
1961	173,000,000
1962	638,000,000

Without these favorable balances from the oil industry, the total U.S. payments deficit during these years would have been substantially greater.

The favorable balances seem likely to continue and increase. This can best be appreciated by reference to the fact that free world petroleum demand (outside of the United States) increased from 7.7 million barrels daily in 1958 to 11.6 million barrels daily in 1962—an increase of nearly 50 percent. By 1970 an additional increase of close to 70 percent above the 1962 level is anticipated. The U.S. oil industry, which holds an equity interest in 60 percent of proved free world reserves outside the United States, plans to continue to participate in this growth.

The impact of U.S. oil company operations on the balance of payments is made up of a number of elements. On the outflow side are U.S. purchases of petroleum from abroad and the flow of capital for investments abroad. On the inflow side are profits returned to the United States, exports of petroleum and refined products, and exports of equipment and supplies for the foreign operations of U.S. oil companies. The breakdown of these items for 1962 in millions of dollars was as follows:

OUTFLOW	
Net oil imports	$1,325
Capital outflow	538
Total outflow	1,863
INFLOW	
Exports of equipment, supplies, services	923
Remitted profits	1,578
Total inflow	2,501
Net inflow	638

The attached table reports the data for all 5 years.

The favorable balances shown have undoubtedly been understated by the conservative estimating procedures employed. Moreover, data were not available for exports of oil-based chemicals and the proceeds from these exports have not been taken into account.

The figures do not include purchases of goods by U.S. oil companies abroad from foreign suppliers who had originally obtained such items from the United States. Nor do the figures include purchases from the United States by foreign governments and business firms which were made possible by income they received as a result of U.S. oil companies' operations abroad.

Several aspects of the figures are worthy of emphasis:

(1) The earnings remitted from the foreign operations of U.S. oil companies in 1962 amounted to $1,578 million, an increase of nearly 50 percent over 1958. For the 1958–62 period, profits sent back to the United States amounted to $6,293 million. This represents a very substantial contribution to the U.S. economy.

(2) The inflow of income from abroad far exceeds the annual outflow of funds for additional investments. For 1962, the excess of returned earnings over new investment was $1,040 million. The excess of earnings inflow over investment outflow for the 5-year period amounted to $3,930 million. It may be anticipated that in the future the companies operating abroad will continue to undertake substantial plant and equipment expansions, but increasingly expenditures for these purposes will be financed from retained earnings and depreciation funds.

(3) While net oil imports have risen about 22 percent over the past 5 years, the net payments surplus from oil industry activities has increased about 240 percent.

The substantial contribution to our balance of payments by the foreign activities of U.S. oil companies clearly indicates that great caution should be exercised in considering proposals which would impair these operations. In recent months, however, with the stated purpose of helping to reduce the payments deficit, a number of steps have been advocated which would in reality make little or no contribution to this desirable objective, while impeding foreign operations of U.S. oil companies and in other ways adversely affecting important national interests. For example, suggestions have been made to restrict the outflow of petroleum investment by discriminatory taxes. If adopted, such restrictions would have the effect of depriving our future balance of payments of the large net inflow of earnings which such investments generate. Similarly, balace-of-payments arguments have been used to urge further restrictions on petroleum imports, which already are strictly limited. These measures overlook the interrelationship between imports and exports and other credits in payments computations. They also overlook the contribution of imports to developing nations and to lower prices for American consumers.

It has also been suggested that U.S. military forces around the world should be denied ready access to nearby sources of petroleum products and should be required to purchase and ship these products from the United States. This measure would have little significant impact on the balance of payments because many of these purchases are paid for in dollars which never leave the United States; and a substantial portion of these purchases involves military needs which could not be satisfied by supplies from the United States. Moreover, the proposed restriction would increase costs to the military forces and reduce their mobility and effectiveness. It would also impair economic advancement and weaken support for the United States in those developing nations in which offshore procurement is concentrated.

In weighing the balance-of-payments effects of these or similar suggestions, it is essential to consider all elements in our payments balances and the long-term interrelationships among them. When all these elements are taken into account, it is clear that the net effect of foreign operations by U.S. oil companies is a very significant and growing contribution to the plus side of our payments ledger. These activities benefit free world nations and materially strengthen our own economy and our own national security.

Historical U.S. payments balance—Oil industry (in millions of dollars)[1]

	1958	1959	1960	1961	1962
Net oil imports	1,078	1,055	1,064	1,198	1,325
Capital outflow	649	511	455	747	538
Total debits	1,727	1,566	1,519	1,945	1,863
Remitted profits	1,169	1,100	1,143	1,303	1,578
Capital equipment and other exports	743	727	752	815	923
Total credits	1,912	1,827	1,895	2,118	2,501
Net surplus	185	261	376	173	638

[1] Sources: The Census Bureau publishes detailed figures on volumes and values of oil imports and exports. Capital outflows and remitted profits are reported regularly in publications of the Department of Commerce. For the other two categories—services and exports of nonoil goods to U.S. oil companies operating abroad—only incomplete or occasional survey data are available from official sources. Consequently, it has been necessary to extrapolate these figures from specific data points, using industry trends to estimate the missing figures. The reasonableness of the industry estimates has been checked against the experience of the Standard Oil Co. (New Jersey), which has compiled the data for its own activities.

KENNEDY ADMINISTRATION AS BUSINESS BENEFACTOR

Mr. PROXMIRE. Mr. President, the Kennedy administration and the President have been under attack by many people as being antibusiness or opposed to private enterprise. The fact is that the administration has a record of constructive assistance to business in many ways—in terms of profits, taxes, and keeping spending down. In recent months I have documented the improved economy record of the administration in the RECORD.

I am delighted that one of the outstanding financial commentators in the country, Sylvia Porter, has noted this in a thoughtful and penetrating article.

I ask unanimous consent that the article written by Sylvia Porter entitled "Kennedy Administration as Business Benefactor," may be printed in the RECORD.

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

KENNEDY ADMINISTRATION AS BUSINESS BENEFACTOR

(By Sylvia Porter)

The Kennedy administration is cooperating with and trusting the U.S. business to a degree unprecedented in modern times.

This may seem a shocking claim in view of the news last week that a Federal grand jury has reopened a broad probe into steel pricing practices. Coming on the heels of a round of selective steel price increases, this has been widely interpreted as another attack on the industry. But the fact is that the grand jury has been collecting information on steel pricing policies for more than a year and a half. It finally felt it had enough data to proceed with its investigation and the timing is strictly a coincidence. The fact is that probes of this sort are a continuing thing and there is nothing unusual about them.

The White House did not order a stepping up of this inquiry. Mr. Kennedy was really rocked by the response to his crackdown on steel in the spring of 1962, wants no part of a repetition.

Still because of the new inquiry and the memory of the brawls early in his administration, the "antibusiness" label again is being pinned on Mr. Kennedy. It is not warranted. Rather, Mr. Kennedy has been extending an olive branch to industry and here's proof.

On prices and profits: All Mr. Kennedy is saying about the recent steel price increases is that he is "concerned" that they "may stimulate other price increases which will affect adversely our competitive position abroad." As President, he couldn't say less. Any new price upsurge would spur a new wage spiral, revive the evil of inflation. It also would add to the Government's buying costs, thus swell the budget deficit.

As for profits, Mr. Kennedy has been repeatedly praising their role as crucial to the economy's growth and the administration has taken major steps to bolster profits of businessmen.

On taxes: In 1962 Mr. Kennedy offered individuals zero in tax cuts but he fought for and won tax concessions for businessmen running to over $2.5 billion a year. In the late 1950's, Mr. Eisenhower wanted to give businessmen similar tax relief but he retreated when leading Democrats in Congress demanded that individuals be given tax cuts simultaneously.

Now the White House is pushing a tax bill that would give individuals big breaks and businessmen plenty more too. The top corporation rate would be cut from 52 to 48 percent, the top individual rate would be slashed from 91 to 70 percent, small corporations would get the juiciest tax cuts of all.

On expense accounts: The first proposals for expense account curbs were rough but the White House backed down fast when it heard

the howls. As finally passed, the curbs were greatly modified and Internal Revenue Commissioner Mortimer Caplin has ordered the IRS agents to go after only "abuses * * * the fellow who is really on a frolic. * * * We don't want to be in a position of trying to interfere with legitimate business activity."

On the budget: The spending lid is on. No new programs will be in the next budget, increases will be due primarily to expenses built into programs already voted by Congress. The spending curbs may not satisfy businessmen but Mr. Kennedy is certainly listening to their demands.

On interest rates: The administration actually has been ahead of the Federal Reserve System on moves to improve interest rates in order to protect the dollar. If a GOP administration dared say what this Democratic administration has been saying about interest rate levels, the cries of outrage would be deafening.

Of course, there's opposition by businessmen to Government and by Government to business and properly so. If this ever disappears, our private enterprise system will have disappeared and we will be in the dreaded "corporate state." But to accuse Mr. Kennedy of being antibusiness today is almost akin to accusing Senator GOLDWATER of being pro-Communist.

DEVILS, DRUGS, AND SENATORS

Mrs. NEUBERGER. Mr. President, yesterday I cited appalling new evidence that American and foreign drug companies are engaged in price fixing on a massive scale. Documents, including internal records of the companies involved, have now been turned over to the Senate Antitrust and Monopoly Subcommittee. They outline a Gothic portrait of secret codes, fictitious names, and a complex network of pricefixing agreements.

Today, the New York Herald Tribune, in a forceful and compelling editorial, expresses its "confidence in the diligence of the Senate Antitrust Committee" in providing answers to the grave questions raised by these "accusatory documents." The Tribune expresses the hope, in which we must all certainly share, that "the Senate moves, and moves fast."

I ask unanimous consent that the editorial entitled "Devils, Drugs, and Senators," be printed in the RECORD at the close of my remarks, together with articles from the Herald Tribune and the United Press International.

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

[From the New York Herald Tribune, Oct. 30, 1963]

DEVILS, DRUGS, AND SENATORS

The high cost of living is hard enough to bear, even in the knowledge that it is borne aloft by certain ineluctable forces of inflation. But it is even harder to take if you suspect that some one is making a financial killing at your expense.

In yesterday's Herald Tribune our William Haddad reported evidence of a "worldwide cartel that rigs drug prices." The accusatory documents, which have been turned over to a Senate Antitrust Subcommittee, include a secret code used by the fixers in communicating with one another about strategy and in the manipulation of the drug market.

No one knows how many people are responsible for this conspiracy. No one knows how many nations are involved, or how many manufacturers or distributors have thus degraded themselves, or how deeply the pricefixing fraud has ballooned the cost of related goods.

For the answers to these questions the public must put its confidence in the diligence of the Senate Antitrust Committee. The one thing we do know is that any artificial inflator of the consumer cost of life-preserving drugs is a devilish accomplice of the forces that contribute to the high cost of staying alive. The existence of a cartel of any size is an unconscionable reflection on the reputation of a vital industry.

We hope the Senate moves, and moves fast. We would also hope that a drug industry justly proud of its immeasurable role in the progress of our society, and which generally attributes the high cost of drugs to the need for costly research, would join spiritedly in an investigation—for its own protection as well as for that of the consumer. But the initiative must be taken by members of the Senate's antitrust panel, who should lose no time in putting their detectives on the job.

[From the New York Herald Tribune, Oct. 30, 1963]

RAPACIOUS DRUG CARTEL—SENATORS WELCOME EVIDENCE

(By William Haddad)

"Important new evidence."

That's how Senator PHILIP HART, Democrat, of Michigan, characterized the secret documents outlining a world cartel on drug prices which the Herald Tribune has turned over to his Senate Antitrust and Monopoly Subcommittee.

"So rapacious as to make the infamous international cartels of the 1930s blushing novices by comparison."

That's how Senator MAUREEN NEUBERGER, Democrat, of Oregon, characterized the documents on the floor of the Senate.

In doing so, the Oregon Senator called for a pick investigation of the cartel.

"The documents produced by the Herald Tribune team," she said "have now been placed in the hands of the Senate Antitrust and Monopoly Subcommittee, as well as Justice. I'm confident that the subcommittee will address itself unstintingly to the task of restoring competition to this most vital of industries."

Senator HART, in response to reporters' questions, said the Herald Tribune's published version of the contents of the secret documents was "accurate," but that the subcommittee itself would not at this time go further in discussing the details.

Earlier this month the Herald Tribune turned over to Senator HART letters, cables, files and interoffice memoranda pinpointing drug pricefixing between United States, German, and Italian firms. Involved were some of the leading U.S. companies and some of the world's most important drugs.

Along with the papers was the secret code which could be used to break the messages which flowed across three continents.

In its story yesterday, the Herald Tribune stressed that while important drug companies are involved in this plan, the pricefixing agreements by no means involved the entire industry.

The documents were obtained in a far-flung investigation and came from several sources. Some of those who prepared the papers were the persons who turned them over to the Herald Tribune. All expressed a willingness to discuss them with either the Senate or Justice Department.

Some of the pricefixing activities vividly outlined in the papers may not be violations of existing antitrust laws, therefore establishing the authority of the Senate subcommittee to look into the problem. Those activities which are clear violations of existing laws are within the scope of the Justice Department.

Experts who have reviewed the documents feel that if the worldwide price structure of certain drugs is revealed, and a free market takes hold, drug prices in the United States would come tumbling down.

One of the many cases outlined in the files describes how the activities of an ambitious sales manager of a U.S. subsidiary triggered a three-continent reaction.

Eager to impress his superiors, he quietly offered a discount to a large drug chain, thereby violating the international agreements.

A second company—referred to in the code messages as a "sinner"—also started cutting prices.

The manager of a third company—the "enforcer"—saw dangerous local and international implications of the price cutting, and wrote to his New York home office to have his superiors get together with the superiors in the price-cutting companies and straighten out the "disturbed family"—the code name for a pricecutting situation.

The "enforcer"—the manager of a U.S. company—used the code name "Pluto" to sign his messages.

To settle matters, he called a "powwow"—pricefixing meeting—to bring the "sinners" into line. In New York, meanwhile, the U.S. executives got together to see what they could do from their end.

After extensive negotiations, "Pluto" succeeded in his mission, and prices were again brought into line.

PRICE FIXING IN DRUG INDUSTRY

WASHINGTON.—Senator MAURINE B. NEUBERGER, Democrat, of Oregon, said in a Senate speech today that new evidence of price fixing in the drug industry is "so rapacious as to make the infamous international cartels of the 1930's blushing novices by comparison."

Mrs. NEUBERGER spoke as the Senate Antimonopoly Subcommittee confirmed it has received information from the New York Herald Tribune on price-fixing agreements among leading drug companies in the United States and abroad.

The companies involved were not named by the subcommittee nor by the Herald Tribune, but were understood to include manufacturers in West Germany and Italy.

The subcommittee currently has under advisement a proposal for a full investigation of charges by a U.S. drug company, McKesson & Robbins, that its program for selling low-cost drugs under their generic names in Colombia is being balked by other U.S. drug firms.

The subcommittee, headed by Senator PHILIP A. HART, Democrat, of Michigan, held one closed-door hearing last week to gather background information on which to base its decision whether or not to conduct a full investigation.

Scheduled further hearings last week were postponed by the subcommittee and have not so far been rescheduled.

Leading U.S. drug manufacturers and the American Pharmaceutical Association have denied interference in the McKesson & Robbins program.

The Herald Tribune, which has been conducting its own investigation of the drug situation, said in a copyrighted story today it had given information on an international price-fixing cartel to both the subcommittee and the U.S. Justice Department.

Mrs. NEUBERGER said no person in Congress would deny to the drug companies the "reasonable commercial protection" they desire, but she added:

"It is not 'shortsighted political interference' to question where reason ends and monopolistic price fixing begins."

She said an image is emerging of "an industry which has all but abandoned competition in the free market."

ADDRESS BY SENATOR GOLDWATER BEFORE CONNECTICUT INDEPENDENT INSURANCE AGENTS

Mr. CURTIS. Mr. President, on the evening of October 24, 1963, the distinguished Senator from Arizona, Mr. BARRY GOLDWATER, spoke before the Connecticut Association of Independent Insurance Agents. His speech merits the attention of the Members of Congress and all the readers of the CONGRESSIONAL RECORD and I, therefore, ask unanimous consent for it to appear at this point in the RECORD.

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

SPEECH BY SENATOR BARRY GOLDWATER

It is a welcomed opportunity, indeed, to be with people who understand the real meaning of economic security.

In the city where I spend most of my time, there seems to be confusion about the concept, misunderstanding of the methods, and fear of the facts.

There also is a vocabulary of convenience that beats anything I've seen in 11 years in Washington. At a presidential press conference, for instance, we were told that the economy is moving ahead, that everything looks good. Four days later, the Secretary of Commerce issued a statement describing the economy as "lackluster."

I doubt if even the most adventuresome of your companies would care to insure the probability that similar contradictions will not continue to mark the statements we will hear from Washington.

It could not be otherwise when, instead of following clearcut economic principles, our national administration is floundering in a choppy sea of outdated theories, pessimistic planning, and catch-as-catch-can, temporary solutions to matters of permanent concern.

It is one such matter of permanent concern—inflation—to which I should like to address myself. Certainly, in your business particularly and in the business of a free economy generally, there is no greater peril. Whether it is a peril in any particular year or not, it remains a specter that haunts the economic security of all citizens in all years.

Pretending that it does not exist, because it momentarily subsides, is scarcely a solution and hardly a sensible way of economic life. Just as you must deal in security that stretches into the future, with values that must endure, so must the Nation manage its affairs.

You would be derelict or worse if you based your own planning or permitted your clients' planning to be based upon wishful thinking rather than upon economic reality. And so would this Nation.

I view as wishful thinking, for instance, the now current view that the Government's budget and your budget are altogether different. You must keep yours in balance, hopefully providing even for savings, whereas Government is said to have a dispensation to keep its budget unbalanced.

When you spend more than your income, of course, you first dip into available savings—and then your creditors restrain you from more spending. The Government must restrain itself. It has no savings but it does have considerable to say about the supply of money itself.

In that way its budget is different from yours—unless you happen to print your own, of course. When Government spends more than it takes in, it borrows the difference and in the process can substantially increase the money supply—the classic condition for inflation.

The dispensation for Government to forget its restraints is granted, we hear, on behalf of "the people" who just end up owing the debt to themselves.

I would say that the dispensation is demanded, actually, by Government when it fears the people, mistrusts their wisdom, mistakes their judgments, and obviously feels that Government goals must replace personal goals.

You and the millions of Americans with whom you deal must feel this acutely. You deal in individual choices, freedoms, plans, and security. You have helped provide a greater and higher standard of personal security here than any place else on earth. As importantly, you have helped provide freedom's answer to regimented security.

You help, in your competition, to keep alive and vibrant that indispensable exercise of freedom—choice.

Remove choice, in the name of any social shibboleth, and freedom is eroded; real security is left dangling over a cliff of authoritarian whim and willfulness.

To remove economic choice is every bit as deadly to a free society as the removal of political choice.

To delegate to government the power to make more and more of our economic choices is to eventually prepare for government making—or replacing—political choices.

The very nature of economic and political power is involved. Both should be in the hands of the people generally. Real jobs spring from the real savings of citizens, not from the pyramid building of bureaucracy.

Real production comes from the tools bought by those savings, and not from the blueprints of bureaucracy.

Real security comes from the confluence of those economic streams—from a functioning capital market, from production shaped by competition, from profits fairly earned and equitably distributed, from energy freely invested, from enterprise prudently risked, from rewards rightfully earned.

Government and government spending has not and must not have a dispensation to disrupt or corrupt that equation. No single economic power bloc in our society should be able to do it. Nor should government or any segment of the economy be permitted to sweep the issues under a rug of electoral or special-interest convenience.

However, there are alarming signs that today the issue of inflation is being swept under that rug. Problems do not disappear because they are ignored. They are solved when they are faced, not in panic or confusion, but soberly and clearly.

For over a year now there has been discussion of the death of inflation. Prominent economists and some Government officials here and abroad have argued that, as a major economic phenomenon, inflation has been buried. And not even its ghost has been permitted to haunt the pressures for planned Federal budget deficits.

We had, in fact, heard more and more of the problems of maintaining adequate levels of employment and deflation as the major menaces to be faced by most of the nations of the Western World. The economic reality is far different. Inflation has reemerged as a major problem in many parts of the world.

Pierre-Paul Schweitzer, the new Director of the International Monetary Fund, puts it quite bluntly. "For some major European countries," he says, "the problem clearly is inflation. Deflation is not one of their present worries."

Latin America is lashed by runaway inflation in key areas. The orderly growth on which so many American hopes had been pinned has become seriously and gravely imperiled.

In Scandinavia, social experiments or not, inflation is back and very much in the running. Even Japan has been hit by a damaging blast of wage and price pressures. France and Italy are teetering on a rising ladder of prices.

America is now reasonably calm in the eye of this hurricane. But the winds swirling about us cannot be ignored.

In the middle and later 1950's we seemed gripped by the psychology of inevitable inflation. Fortunately, we were able to shake that off. The policies of the past administration and of the Federal Reserve Board were of significant consequence in helping change that psychology. But a reverse psychology, rejecting even the possibility of inflation, could also reverse all our gains.

We have had, in our economy, some excess capacity and fairly stable prices.

But also we have had a growing gap in our economic confidence. Government, instead of seeking thrift in these fortunate times, has moved deeper and deeper into debt, piling new spending programs on top of one another at such a rate that many a citizen must wonder if spending, not saving, isn't—after all—the order of the day and the wave of the future.

Should this psychology spread it would set ticking the fuse of an economic time bomb that could blow the good times to bits. For, given a gap of confidence through which to pour, inflationary action and thinking would plunge headlong into a reservoir of liquid assets held by the public. The resultant splash could be disastrous.

There are about $484 billion in bank deposits, currency, savings deposits, savings and loan accounts, and U.S. Government savings bonds and short-term securities in the hands of the public today.

Much of this could quickly be turned into market buying power if there is any doubt about the future value of money and the inflationary whirligig would be underway.

Those liquid assets are more, in fact, than the annual personal income of the public from wages and salaries, farms, professional and business incomes, income from all kinds of property and earning assets, and pension and retirement incomes.

Furthermore, out of disposable income, people are saving nearly $30 billion a year. The needed capital for renewal and expansion of our production machinery and businesses is accumulating in those savings. The solid capital base that separates growing nations from dependent nations is being firmed and preserved here. But it could be shaken.

Pressures to penalize productivity wash away at its roots. Measures that tend to make industries and businesses less competitive, particularly with their foreign counterparts, sap its strength.

Wage increases which are not within the bounds of productivity increases would have a similar effect. And, as we move closer to full use of our economic capacity, the impact of any such excesses easily could trigger the unhappy rise of costs and, ultimately, prices.

Above all, actions by the Federal Government which in any way undermine the confidence of our people in our ability to maintain a relatively stable price level, to maintain the value of our money—any such actions particularly would light the fuse on the inflationary time bomb.

We have had deficits in the Federal budget in each fiscal year since 1958, with the exception of 1960 with its $800 million surplus in the cash budget. A substantial deficit is forecast for the current fiscal year and for the next several after that.

I said forecast, I mean, of course, planned—and eagerly planned, apparently, in the sublime belief that inflation is a thing of the past. But what of the public debt that this is amassing and the psychology it may beget?

In the fiscal years 1958 through 1963 the public debt has increased by $30 billion. More deficits, of course, mean more debt—and the Government securities representing that debt can be inflationary if sold within the banking system.

On the other hand, if they are not sold to banks then they must take up savings which otherwise would be used to finance business expansion and consumer purchases. In this instance, the Government is simply competing with the other users of savings in the marketplace. And such Government competition clearly has stultifying rather than stimulating effects.

The possibility is high, therefore, that major reliance will be placed upon financing this mounting debt through the banking system. The result, we must constantly remain aware, can be to stimulate, not economic prosperity, but an inflationary sort of thinking and acting that would be like a snowball going downhill—gathering momentum and pushing prices ahead of it.

Economic leadership that does not remain aware of the perils of inflation, and so order its business as to combat it at every step, is leadership to economic chaos and disaster.

Economic leadership that seeks easy answers to satisfy popularity polls, rather than sound balance sheets, is leadership to a future of financial storm and stress.

There are those who say that chronic inflation is the price we must pay for economic progress. Such notions should be rejected. Instead, the avoidance of chronic inflation is the necessary condition for real economic growth.

The problem is global. In underdeveloped countries it is inflation that discourages the savings on which a capital market can be based. Inflation drives savings abroad, encouraging capital flight and thus deferring, on and on, the solution of economic problems.

In our own land it is equally serious in its implications. No greater responsibility rests upon the shoulders of our people and their elected leaders. Inflation is not a price that we can afford to pay for progress. It is not a price that we should have to pay. To pay it only undermines the future and solves very little in the present.

We are a strong nation with incalculable resources of talent, enterprise, and productivity. We should be an optimistic nation and a confident one.

We can earn both the optimism and the confidence by sound fiscal policies, responsible management of money—and the practice at the highest levels of Government of the same prudence, thrift, and realism that we should demand of ourselves in our homes and our businesses.

Let the shadow of irresponsible or extravagant economic policies be cast from Washington and the gloom could settle over every home in this land, over every hope for individual security, over everything, for instance, that you work so hard to embody in your own business.

We need, instead, to roll up our sleeves and go to work with sharp pencils and with sharpened tools to make of the craftsmanship and thrift that built this country, a new challenge in this land and a new inspiration around the world.

SUPREME COURT REVIEW OF THE SCHNEIDER CASE

Mr. PELL. Mr. President, the Supreme Court agreed on Monday, October 28, 1963, to review the constitutionality of the law that takes citizenship away from naturalized American citizens who return to their country of origin and live there for 3 years or more. The issue arises in the case of Angelica L. Schneider, a young woman who came to this country from Germany, was naturalized, returned to Germany in 1956 to continue her academic studies, where she married a German national and where she settled. In 1959, Mrs. Schneider had her American citizenship revoked under the onerous terms of section 352 of the Immigration and Nationality Act. She appealed this administrative determination, but lost in a specially empaneled three-man Federal court by a vote of 2 to 1. This is the case the Supreme Court has agreed to review.

Shortly after the Schneider case was decided initially by the Federal court, I introduced legislation, S. 1641, which would repeal that section of the Immigration Act under which this woman lost her citizenship. I did so for very compelling reasons. This law works an inequitable hardship on a number of naturalized citizens—the press reports some 1,200 persons lost their citizenship in a recent 12-month period under this statute—for it in effect says that this country recognizes two classes of citizens, the native born or first class, and the naturalized or second class. This cannot square with any reasonable person's sense of justice. Either one is a full-fledged citizen of this country, or he is not. Citizenship is neither divisible, nor provisional. It is conferred upon those persons who have met the formal requirements of our laws, and have indicated a desire to assume the responsibilities and duties of citizens of the United States.

Once the requirements have been met, the individual solemnly affirms his intent to become a citizen in a formal court proceeding. This, but for section 352, should confirm a classless citizenship upon the applicant. It obviously does not.

I am pleased that the Supreme Court has decided to review Mrs. Schneider's case, for I am confident that in their wisdom, the Justices of our highest Court can only find in favor of the individual stricken by this inequitable statute. But I am not pleased that this question has to be finally resolved by the judiciary. The Immigration Act is a creature of Congress. We are only too well aware that it is, in great part, an unfair and discriminatory instrument. There is ample evidence of this in the flood of private bills for the relief of certain individuals, the President's recent message calling for an overhaul of these laws, and the many attempts in recent years to legislate revision of the act. This question, simply, is one that it is up to Congress to resolve. It is a legislative matter. The Supreme Court admittedly can determine the constitutionality of the laws of this land, but it can only act with respect to cases or controversies. And for an individual to carry his case to the Court, requires both a long period of time and great personal expense. This is a burden we should not require of our citizens, whether native born or naturalized.

I believe these issues are clear, Mr. President. I can only ask that Congress recognize this, and act to resolve them.

INTERNATIONAL DIPLOMACY

Mr. McGEE. Mr. President, the world is becoming increasingly more complex and it becomes more difficult day to day to determine exactly how we as a Nation are faring in the world of international diplomacy. This, perhaps, explains the continued appeal of those who have our foreign policy boiled down to two viewpoints—black and white. And, for their strange purposes, they see the world as rather black as far as our international purposes are concerned. The Communists seem to gain on all fronts, our allies falter and our own efforts are terribly expensive but productive only of confusion, waste and inefficiency. The obvious answer to this type of situation, in their eyes, is to abandon the field, to retreat back to a fortress America where all will be secure and the tenets of days gone by will restore us to "the good old days."

Mr. President, not only is this viewpoint highly illusory, it is based on a false premise. It may be important for certain segments in our society to picture us in a headlong retreat internationally but the facts speak otherwise. The truth is that we are making real progress in many areas of the globe while the communists falter and fail.

Strife-filled Africa—an entire continent ripe for Red takeover—has been kept from the Communist grasp and every day the new nations there seem less and less entranced with the Moscow line. The split between Russia and China has produced ideological repercussions that have stalled the impetus of the Communist movement and turned it back upon itself in fratricidal conflict.

Many more examples exist to show that while our foreign policy has not become any less complex it certainly has found many new avenues for the extension of our national interest and the suppression of the expansionist aims of the Soviet Union.

Yet it is at this time, when opportunity beckons, that many propose that we substantially reduce our efforts overseas. To me this is a great tactical error. The time to press our advantage is now, yet many would have us wait, pull back. This would only give away the advantage which has been gained at a rather high cost. Who knows when, if lost, this advantage could be regained.

Therefore, I would like to suggest that we view the world as it is and not in the black-and-white terms that lead us to dangerous oversimplification. And I would suggest that instead of dragging our feet that we put our maximum effort into turning the advantage we hold today into permanent gains.

Mr. President, in the November 5 issue of Look magazine our former Ambassador to Guinea, William Attwood, presents a clear and concise picture of the present state of international politics and makes several important suggestions why we must view the international situation in the light of reality. I ask unanimous consent that this article be printed in the RECORD.

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

[From Look, Nov. 5, 1963]

WE FACE A NEW KIND OF WORLD

(By William Attwood)

(The Russians have given up the idea of risking war by trying to bluff us out of

Berlin. The once-monolithic Communist movement is cracked wide open, as the feud between Red China and the Soviet Union gets hotter. Thirty-two independent African nations now outnumber the Western allies in the UN.)

Nearly 3 years ago, when I was foreign editor of Look, I wrote a piece called "A Preview of Kennedy's Foreign Policy." In it, I said the people of America would have to get used to a President who believes in action, and I quoted Kennedy as saying he sought the job "because I want to get things done."

For most of the years since I wrote that article, I have been involved in a small way in helping this administration get some things done in Africa and elsewhere. Now, home again for a while, I've been asked by Look's editors to take a second look at Kennedy's foreign policy in the light of where we stand today.

The best way to start is to say that I've been struck, since I got home, by how little people seem to realize how much the world has changed in the last few years, how much has been accomplished and, most important, what remains to be done if our children are to grow up safe and free in this revolutionary era.

This is disturbing, if only because a democracy like ours can't act fast or update its policies without the support of public opinion. And people will support what needs to be done only if they can visualize the opportunities as well as the risks, and see some signs of progress.

Yet it appears that doubt, anxiety, cynicism, and indifference still permeate much of our thinking about foreign affairs. This is hard to explain. Since 1960, things have not always worked out the way the President hoped—no one, for example, forgets the Bay of Pigs—but enough has happened to justify a good deal more optimism than you can find among your friends and neighbors.

So let's begin by taking a look at some of the more hopeful developments of the past 3 years:

In the Congo, thanks to our decisive support of the United Nations, order is replacing chaos, and Soviet ambitions have been frustrated. Elsewhere in Black Africa, nation after nation has achieved independence with less bloodshed than takes place annually on U.S. highways. And American aid has helped their leaders, as in Guinea, resist Communist subversion and preserve their independence.

Laos, which was all but lost despite our costly commitment in men and money, has been neutralized. The outlook is better than it was during the 1960 fighting, and now the neutralist Prime Minister and his troops are actively resisting sporadic Communist attacks.

The big squeeze is off Berlin. The wall is still up, but, more than ever since the Cuban crisis, the Russians know better than to risk war by trying to bluff or bluster us out of the city.

In Algeria, who would have thought that a Socialist but nonaligned government would have emerged from what even the French called a "dirty war"? Timely U.S. aid soon after independence helped make friends where we might have expected enemies.

In the Middle East, the Communists have suffered serious reverses in the last year, particularly in Iraq. And the multimillion-dollar Soviet aid program in Egypt has failed to pay off in political influence.

United States-Indian relations have never been better. India remains nonaligned, but Red China's aggression has shown the world's second most populous country where the danger lies.

Fidel Castro still runs Cuba, but it's costing his Soviet backers a million dollars a day to keep him afloat, and he's no longer the hero he used to be in Latin America. We may not like him ranting on our doorstep, but he's likely to become more of a problem to the Russians than he is to us.

A test ban treaty with the Russians has been signed. The long, grim deadlock is broken, and the first tentative step away from nuclear war has been taken. It may be, as the President said, only the first step in a thousand-mile journey on the road to peace; but every sane man can rejoice that we have made a start.

And the one monolithic Communist movement has cracked wide open. We may have our family quarrels in the West, but what is going on between Russia and Red China is no mere quarrel; it's a feud of such proportions that the cold war, as we have known it, will never be the same again. Whatever challenges lie ahead, they probably won't include coping with an aggressive, singleminded, billion-strong Communist empire stretching from the Iron Curtain to the Yellow Sea.

None of this to to say that all's well with the world. The Alliance for Progress is still more a blueprint than a reality. Our grand design for European unity has blurred. In Vietnam, the war drags on, and the end is not in sight. And for most of mankind, poverty is still the rule, and freedom only a dream.

But on balance, the state of the world, as seen from Washington, looks considerably more hopeful than it did 3 years ago. This you would never suspect from listening to many of your fellow citizens. What you hear, all too often, is that the Communists are scoring all the points in the cold war, that Africa and Asia are as good as down the drain, that the U.N. is a failure, that foreign aid is wasted since nobody likes us anyway, and that Castro, shaking his fist on a Havana balcony, is just about the greatest threat our country has faced since Pearl Harbor.

A lot of this nonsense gets disseminated by the professional, self-styled anti-Communists who make a comfortable living scaring people all over the country, and who have a financial stake in making the Communists look stronger than we. Some of it also comes from the press, where bad news always rates the biggest headlines and good news is usually no news. But I suspect that the main reason for all the confusion about foreign affairs is that history is moving too fast these days for the average man to keep it in proper focus.

To understand what's happening in the world today, and to avoid getting confused or discouraged, we Americans in particular need to keep three things in mind:

The first is that we are living in one of the most revolutionary periods in human history. The old colonial order—and with it, the supremacy of the world's white, Christian minority—is vanishing. New nations—and new imperialisms—are rushing into the vacuum. This is the political revolution.

All of these new nations want to break through the sound barrier of modernization in a few years. I've just come back from one of them. Billions of people are hungry for the things we take for granted. This is the economic revolution.

But they are trying to do this in the midst of a population explosion that will double the number of people in the poor countries during the next generation. This is the biological revolution.

Meanwhile, supersonic flight, atomic energy and the intercontinental ballistic missile have made the world much smaller and much more dangerous. No place on earth is very far away, and no one is safe. Never in history have so many people been at the mercy of so few. This is the scientific revolution.

Together, these revolutions have already made the world a far different place from what it was as recently as World War II. And we have to realize that its battles can no longer be fought with bombs, but with modern factories and technical aid, with medicines and teachers, with rice and respect.

The second thing we have to understand is that a lot has happened, is happening and will happen in the world, regardless of what the United States does or doesn't do. Too many people still believe that when things don't go our way, somebody in Washington must be at fault. But the fact is that while our policies can help guide the course of history, they can't alter it or dam it up. Castro and Mao Tse-tung came to power because their countries were ripe for revolution. Eastern Europe is behind the Iron Curtain because the Red Army moved in during World War II. Charles de Gaulle may be a hard man to deal with, but there he is.

In Africa, the tide toward independence can no more be reversed than the tide toward full equality in the United States. Those who think so, whether they are Portuguese colonialists or southern segregationists, are living in a dream world. The choice today is either to curse the tide or to see to it that what is bound to happen, happens with a minimum of harm.

In short, being the strongest power on earth doesn't mean that we can impose our will, our system or our way of life on other countries. That's what the Russians try to do, and that's why they have made so little headway among the newly independent nations.

Fortunately, our aim—and our strength—is that we stand for free choice and not coercion. So long as a nation values its independence and does not threaten the freedom of others, we don't try to tell it how to manage its own affairs. This approach, this support for diversity instead of conformity, is the main reason why we are no longer distrusted—as the Russians are—in so many corners of the world. People in the underdeveloped countries are beginning to realize that what we want for them is what they want for themselves—national independence, political stability and economic progress in freedom.

So when things don't seem to be going our way, all the way, let's not wring our hands or look for scapegoats. We're not going to remake the world in our image, and we shouldn't try. Let's be satisfied to make the world safe for diversity. That's already a lot.

The third thing to remember is that the cold war slogans and attitudes that we've lived with ever since 1946 are getting obsolete.

In Western Europe, the threat of Soviet armed aggression has been successfully countered by NATO, and people breathe more easily. In Eastern Europe, the brutal discipline of the Soviet empire is not what it used to be under Stalin, and life is more tolerable. The Iron Curtain is there, but not so tightly drawn.

The Atlantic Alliance is no longer the only cornerstone of free world strength and influence. In the United Nations, the Western allies are outnumbered by 32 African countries alone, to say nothing of the Asians. Winning the support of these nations, even at the risk of annoying some former colonial powers, is vital to our long-range interests as well as those of the world organization.

And all around the globe, we are beginning to see that the big problems of the next generation may be, as Arnold Toynbee predicted, less East-West than North-South. After years of nuclear stalemate and a balance of terror, the Soviet leaders may realize that exporting communism by force is a futile exercise; already the younger generation of Russians is far more interested in buying cars and TV sets than communizing the world. But the problem of closing the gap in living standards between the rich industrialized countries, mostly in the north, and the poor underdeveloped countries, mostly in the south, is rapidly becoming the biggest challenge the world has ever faced.

Thus, if we can keep in mind that the world is in revolution, that the United States is not omnipotent and that the nature of the cold war is changing, we Americans will be in a better position to know where we stand and what we have to do. We may also conclude that there is more reason for satisfaction than for despair. That is certainly the mood among people in government whose job is working on foreign policy on a day-to-day basis. Unhappily, the professional agitators and headline seekers are those whose voices are more often louder in the land.

To look ahead, the big unfinished job is keeping the poor countries in the world from getting poorer while the rich get richer. The alternative is the kind of chaos and violence that the Chinese Communists will certainly exploit wherever the Russians don't.

I said this job was unfinished; actually, it has hardly begun. Our foreign aid programs have held the line here and there, but the task of helping the new nations develop healthy economies is far too big for the U.S. Government to undertake alone or even in conjunction with its allies. The necessary capital must and should come from private sources and international agencies like the World Bank.

Working in partnership with local firms and governments in the developing countries, American industry can give these fledgling economies a bigger push in less time, and in the process build up goodwill for American methods and products. One reason countries like West Germany and Israel are extending easy credits to Africa is that they foresee the day when the new nations will be potential customers, anxious to buy the goods they're now getting as free samples.

Nor should we underestimate the political impact of U.S. private investment. In Guinea, at a time when Soviet technicians were trying to reorganize the economy along Communist lines, the only really productive enterprise was—and is—a privately owned alumina plant in which half the capital, or about $75 million, was American. Thanks to the foreign exchange earnings of this plant, the Guinean Government was able to retain a measure of economic independence from the Soviet bloc. Its successful operation has been an object lesson to Africans who were inclined to believe Communist propaganda about rapacious American capitalism.

The problem thus far has been the reluctance of U.S. investors to risk putting money into countries they regard as unstable. Yet the paradox is that it takes capital investment to guarantee real stability and progress. Therefore, until greater confidence is generated, the solution would seem to lie in an expanded investment-guarantee program by the U.S. Government that would protect private investors against political risks such as expropriation.

This doesn't mean our foreign aid appropriations should be cut in the foreseeable future. Government has an important role to play in areas outside the scope of private investment; for example, in education and vocational training where schools and teachers are lacking, in providing surplus food where people are hungry, in helping launch selected agricultural and light industrial projects, in giving advice where it is requested, in furnishing technicians such as Peace Corps volunteers, in coordinating development programs with other free countries and international agencies and in discovering and encouraging opportunities for American investors.

Nor would the American people want to cut down on foreign aid if they were fully aware of what it is and what it's accomplishing. Today, too many people still think that it's a kind of giveaway program—although about 80 percent of it is spent on American products here in America; that it's costing us a lot of money—although it totals less than 1 percent of our gross national product and less than 10 percent of what we spend for military purposes; and that it's designed to buy or bribe allies—although we found out some time ago that leaders who can be bought aren't worth having on our side.

What a soundly conceived foreign aid program does do is to enable America to take part in the worldwide war against poverty. And taking part is the only way we can exert influence on the course of history. For in the world community, we Americans are by far the richest family in town, and if we turn our backs on our neighbors, we can forget about being community leaders.

So there is work to do for all of us—in business as well as in Government—who like to take part in the history of our time, for the next few years are going to be decisive in shaping the kind of world our children will inherit. There will still be dangers. But at long last, those of us nearing middle age can begin to see beyond the tensions that have been the trademark of our generation to the opportunities and challenges that lie ahead.

As a nation, we Americans have done pretty well since the President summoned us, in January 1961 "to bear the burden of a long twilight struggle, year in and year out, 'rejoicing in hope, patient in tribulation,' a struggle against the common enemies of man—tyranny, poverty, disease, and war itself." Whether we continue to do as well, year in and year out, will depend on our ability, as citizens of a powerful country, to see the world as it is and not as some of us would like it to be; to act with wisdom and compassion, and to be unafraid.

ECONOMIC DISTRESS IN NORTHERN GREAT LAKES REGION

Mr. HART. Mr. President, in September of this year the people of Michigan, Minnesota, and Wisconsin took the first step toward laying the groundwork for a bold program of action to cure the economic distress in some 81 northern counties in these three States.

The occasion of this important beginning was the 2-day Northern Great Lakes Regional Land and People Conference called by Secretary of Agriculture Freeman which met in Duluth on September 24 and 25.

It was attended by more than 1,200 persons from the three States, including more than 350 from Michigan.

The conference was addressed by President Kennedy, Secretary Freeman, Secretary of the Interior Udall, Minnesota's Gov. Karl F. Rolvaag, Wisconsin's Gov. John W. Reynolds, Senator Mike Mansfield, Senator Eugene J. McCarthy, Congressman John A. Blatnik, and Congressman Lester Johnson.

The springboard for the conference was a comprehensive study and report developed last year by a task force appointed by Secretary Freeman. The report surveyed opportunities for new jobs and an improved economy through accelerated recreational development, adjustments in agriculture, greater use of existing forest resources, and better transportation and communication.

The northern Great Lakes region is clearly a land of latent opportunity. This 81-county area in northern Michigan, Minnesota, and Wisconsin is four-fifths forested and has some 27,000 lakes and 3,000 trout streams, making it ideal for outdoor recreation development. A work force of 560,000 lives in the area. A potential market of 50 million people lies within 500 miles of its borders. Yet more than 9 percent of the work force is unemployed.

The land and people conference was called so that the people of the region might begin the formulation of a coordinated regional plan of action to meet this problem which would be tailored to their own needs, desires, resources, and capabilities.

Six hundred persons participated in four workshops late into the night of the first day of the conference to prepare their recommendations.

The workshop on multiple use resource management, led by Dr. Gene A. Hesterberg of the Michigan College of Mining and Technology, recommended making a thorough water resource inventory, greater research and development activities in the use of timber and wood, and a multiple-use management policy affecting all the lands in the region, planned and coordinated by the three States in cooperation with the Federal Government. The workshop emphasized the great potential which lies in applying multiple-use conservation principles to private lands.

A second workshop on developing and coordinating local initiative was led by Dr. Frank P. Zeidler of the Wisconsin Department of Resource Development. Among other proposals, this group suggested the closer cooperation between county governing boards and local rural areas development groups.

George Wangensteen of Grand Rapids, Minn., chaired the workshop on land ownership and governmental structure problems. This group recommended that State and local governments reimburse local tax authorities for lands which they own. They also urged more effective use of zoning laws and exchanges of lands among governmental units to create larger and more easily managed blocks of public lands.

A fourth workshop on outdoor recreation development was headed by Paul M. Barrett of the Michigan Conservation Department. This group emphasized the need for an immediate recreation inventory in each State, greater coordination between public and private recreation development, and improved transportation in the region. They also recommended that tourist promotional efforts be coordinated on a regional basis.

Clearly this conference was only a beginning and the task of carrying the program forward will be both formidable and challenging. In looking at the job ahead, Secretary Freeman urged that land and people conferences be called in each State and in smaller areas to develop local and State plans for resource development which could then be brought back to a later regional meeting.

Governor Rolvaag of Minnesota suggested that the Governors of the three States regularly discuss their common problems and Governor Reynolds of Wisconsin pledged his strong support. Governor Romney of Michigan was represented at the conference by Bernard M.

Conboy, director of the Michigan Department of Economic Expansion.

President Kennedy, in addressing an audience of 5,000 on the first night of the conference, expressed his willingness and desire to sit down with representatives of the 3 States when they have developed a coordinated plan.

Assistant Secretary of Agriculture John A. Baker told the conference that what they accomplish "will influence people and resource programs far beyond the 81 counties of the Lakes States region. People with resources or economic problems similar to those found here will be following your progress with great interest—throughout rural America—and in other nations of the free world."

In his closing remarks to the conference, Secretary Freeman expressed both his confidence in the future of the Northern Lake States and the urgency of the challenge facing its people. He said:

Our society is changing under the pressures of automation, mechanization and the advances of science. While we attempt to catch up with these changes, the backlash, immediate and painful, sometimes seems stronger than the progress underway. But these changes which are going on throughout our economy can, if we will it and work at it, mean a new dimension in the level of living for the people of this country and more leisure to enjoy the rewards of our great outdoors—an essential ingredient to meaningful living. I think we had better get ready for them here, for they will be coming as surely as night becomes day.

With that traditional American blend of local initiative with cooperative action among the States and between the States and the Federal Government, the people of the Northern Lake States have begun to ready themselves to do something about the economic life of their region.

I am in complete sympathy with this regional approach to our problems. I commend Secretary Freeman for providing the impetus for this effort. And I am confident the people of Michigan will do their part in the days ahead.

SALUTE TO 452D TROOP CARRIER WING—BEST IN THE WEST

Mr. KUCHEL. Mr. President, an invaluable, unique, and dependable element of our national security is the devoted organization of defense reserves who carry on glorious traditions of the patriots of the Thirteen Colonies.

Repeatedly over the span of our Nation, unforeseeable crises and grave emergencies have necessitated summons to action of citizen-soldiers who devotedly stand in readiness to answer any sudden call to assure the freedom which all Americans cherish beyond measure.

In my native State of California, there are many such dedicated Reserve units, which are conspicuous for their state of efficiency, high morale, and competent training. In the forefront of their ranks is the 452d Troop Carrier Wing, headquartered at March Air Force Base in a county adjoining that where I reside.

The achievements of the 452d Troop Carrier Wing have just received unprecedented acknowledgment in the Seventh Annual Reserve Troop Carrier Competition carried out this summer. Under the leadership of Col. Earl O. Anderson, the wing commander, this unit compiled an imposing score of 8,347 points to emerge victorious for the third successive year. No other assemblage of our Air Force Reserve ever has been the winner more than once.

In competition designed to test tactical proficiency of the aircrews and their maintenance support, the 452d demonstrated skills far beyond Air Force standards in timing, en route flight procedures, and accuracy of aerial drops. The operation was a stern test of men and equipment, involving low-level drops of heavy loads, night navigation, and three-aircraft formation paratrooper drop.

The officers and men of the 452d Troop Carrier Wing (Medium) of our Air Force Reserve merit a grateful salute from all Americans and can be rightfully proud of performance embodying the appellation of "The Best in the West."

TRIBUTE TO SHIMSHON YOUTH GROUPS

Mr. DODD. Mr. President, I want to offer my personal congratulations to one of this Nation's finest youth organizations which celebrated its 25th anniversary on October 27.

Formed in the autumn of 1938 in Bridgeport, Conn., by Mordecai Wucher, a member of the teaching staff of the Congregation Ahavath Achim's Hebrew School, this group is called Shimshon—or Samson—whose Biblical name means "courage and light."

Under Mr. Wucher's excellent leadership, Shimshon has become a shining example to youth groups throughout the country. Its achievements have been on display at Valley Forge under the auspices of the Freedom Foundation.

Encouraged to aim high in Americanism and Judaism, its member have gone on to become doctors, lawyers, rabbis, and outstanding citizens of their community.

In the spirit of American democracy, the members have always been advised that meaningful life in the United States is founded on teamwork.

Shimshon has taught its members the holiness of a good life, juvenile decency, and the development of character.

Mr. Wucher deserves a great amount of credit for his tireless efforts in working with the youth of his congregation.

I know that my colleagues in the Senate will want to join me in wishing happy anniversary to Shimshon and its founder, Mordecai Wucher.

TRIBUTE TO CONRAD L. WIRTH

Mr. BYRD of Virginia. Mr. President, on Monday of this week I took occasion to pay tribute to the great and constructive work of one of the most dedicated Federal officials it has been my pleasure to know. He is Conrad L. Wirth, who has announced his intention to retire as Director of the National Park Service.

The National Park Service is part of the U.S. Department of the Interior. The Honorable Stewart L. Udall, Secretary of the Interior, recently did me the honor of quoting my views with respect to the people who make the National Park Service programs what they are.

Secretary Udall referred to my statement as follows when he said:

One of the finest tributes I have ever heard given a group of men or to an organization was the one that Senator BYRD paid on the afternoon we took a hike with him a little over a year ago down in the Shenandoah, when he said to me in an aside: "You know, I've been visiting the parks and I've met Park Service people for 30 years and I've never met one that wasn't a superior man."

I did make that statement to Secretary Udall; and I want to make it again now, before the Senate of the United States. And I want to add that I have known Connie Wirth as a fine leader among these superior men.

I have reason to believe Secretary Udall shares my high esteem for Mr. Wirth. He made the statement I have just quoted at a conference of Park Service personnel held at Yosemite National Park only about 2 weeks ago, on October 18, 1963.

The Secretary was speaking with reference to the forthcoming retirement of Director Wirth and his successor, Mr. George Hartzog. And in that address he quoted in full a letter of the same date which he had just received from Mr. Wirth.

I inserted a copy of this letter in the CONGRESSIONAL RECORD on October 28, 1963, and it is to be found on pages 20316–20318 of the RECORD.

In that letter Mr. Wirth reminded the Secretary of the fact that in 1962 he had given notice of his retirement intentions, and that in February of this year he had communicated with the Secretary relative to the choice of his successor.

I cite the fact that Director Wirth's letter of October 18, 1963 has already been published in the RECORD, because Secretary Udall read it in the course of his address at Yosemite; and I now wish to request unanimous consent to insert the Secretary's address at this point in the RECORD—without repetition of the letter.

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

CONFERENCE OF CHALLENGES

(Address by Stewart L. Udall, Secretary of the Interior, Yosemite National Park, October 18, 1963)

This is something to which I have looked forward. Two years ago I had the wonderful experience of meeting most of you down at the Grand Canyon. I have seen a lot of you since then, and I have looked forward, not only to the chance to meet and talk with all of you again—because I think these family reunions are one of the things that holds the Park Service together and makes it such a wonderful organization—but also to the opportunity tonight to say a few things that I have wanted to say for some time.

This is, I am sure you will agree—and I am sure you all know what's coming—a

significant occasion. A lot of things that are unfortunate have been said and written in the last day or so that misrepresent the situation, but that will become plain, I hope, before I finish. I think that the opportunity we have here these days to discuss in a family way where we are going, and where we have been, and what we think of one another, is and should be a solemn occasion and one we will finally remember with satisfaction.

I have a letter which Connie wrote and delivered to me. I would like to read it to you because I think it is a document that will deserve an important place in our records.

I am going to save some of the things I want to say about Connie, some humorous and some serious, until this evening. But I do have one story about this man, whom most of you know better than I—although I have come to know him very well. I was joking with him while coming up here, telling him that the only public criticism I ever made of him in nearly 3 years was when I wrote an article saying that maybe Tioga Road was a mistake. The next morning he was down in my office to tell me it wasn't. And I admitted to him that I had never seen it. I had uttered my opinion on the basis of the opinions of others who I thought had pretty good judgment. I had planned perhaps to take Marshal Tito up to see it, and finally to form a personal opinion of my own. But now I'll have to wait on that, Connie. But I do want to say to all of you here tonight that from my knowledge of the National Park Service, as a Congressman, as a citizen, and as a Secretary, I do not think there has been a time when its esprit has been higher, and when its prestige, not only in this country, but in the world, has been stronger than it is today.

During the past 6 weeks I have been to an international conference in Africa. I have worked with African park people, and I have come as a result of this experience, and as a result of the First International Conference on National Parks a year ago in Seattle, to have an even higher regard than I had had previously of what the National Park Service means to conservation in the world at large. I think that this is the result, of course, of the work that all of the dedicated Park Service people have contributed ever since Steve Mather, and even before him. And let us also admit the accomplishments of those on the outside who have helped us to raise and keep the standards high in the National Park Service.

The esteem and warm personal friendship that we have for Connie and Helen makes this an emotional occasion for all of us. This is a time to look backward, as well as forward, and I shall do some of both later this evening. But this is a time, too, when we must select a successor, and I want you to know that the process of selecting him—the man who will become the seventh Director of the national park system, is something that has not been taken lightly by the Director or by myself or my associates. It has consumed a period of nearly 9 months since Connie came in to see me, and we first talked about it. One of the most difficult things that any Secretary has to do is select his personnel, make his appointments, pick his associates. It requires a lot of soulsearching. It requires one to do the best and fairest job one can do in estimating the abilities of men. All of us, each of us here—as is true of all mankind and womankind—has his strengths and his weaknesses. We all have our abilities and our talents. Some of us do one thing better than someone else, and some of us are fitted to particular jobs and have particular capacities. We never know whether we should select a younger man or an older man, and it often depends upon what the particular job is that needs to be done in the future.

It was this type of thinking that went through our minds in the weeks and months when we thought over this problem. But certainly, and this is the thing that I want to stress above all—for I am acutely conscious of it and said this to Connie and George while driving down—the great thing about the National Park Service, which I think that one can say of few other governmental or nongovernmental organizations, is that an esprit and a tradition and a loyalty have been developed over the years that is to me one of the finest things that I have ever encountered in my governmental service. It is a tribute that I want to pay to all of you here.

I think there were two men who as heads of bureaus in this century did more in a way to start it, but they had associates who worked with them, too. They were Gifford Pinchot and Stephen Mather. They had different convictions on some things. Their assignments were different, really—they worked in different areas—but the one thing that both of these men did was to create a service, a spirit, a tradition, a devotion, that have permeated the entire organization. Not only that, but they selected devoted and dedicated people. The result has been that the National Park Service has never been, and never should be, one man or even one group of men. Each of you, in my opinion, is as important as another when we get right down to what makes the National Park Service a great organization. You are a great organization because of this dedication and esprit. You are a great organization because you are a team and because you work together. I would like to say to George, here, as I have said to Connie in the past, the only thing a Director can ask of you is that you carry out this great and high tradition of devotion and dedication, that you continue to work as a team, and that you give the very best that you have in loyalty and in achievement to your Director and to the Service and to whoever is the Secretary of the Interior. And the only thing, George, that I think that your people have a right to expect of you, as they had a right to expect it of Connie—and as he gave it to them—is the right to encourage each of them to make the finest and highest contribution that they can make, to do the most creative work, to feel free to do the best job they can in strengthening their part of the job in this great Service. One of the finest tributes I have ever heard given to a group of men or to an organization, Connie, was the one that Senator BYRD paid on the afternoon we took a hike with him a little over a year ago down in the Shenandoah, when he said to me in an aside: "You know, I've been visiting the parks and I've met Park Service people for 30 years and I've never met one that wasn't a superior man." I thought that that was one of the finest tributes that I had ever heard.

Let me say one other thing, too, and I will dwell on some of this at a little greater length this evening. There has been perhaps a little bit too much constructive criticism. We can sometimes overstate what we mean, or have our words misconstrued. But certainly there is always room in any organization for a challenge—indeed, that's the purpose of this Conference of New Challenges. One impressive thing about the National Park Service to me is that it doesn't let people get into grooves. There is always something new—a new assignment, a new challenge. The very fact that you work with nature, with the out of doors, is meaningful in the sense that you work with the seasons, you work with a changing situation, with people and with policies that are dynamic. In a way the most exciting thing to me about the National Park Service, and about the national park idea, is this built-in dynamism, this built-in dilemma and contradiction of protection and use. I mean that it is there, and we never solve it. We never solve that problem. Almost each day something comes up that causes us to stop and think about it and evaluate it. There is always some argument and some controversy about it, and it makes it exciting and interesting. It makes it challenging, it seems to me, for we have to have the door open to those who work with us, and we have to have it open to any ideas and suggestions and criticisms that anyone might have.

I am glad to learn that you have had such a stimulating conference here. I heard with interest the very marvelous speech that Starker Leopold gave, and the ones of Sig Olsen and others, and I know and hope that all of you will go back strengthened and reinvigorated for the task that faces you. But it does seem to me that with the new challenges we confront—and I shall discuss many of them this evening—we must be responsive, we must be creative, we must deepen and broaden the great National Park Service tradition. I think that if we meet the new challenges successfully, it will not be because we happen to have executives at the top of the Department of the Interior who are unusually interested in the park idea or in the park movement, or not because we have a Director, an associate director, or others in the top of the bureaucracy at Washington, who are particularly good at handling people, or are especially skillful. The success or failure in the years ahead will depend, as they have in the past, on your ability to be a loyal team, on your ability to challenge one another to bring out the best that you have. And I think that the men at the top should be responsive, should try to inspire where they can, and the men below them should never be unwilling to provide the thrust of a fresh initiative or a fresh idea.

So we have many challenges, and the task of selecting our top people, as I have said, is one of the most difficult of them. It may be that we choose wisely or badly. One will never know. Only time can tell about those things, but we must select. We must choose. The only thing we can ask is that you help us make the choice a good one, because, really, the success or failure of any Director rests on you and on your loyalty, and no one knows that better or has proved it better than Connie Wirth himself.

So I express the hope that you will help make this choice a fine one, and that you will help George Hartzog take his place, as Connie has taken his place, along with Horace Albright and Steve Mather and the others, as a great conservationist and a great leader. And so I am very pleased and honored to present to you the man that we are appointing as the new Director of the National Park Service, George Hartzog.

Mr. BYRD of Virginia. Mr. President, it may be appropriate at this time to say that publication of the Secretary's address is done with his permission, and that previous publication of Director Wirth's letter of October 18, 1963, to the Secretary was with permission of both.

And I should like to request further unanimous consent for publication in the RECORD at this time a self-explanatory United Press International dispatch of October 29, 1963.

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

WASHINGTON.—Interior Secretary Udall flatly denied today that top Department officials forced the retirement of Conrad L. Wirth as Director of the National Park Service.

Wirth's decision to retire was his own and was reached long before the announcement

last week, Udall said in an interview. The Secretary said he was "appalled" at reports the resignation was forced.

Informants said at the time that Wirth resigned under pressure, partly because of a National Academy of Sciences report scolding the Park Service for its attitude toward research. His resignation was announced barely 12 hours after release of the report criticizing Park Service research for an alleged lack of direction.

The report said the agency "has suffered because of a failure to recognize distinctions between research and administrative decisionmaking."

Before the report was released, Assistant Interior Secretary J. W. Carver criticized some Park Service operations in a speech.

Then a few days after Wirth's resignation, the National Republican Congressional Committee charged that Wirth was "purged by the Kennedy administration." The committee said Wirth was ousted because he "just managed the parks with efficiency, didn't try to expand bureaucracy."

Udall praised Wirth as an "outstanding public servant," who ranks "on the highest honor roll of those * * * who have done the most to preserve a rich outdoor legacy for the American people."

"Anything that indicates there was any unhappiness (with Wirth) by myself or anyone in the Department is unfair and untrue," Udall said. There was "no pressure of any kind or any dispute within the Department," he added.

Udall said Wirth began making retirement plans a year ago, and decided last February that the announcement should be made this month. It was timed for a recent meeting of Park Service officials at Yosemite National Park.

"None of us suggested the retirement, he had an entirely free hand," Udall said. It would have been "fine" if Wirth, now 64, had wanted to remain longer in his post, Udall added.

"I'm saying flatly there was no lack of confidence (in Wirth) at any time and no crisis over policy," Udall said.

Udall said Carver's speech was "the sort of thing you do within the family as indicating you can do a better job in some fields."

Mr. BYRD of Virginia. Mr. President, I suspect few people have observed Connie Wirth at work more closely than I have, and from personal knowledge and appreciation, I wish to say that in his retirement the Government will lose an example of public service at its finest, and the Nation forever will benefit from his constructive contributions.

Mr. MANSFIELD. Mr. President, is there further morning business?

The PRESIDING OFFICER (Mr. PEARSON in the chair). Is there further morning business? If not, morning business is closed.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business, which will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 7885) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute.

Mr. ELLENDER obtained the floor.

Mr. MANSFIELD. Mr. President, will the Senator from Louisiana yield with the understanding he will not lose his right to the floor?

Mr. ELLENDER. I yield.

U.S. FOREIGN POLICY IN THE WORLD TODAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD a copy of the speech entitled "U.S. Foreign Policy in the World Today," which I made before the student assembly of Rocky Mountain College, Billings, Mont., on Thursday, October 24, 1963.

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

U.S. FOREIGN POLICY IN THE WORLD TODAY

(Address by Senator MIKE MANSFIELD, Democrat, of Montana, Rocky Mountain College, Billings, Mont., October 24, 1963)

Thank you very much for asking me to be with you this morning. Your invitation is deeply appreciated. It has provided me not only with an occasion to come home to the State but to come home to an academic setting. As a former college student and college teacher I can say that there are times when I sorely miss the shelter of the campus. That is especially the case when the birds have gone south and the only things flying in Washington are wild political rumors and political brickbats.

I speak of the campus as a shelter in the sense that it is a place in which contemplation and ideas are encouraged. I certainly do not mean it in the sense of a realm detached from the pressures of life. I know, as you know, that that is no longer a valid concept of college life, if indeed it ever was. It certainly has not been true at least since the roar of the twenties gave way to the whimper of the depression-thirties which in turn was replaced by the great war of the forties and later, by the cataclysms of the post-war era and the Himalayan uncertainties—the immense possibilities for human advance or regression which have become apparent in the nuclear-space age.

In this recent history—all of it within the living memory of some of us here—the college campus has not been a refuge from the storms of life. Nor has it been an island haven high above the surging tides of our times. On the contrary, it has been one of these storms and immersed in these tides. It could not be otherwise and indeed it is good that it is not otherwise. The American college is inseparable from the mainstream of American life. It is now, as never before, the principal training ground for the leadership of the Nation. And more and more it has come to play an integrating and leavening role in the enlightenment and progress of the community as an entity in itself and as a part of the State, the Nation and the world.

Indeed, this political education week which you have designed is very much an evidence of the contemporary role of the college. I congratulate your student leaders and your faculty not only for sponsoring this undertaking but also for the breadth of the theme which you have selected.

Whether it is realized or not, foreign policy in the world today is of great importance not only to a few men and women in Washington but to every inhabitant of Billings, of Montana and of the United States.

For foreign policy is a national way of acting and reacting with respect to the rest of the world. And may I say there are many ways in which Americans as individuals would act and react for the Nation if the choice were to fall to them alone. Some Americans are eager to live in this world and of it. Some wish they might wake up in the morning and discover that the rest of the world or some part of it had disappeared during the night.

Some think we can do just about as we please in the world and some think we can do nothing. Some are anxious to do business with other countries. Others want no part of some or all of them.

Some love the peoples of the rest of the world and a few hate them and many neither hate nor love, know little about them and have not the time nor inclination to learn.

All of these attitudes and many others with respect to the rest of the world, are perfectly valid insofar as the individuals who hold them are concerned. Americans are free, and properly so, to react as they see fit—to have their personalized foreign policy so to speak—and to make no bones about it.

Yet the fact remains that as a nation we are on this planet with other nations, and someone has got to decide and to speak and act for the Nation as a whole. Whether we will it or not there is a constant action and reaction among nations which affects this Nation for better or for worse. And out of the myriad of possible American attitudes—all the way from outright hostility to indiscriminate love of the rest of the world, all the way from a sense of inferiority to a delusion of grandeur, all the way from doing nothing to doing everything—out of all these possible attitudes there must be distilled policies, foreign policies which, in effect, determine and govern our approach as a nation to the rest of the world.

What these policies are at any given time will have an immense meaning for the security and welfare of every American. If they are effective policies the Nation as a whole gains by them. If they are ineffective policies the Nation as a whole suffers from them. This is not to say that individual Americans may find certain effective policies in a national sense bad, for a variety of reasons. Nor, indeed, is it to say that individual Americans may judge for a variety of reasons ineffective national policies to be good.

The Presidency and, to the extent that it is involved, the Congress, are the political institutions which delineate, by word and action, the overall foreign policy of the Nation. The Presidency and the Congress are popularly responsive political mechanisms, and conflicting attitudes and viewpoints, and pressures within the Nation constantly press in upon both. Popular influences cannot and must never be ignored in a representative government. And yet, somehow, a responsible course of policy must be steered through these multiple popular influences—a course which safeguards the general interests of the Nation.

Clearly, our policy must possess continuity. But its application must take account of events which in today's world can develop and change course with remarkable speed. It is apparent that American foreign policy has the essential quality of continuity. Since the end of World War II, the United States has sought to encourage the development of a society of independent nations in a world free from aggression, hence warfare. In pursuing this policy, the United States has fought, as in Korea, and has often entertained the risk of further fighting in order to assure the continued independence of friendly societies and the integrity of its own basic national interests.

In addition, the United States has provided economic and military assistance designed to strengthen independent countries and enable their peoples gradually to evolve societies that may one day suit their own highest interests.

The United States has supported international organizations, such as the United Nations, which are designed to promote peace and the integrity of nations.

The United Nations has been in existence as an organization for 17 years. Some will

look back over the years and rediscover that there is much in its record to applaud. Others will do the same and convince themselves that the organization has done little of value and, indeed, has become a kind of menace to this Nation.

But there are countless Americans in this State and in the Nation who seek neither to prove that the United Nations is all good or all bad. The only concern which they have is that the U.N. make a contribution to peace and to international decency. These Americans have not closed their eyes to the fact that this Nation—all nations—walk a tightrope stretched across the bottomless pit of a catastrophic nuclear war. These Americans recognize that the tightrope sways violently with every wind of conflict—whether it blows in Asia, in Africa, in the Middle East, or elsewhere.

These Americans will not dismiss as useless or worse, any rational attempt to temper these winds of conflict. They will not consign to the waste heap of history an organization which has helped to do that in the deserts of the Middle East, and in the high mountains of Kashmir between India and Pakistan. These Americans will not make light of the sacrifice of the life of Dag Hammarskjold, a great and decent human being who raised the barrier of the U.N. against the hurricane of hate in the Congo.

Nor will these Americans dismiss as useless or dangerous to this Nation the work which the United Nations has done in marshaling an international effort to feed and clothe and otherwise help children in need wherever they may be, the work to eradicate the scourge of diseases such as malaria in forgotten corners of the world, to teach the unenlightened how to farm better and to develop community skills and habits which may lead them out of the morass of a crushing poverty and a superstitious ignorance.

These American will not condemn an organization whose purpose is to build bridges of peace and understanding among nations where too few exist, whose purpose is to promote a less cruel and more decent life for men, women, and children throughout the world.

We may deplore the inadequacies of the U.N. We may criticize what are sometimes meddlesome tendencies on the part of immature member governments. We may denounce the irresponsibility which leads some nations to vote grandiose United Nations action in some situation or other and then leave by the nearest exit when the price of the action is announced in the Assembly. We may be dismayed by the moral preachments of certain nations which do not accord with their national practices.

It is proper that we deplore, criticize, and denounce when these expressions are required. Spades are spades and should be so called, in the U.N. or anywhere else. But in calling them—and I have done my share along with Arthur Lamey of Billings, as a U.S. delegate on two occasions to the U.N. General Assembly and in the Congress—I do not believe our purpose ought to be to destroy but rather to improve. Mature Americans can recognize the significant contribution of the organization to the world, and to this Nation as a part of it, while at the same time we recognize that the contribution is far from enough.

Every day, so far as most of us are concerned, is United States Day. Each of us in our own way might very well by our actions and words, 365 days a year, rededicate ourselves to the preservation and enhancement of all that this Nation means to us and all that it stands for in the history of mankind. And, may I say that I can see nothing inconsistent with the respect and love which we have for our country in giving recognition and careful attention once a year to a principal institution through which this Nation and all nations, if they have the will as well as the words, may find the difficult way to a decent understanding and mutual respect among the world's peoples and to a durable peace.

In seeking its national objectives in the world, the United States has turned away from the path of territorial conquest or domination of others. Nor has the United States sought to intimidate with nuclear superiority. On the contrary, we have tried consistently since the end of World War II to develop some form of international control over this new and immense source of power.

Over the past several years, the United States has tried to curb the hazard of nuclear fallout, to say nothing of the danger of nuclear war, by securing a treaty to limit nuclear testing. Such an agreement has now been reached under a Democratic President and a Democratic Congress. But the treaty itself is beyond parties. Indeed, it reflects the continuity of our policy. It is cast in the mold of international agreement on control which was the first concept of nuclear policy designed at a time when there was a Democratic President and a Republican Congress. And, in specific elements, the treaty adheres to a pattern first set forth under the Republican administration of President Eisenhower in 1958 at a time when the Democratic Party was in control of the Congress.

The test ban treaty reflects the continuity of policy, and its history also illustrates some of the difficulties which beset the President—any President—in seeking to maintain this continuity. In a society as dynamic as our own, there is an understandable impatience with the static quality that sometimes characterizes critical areas of our foreign policy. May I say in all frankness that I have on occasion shared that impatience. Years of continuous and repetitious effort to reach agreement on the test ban discouraged a great many Americans and fostered a sense of frustration. Yet because the President was persistent and because, in the end, the Senate by a preponderant majority of both parties saw value in the treaty for the Nation we now have an agreement which, hopefully, will put an end to one type of unnecessary contamination of the earth's environment in which we must all live. At the same time by this treaty we may well have taken a small but firm first step away from the great peril of nuclear war.

A similar sense of frustration and impatience shapes the attitude of many Americans toward foreign aid programs, and, again, I must say that it is an impatience which I have shared. If one has some firsthand experience of these programs, it is almost impossible to escape the conviction that there is a great deal of waste motion and aimlessness and presumptuousness in the administration of this element of policy. These characteristics have been there for many years and despite vigorous efforts at the present time to curb them, it is not at all unlikely that these faults persist to some degree. But may I suggest that if you would evaluate this program properly it must be placed in a broader context than that of imperfect concept or inadequate administration. What, we may well ask ourselves, would be the complexion of world politics today without this great effort in the past and its continuance?

History seldom reveals its alternatives and it is not possible to state with precision the countries which may have been spared collapse and a loss of their independence because they have received American assistance. We do not know what the political complexion of Western Europe would be today if its war-ravaged societies had not received aid. We do know, however, that the Marshall plan was a brilliant success in preserving the opportunity for freedom to restore itself in that region after the war. We do not know what would have happened to Greece and Turkey in the absence of the initiative taken by President Truman when he decided to assist these countries in 1947; but we do know that each has maintained its independence; each has progressed, remarkably so in the case of Greece whose national integrity was seriously threatened scarcely more than a decade ago.

We do not know what would have happened in India if we had failed to provide support to that country. We do know that strong centrifugal forces in India have always posed a serious threat to the continued cohesion of Asia's largest Republic. And it is reasonable to assume, too, on the basis of history that without aid from abroad there would have been a series of mass famines, with great political upheavals in their wake.

In Vietnam, where the problems have for many reasons been especially difficult, I think there is little question that without American support of the Republic of South Vietnam the entire Indochina peninsula would have been propelled into the Chinese Communist orbit. In consequence, the possibility for satisfactory relations with Asia, already sharply curtailed by events in China more than a decade ago, would have suffered another major blow.

To say that there are no quick and easy solutions to our problems is a commonplace. Yet even so fundamental and obvious a truth as this is not readily accepted by many of the people of a far flung, rich and vibrant democracy. There is ever present the tendency to see world problems in a simple black and white pattern and solutions in the same way. This is due in major part to the influence of the struggle with the Soviet Union, a struggle that has given world politics a bipolar look, if not a bipolar character.

The role of the United States in this struggle is to maintain the freedom of the United States which in this day and age is, perforce, alined with the maintenance of an international environment in which the concept of human freedom remains a vital and powerful factor. This is a continuing undertaking and, at times, a highly expensive and tedious one. Some aspects of this undertaking appear irrelevant to the central struggle against totalitarianism. And the absence of discernible results at particular points of tension tends to disturb us all. Berlin, Laos, Vietnam, nuclear rivalry, Cuba, and others which will occur to you are questions that have taxed our patience and our resources for years and the end is not yet in sight at any of them.

It occurs to me, however, that the continuity of our basic policy has a cumulative effect. It builds pressures, which every so often leads to some development that both strengthens and dramatizes our basic policy, thus making it more understandable to our own citizens and to the rest of the world.

The Cuban crisis last year, and the Berlin crisis the year before, for example, were such developments. The Soviet Union chose to test American policy on Berlin and Cuba. As a result there was a series of harassing gestures at Berlin during the summer and fall of 1961. These failed, however, to move the United States from its policy of no change in that city and no German solution under duress.

In Cuba last year, the Soviet Union introduced offensive missiles, then withdrew them in the face of U.S. countermeasures. This was one of those events which sometimes alters sharply the pattern of the main current of international relations. Both the Soviet Union and the United States stood on the edge of the bottomless pit of nuclear war in the Cuban crisis of 1962. And the rest of the world swayed with them on the rim of the abyss. That rendezvous with mass extinction which was not kept may well

have altered the basic nature of the tensions which had led to it.

This is not to suggest that the adversary is now less committed to its expansionist policies than before the Cuban crisis. What is suggested is that the world knows now—with a new and grim intimacy what it has always known from a distance—the overwhelming cost which nuclear war would represent to civilization and the folly of not considering it fully in the calculations of the policies of any nation. What is suggested, too, is that American policy, often misunderstood by friend and foe alike, is now more comprehensible to both. These are dividends of very great importance.

A question frequently asked in Washington during the past summer concerned the shift in the Soviet Union's position on a limited nuclear test ban. In short, why did the Soviet Union abruptly decide to accept the U.S. position, which for years it had rejected? As with any analysis of Soviet motives, the explanation in this case is necessarily speculative. However, it is generally believed that a number of related factors produced the shift in Soviet policy. The Cuban missile crisis, as I have noted, had a most sobering effect.

The Sino-Soviet rift, about which so much has been written, certainly played a role in the Soviet decision. I have long felt that this quarrel in major part was inevitable in the light of the historic conflict of interests between China and Russia along the inner borders of the Asian mainland. The rift also arises from a difference between communism's two great powers over the means to be reached in attaining their ends. The Soviet Union seeks to avoid a general war and to consolidate its position at home and in Eastern Europe. China is still in a revolutionary thralldom compounded of militant nationalism, racism and ideological arrogance. It has been estranged from a great part of the world by the policies of both the United States and the Soviet Union. The leadership of the Soviet Union clearly has felt the need of some tangible expression of its policy of coexistence which would arouse popular support in Russia and Eastern Europe and lead to a further dampening of the Chinese thralldom.

Furthermore, there is no reason to doubt that the Soviet Union shares our concern with the problem of nuclear fallout. This insidious phenomenon has already done noticeable health and genetic damage to people of the two countries and others and could do a great deal more if international anarchy were to persist in nuclear testing. There is, too, a common interest with the Soviet Union in solving the problem of proliferation of nuclear weapons. The test ban treaty does not guarantee that other nations will forego development of these weapons. However, leaving aside France (already a nuclear power) and China, the treaty has been signed by about 100 nations including every country which appears to have the human and material resources that would permit development of these weapons over the next several years.

The struggle goes on with the Soviet Union, but as I have already indicated, the tone may well be changing to some degree. The sale of American grain to the Soviet Union is one of those measures which by serving the interests of both parties in a very direct way may contribute, in a general way, to the objective of a durable peace. The Soviet Union needs grain because of crop failures. It had the choice of buying directly from the United States or arranging to obtain American grain, or the flour therefrom, from third countries. The fact is that they could have obtained it. The fact is that U.S. grain has gone to Eastern Europe in the past and continued to go either as grain or in the form of flour by way of middleman countries such as West Germany and others who from time to time take it upon themselves to preach to us against the evils of trade with Communist countries. Indeed, West Germany does an annual trade with the Soviet Union alone which is equal to or greater than our trade with all of the Communist countries in the world.

By dealing directly with the Soviet Union instead of through the middlemen of Western Europe, the United States will realize exchange earnings from a large sale of grain. This will benefit our deficit balance of payments by precisely that much. It will, of course, greatly help our wheat-producing areas and at the same time affect beneficially all taxpayers who now bear the burden of storage costs for wheat stocks far in excess of any reasonable need for our own consumption.

I have spoken of our tendency to become impatient and insistent on solutions to problems that can only be settled over the space of many years. I should also take note of the tendency of some to exaggerate the significance of any easing of cold war tensions and to sense the tantalizing image of a stable peace just around the next bend.

Between these two tendencies, a more realistic approach I think would be to observe that the nature of present world tension is not static and immutable. Rather it changes as events cause the powers—including this Nation—to adjust their policies to changed conditions and new requirements. At present, it is the Soviet Union whose policies are undergoing most significant shifts. It was the Soviet Union, for example, which accepted the American position on the limited test ban question, not the other way around. It was the Soviet Union which approached the United States for the sale of wheat.

These changes reflect credit on the strength and continuity of the fundamental policy we have pursued since the early post-World War II days under administrations of both parties. As such, they should encourage Americans to support efforts by the Government to bring about still greater progress toward our national objectives. This will mean resisting the tendencies to self-defeating impatience and frustrations on the one hand, and illusory optimism on the other.

The direct antipathies between the Soviet Union and the United States constitute only one aspect of the problem of U.S. policy in the world today. Difficulties are arising in connection with the key Atlantic Alliance. The United States assists India and Pakistan and the effect of this assistance is neutralized by the inability of these countries to compromise the differences, particularly over Kashmir, that so embitter their relations.

There are other outstanding international disputes which serve to destabilize some parts of the world and to frustrate programs of economic and social development. The Arab-Israeli conflict is one of these, and like the Kashmir issue, is one that the United States has been deeply concerned with for many years. Such problems exist in virtually all parts of the world. In the Middle East, there is the civil war in Yemen. In the North African Magreb there is the grave border conflict between Algeria and Morocco. In Africa, there is the Congo and Angola, with problems in South Africa and possibly the Rhodesias lying ahead. In southeast Asia, there is the complex struggle surrounding the birth of the new state of Malaysia. And, of course, there are Laos and Vietnam. In Latin America, it is becoming clear that the Alliance for Progress will absorb energies from both North and South America for many years and even then the ultimate outcome is by no means clear.

There are few rational alternatives for American policy. The overriding objective of promoting the security and well-being of the United States amounts to a continuing effort involving just about every part of the world.

The thought that I should like to leave with you during this political education week is one of a hope for continued progress toward a world of stable peace and freedom in which our own peace and freedom will be unassailable. Yet this hope must be tempered by an awareness that the future is always uncertain and difficult. Of this, there is no doubt.

I should also like to suggest that time is on our side, provided we use it wisely. The years ahead will present a wide range of opportunities together with a normal complement of setbacks and mistakes. Our greatness as a nation in this period will be measured by our ability to catch some of the fresh breezes that history will offer and thus give greater momentum to our purposes. This ability will derive largely from the President but its exercise will depend primarily on the understanding support of an informed citizenry. It is with this in mind that I heartily applaud your political education week and express once again my great satisfaction that it is taking place in this city and in this State and my gratitude for your kindness in inviting me to participate.

COMPROMISE IN A DEMOCRACY

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD a speech entitled "Compromise in a Democracy," which I made before the Montana Education Association in Missoula, Mont., October 25, 1963.

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

COMPROMISE IN A DEMOCRACY

(Speech by Senator MIKE MANSFIELD, Democrat, of Montana, before the convention of the Montana Education Association, Missoula, Mont., October 25, 1963)

It is with great personal pleasure that I meet with you today. I have enjoyed a long affinity with the Montana Education Association, as a teacher in fact, and in retrospect over the years.

When I was asked to speak, today, several topics were suggested. The one entitled "Compromise in a Democracy," caught my attention at once. That is not strange, since the word "compromise" is very frequently associated with the word "politics."

An overworked, but nevertheless accurate phrase states that politics is the art of compromise, or "the art of things possible" as Count Cavour put it a century ago. Unfortunately, there are those who view both "compromise" and "politics" as equally noxious terms. But if that view had predominated in our history, this Nation would not have known an orderly evolution. Indeed, without the constant exercise of compromise, a popularly responsive and responsible government such as we know could not exist.

We have learned, through experience, that compromise is an essential ingredient of a government by consent. The history of our own State is a good example. The tradition of our early years, as you well know, is accented with violence. Many of our pioneers were veterans of the Civil War and our early history reflects some of the vindictive aftermath of that conflict. Vigilante law and the quick draw, not compromise and due process, were an early and accepted way of dealing with differences. In honesty, however, I suspect that the actual casualties which resulted from this approach in all the early years of the State's settlement do not equal the current output of death by violence in a week of TV westerns.

We have come some distance since those early days. Officeholders, today, are no longer removed by hanging but rather by the more refined—and, presumably, less painful—process of the ballot. I, personally and understandably regard this as a great achievement.

One of the keys to this transition has been the general recognition that an orderly society is inconceivable in the absence of the will to compromise. To say this is not to defend those instances in which compromise represents an abuse of public power and a violation of public trust. But I do say that the view which tends to hold compromise in contempt is a most unfortunate one. And it does not matter whether this view is applied in local setting, in State or National politics or, indeed, to international problems. For it is but one step from the disdain of compromise to the application of the opprobrium of appeasement or "sell-out" to all who practice this essential art of political—indeed of all—human relations. And to cast aspersions upon the efforts to solve by compromise, problems which defy the simple solution is to invite chaos. And with it, would only come a return to the law of the vigilante and the quick draw—this, in a world in which one quick draw in the final analysis may be the last.

If there is anything which I have learned in more than 2 decades in Congress, it is that issues which have only two sides—and which can be disposed of largely on the basis of all right or all wrong—are for the most part either unimportant, old and settled matters or rarely, new questions which, not infrequently, have tragic implications. The declaration of war against Japan, for example, was passed in less than a day and with only one dissenting vote in both Houses of Congress. It was a clear-cut issue but it was also a tragic issue.

In Congress, today, most defense measures are also passed by nearly unanimous vote. The necessity for them is clear-cut and long established and remains essentially unchanged in the absence of significant change in the world situation. In every Congress, of course, we also pass many minor bills unanimously. But for the most part, they involve the relief of a single citizen who in some way or other has suffered some obvious injury at the hands of the Government or other matters of very limited implication.

But with respect to significant new issues, quick and unanimous agreement is unusual. There are just too many millions of persons in this country, too many groups and subgroups, whose interests are affected by the passage of legislation. Here are some of the more obvious divisions within our society.

There are 10 distinct geographic divisions and countless subdivisions in the United States, each with its own peculiar problems and interests.

The last census showed 125 million people living in urban areas and 54 million in rural areas. The former stress that the Government's resources and energies should be directed toward cleaning up slums, improving mass transportation systems and a thousand other worthwhile goals. The latter call for greater investment in conservation, more emphasis on strengthening the agricultural and livestock industries and so forth.

Over 20 million Negroes and numerous whites of almost every religious denomination ask for equality of treatment for all Americans in all walks of life and demand that it be given today. Other millions resist this effort and urge, in effect, there be a slowdown in the process of applying with greater equity the promise of the Constitution to all citizens.

There are more than 18 million persons over 65 years of age, many of whom are living out their final years in poverty and fear of financially catastrophic sickness. They ask that the rest of the Nation consider their past contributions, if not the future to which we are all headed, by providing a self-respecting and adequate system of insurance against the major financial hazards. Yet there are some—and I would hope not too many Americans—who would begrudge any such system to older citizens especially if it is under the general control of the Federal Government. But how, otherwise, it might be adequately provided is not made clear.

On the other end of the age spectrum, there are some 70 million persons under the age of 20. Their needs, if we are to look to a stable national future, include adequate access to higher education, commensurate with ability. They include in many parts of the Nation sufficient classrooms and teachers at all levels of education. And they include action to open up jobs, to end ill-advised or avoidable school dropouts, and to develop a sound, well-rounded national approach to the mounting delinquency problems of our young people. And no one knows better than educators that the term "juvenile delinquency" covers a complex multitude of factors which will not be dispelled simply because we have assigned them this glib name and then wrung our hands and deplored the name.

There is, too, as still another aspect of our national diversity, the endless conflict of industrial interests as among themselves and with agricultural interests. Poultry raisers in Georgia and beef producers in Montana and their Congressmen and Senators, including me, watch with growing concern the rising imports of their products into the United States. Detroit workers who owe their living in part to the export of automotive parts fear that tariffs which we impose will bring retaliation against them.

The Government sustains prices for raw cotton production in order to help one set of farmers. The cotton is disposed of at bargain terms abroad in order to keep the stockpiles from mounting too high. The bargain-term cotton is manufactured into various textiles abroad and when some of these are exported to the United States, we face the complaints of our own textile producers in New England, or, indeed, in the same States where the cotton is grown. And so it goes and we do the best we can to deal with these inconsistencies while at the same time, through compromise, we seek to strike some measure of equity for all parts of the land and for all groups in the economy.

In the political arena, the monopoly by the Republicans and Democrats leads some to suppose that there are only two well-defined parties in the Nation. But there are other political and quasi-political bodies competing for public acceptance and there are repeated divisions and alinements within each party. It is significant, for example, that in the vote in the Senate on ratification of the Nuclear Test Ban Treaty, 25 Republicans joined 55 Democrats in support of the treaty while only 8 Republicans joined 11 Democrats in opposition.

Anyone who has had the opportunity to travel the length and breadth of this great land cannot but be amazed by the tremendous vitality in its diversity. This quality contributes much to our strength and our greatness. At the same time it is a major source of the need for compromise. All of the diverse interests must somehow be contained within a broader concept of national interest. For, in the last analysis there is no future for agriculture in this Nation unless there is also a future for industry and the reverse is true. There is no future for Protestants unless there is also a future for Catholics, Jews and others and the reverse is true. There is no future for the Negro if there is not also a future for the white and the reverse is true. There is no future for Montana if there is not also a future for the other States and the reverse is true. In short, the diversities of interest must in some way find, through compromise and mutual restraint, a common meeting place in the national interest and a common hope in the Nation's future. Unless they do so the immense strength and vitality of the whole may be exhausted in the bitter schisms of the parts.

This Nation has grown great and is great, in short, precisely because we have learned the art of compromise. It has given us a powerful unity which undergirds our position as a nation in the world and provides stable progress at home. Throughout our history, only the Civil War yields an example of the overwhelming and devastating rejection of the process of compromise. That one exception came when the passion of various groups for their own point of view grew so overweening as to foreclose rational reconciliation among them. And even today, we are haunted by this failure of a century ago. Problems which might otherwise have long since been resolved are still with us. And we have still a difficult way to go before the racial and sectional fears and suspicions and misunderstandings—the grim heritage of that one great failure—are finally laid to rest, as one day they will be.

We would do well to consider some of the factors which complicate the art of mutual accommodation and make more difficult the tasks of this Nation. There are two which stand out and which have a special urgency for us today. I have touched upon one of these already. It has to do with the apparent compulsion of some to insist that the simple solution can be applied to every problem—no matter how complex it may be. The other is the tendency of many Americans to question the motives or loyalty of those with whom they disagree. Both tendencies have long existed in mankind. But the complex life of the 20th century has sharpened them—and at a time and under conditions when the Nation can least afford them.

The shrinking of distance, the greater mobility and forced association of peoples who a short time ago would never have come into contact with one another, the increased urbanization, the growing population, and the increasing impersonalism of our economic organization have all contributed to an atmosphere of greater anxiety and insecurity. And overall, hangs the ever-present specter of devastating nuclear conflict, although just a few weeks ago, we witnessed a glimmer of hope in this connection with the signing of the nuclear test ban treaty.

It is not surprising, then, that there is a nostalgic desire on the part of many to cling to the belief that a return to simpler days, days of the relative isolation of individuals, communities, and States is a choice still open to us as a Nation. I can understand this desire. Indeed, there are days when I share it. But the front page of any morning's newspaper is enought to dispel it. The added pressures within the Nation and the awesome dangers from without make it more imperative than ever that we seek solutions which take full cognizance of the complexities of modern life in this Nation and in the world. If we are to succeed in finding solutions we must draw into a common pool such wisdom and sensitivity as may be available in all parts of the Nation, in all political parties.

We cannot read any able citizen out of the community simply because we do not happen to agree with him politically. We cannot arbitrarily decide as some have done that an American as distinguished in his service to the Nation as former President Eisenhower or his Secretary of State, John Foster Dulles, were not only useless but even worse—virtual enemies of America. If these men were not worthy of bearing the name Americans then I am not and no person in this room is worthy of it. Who, then, is worthy?

The truth is that no single individual, no single group, no single political party has a

monopoly on virtue or patriotism. None can lay claim to sole possession of all that is necessary to make our Nation work. None has all the answers. But all are Americans and each in his own way has a contribution to make which can only be made if we have a measure of mutual respect and mutual restraint and accommodation.

The democratic process—the practice of compromise—does not necessarily provide perfect answers. But it has supplied and will continue to supply suitable answers and the only answers suitable to a free people.

It does not matter whether the place where these answers are sought happens to be the Congress of the United States or the City Council of Missoula—or for that matter, the PTA, or the MEA. The problems facing Congress may be more complex. The decisions made by it may affect far more people. But in the final analysis in the House of Representatives, it is almost 440 men and women and in the Senate, it is 100 men and women meeting in a face-to-face situation trying to do the best that they can to serve the interests of the States and people whom they represent. There is nothing to keep Senators from pulling the Government apart in this process; nothing that is, except self-discipline, mutual respect, tolerance for the views of others, and a willingness to compromise. The system is far from perfect and the answers which it produces are not necessarily always the best. Nevertheless, the institution is bound together by the desire to safeguard and advance particular interests in the context of the total national good. It works largely because individual Senators are prepared not to press their concept of what is 100-percent perfect 100 percent of the time.

When a Senator is elected to the Senate leadership, he remains the Senator from Montana or Minnesota or Illinois or California. His primary responsibility is unchanged. Unless he serves the people whom he represents, he cannot serve the Nation.

To put it another way, leadership responsibilities in the Senate are not assumed at the expense of State responsibilities. They are an addition, not a subtraction.

The function of leadership in the Senate is to help to operate a principal branch of the Federal Government and to keep it geared into the other branches on behalf of the people of all 50 States. In practice, this means a great deal of work in concert with the President and with the Speaker of the House in an effort to see that what needs attention gets attention from all concerned. It means regular conferences every Tuesday morning with the President and other meetings, as critical issues of foreign or domestic policy arise. It means planning with the other Senate leaders—minority and majority—with committee chairmen and individual members for the legislative program It means cooperation, understanding, and accommodation with my distinguished Republican counterpart, Senator EVERETT DIRKSEN, of Illinois, because if this is not forthcoming the Senate would find it difficult to function as effectively as it has. The leadership's first function is to communicate the President's sentiments to the Senate and to make known the Senate's tendencies to the President. The followthrough involves the process of achieving the practical. It means riding herd on legislative measures, from their inception through the committees to the Senate as a whole and, long hours thereafter, on the floor until some disposition is made of these measures.

Presidential proposals may be voted up or down or modified in the Senate. But significant issues presented by the President warrant, as a minimum, the courteous but independent consideration of the Senate and a decision one way or the other. To bring this about, the leadership has only the persuasiveness of the Presidential proposals themselves, the patriotism and reasonableness of the Members of the Senate of both parties and the interest of the people of the States in the President's program. The leadership has no special powers to lead. It has only such respect and cooperation which may be freely bestowed upon it by the Senate as a whole.

Power is widely diffused in the Federal Government and it is very widely diffused in the Senate. Each Senator, including the majority leader, has one vote, no more no less, on every issue. Insofar as the Senate is concerned, it operates 99 percent of the time on the basis of the procedural cooperation of every Member. The 1 percent when it does not so operate accounts for almost all of the ridicule and criticism which from time to time throughout history has been directed at the institution.

By changes in the rules it may be possible that the operations of the Senate could be improved. But in the last analysis, the key to its effectiveness will remain where it always has been—in the voluntary restraint and the courteous behavior of each Member and where necessary, accommodation and compromise. There is no other way to function in a body of such individualistic men and women, each equal in his constitutional power. On the whole, the Senate has functioned effectively by this process. In the last Congress a great deal of significant legislation was considered and disposed of. Before this Congress expires, the great bulk of the program now before us will be considered by the Senate and much of it will be enacted. The achievement will reflect credit not on the leadership but on the Members of the Senate of both parties and on the way of life of the Nation which has produced a capacity for a cooperative unity and accommodation in diversity in its great institutions no less than in our society as a whole.

I have emphasized the legislative branch of the Government because it is most familiar to me. But these observations apply to a considerable degree to the executive branch of the Government. Too often we forget that the President of the United States is only a human being faced with a superhuman task. Every time he makes a significant decision, a thousand and one pressures are directed upon him from all parts of the Nation as well as from abroad. And he, too, must think in terms of the accommodation of these pressures to the end that the Nation stays on an even keel and moves in an orderly and unified progress. The President, too, does the best he can on the basis of patriotic dedication to the Nation and that applies, may I say on the basis of my personal observations for two decades, no less to President Eisenhower than it does to President Kennedy and to the Presidents who preceded them.

In these remarks, I have tried to emphasize that the words "compromise" and "politics" are not in themselves unsavory terms, but rather they are the staff of freedom. Successful compromise is as necessary as the air we breathe. This is true for all aspects of government—from the smallest community in Montana to the Congress and presidency of the United States.

I have every confidence that we will continue to exercise the goodwill toward one another and the moderation which have done so much to make this Nation great. And while the TV westerns will continue to awaken a warm and an understandable nostalgia for the simpler days of the frontier—especially since we do not have to bear their hardships in the comfort of our living rooms—I have every confidence that Americans also recognize that the real frontiers of the modern world now lie on the fringes of outer space. We will think and act as we must in order to live and prosper in this changed setting even as the frontiersmen thought and acted in consonance with the realities which they encountered and so, lived and prospered.

As educators, I can think of no way in which you might better prepare the youth of the state for a responsible, useful and satisfying life than to help them to understand what the Nation and world today are really like and to emphasize to them the place of compromise, mutual accommodation and tolerance in making both run in freedom.

DIXIE PROJECT, UTAH

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 552, S. 26.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 26) to authorize the Secretary of the Interior to construct, operate, and maintain the Dixie project, Utah, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill (S. 26) to authorize the Secretary of the Interior to construct, operate, and maintain the Dixie project, Utah, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 2, line 9, after the word "desirable.", to insert "The Dixie project shall be coordinated with the Cedar City water development program which includes the diversion of the waters of Crystal Creek into the Kolob Reservoir, and after completion of the Dixie project said waters of Crystal Creek and of the natural watershed of said Kolob Reservoir shall be exported for use of Cedar City and vicinity in accordance with an agreement entered by Cedar City and Iron County, Utah, on the 26th day of August 1953, with Kolob Reservoir and Storage Association, Incorporated, and Washington County, Utah."; on page 4, line 11, after the word "period", to insert "but not to exceed $3,500,000"; in line 23, after the word "project", to strike out "in a manner consistent with the other project purposes" and insert "but these undertakings shall be coordinated with the other project purposes"; on page 5, after line 12, to strike out:

(b) The Secretary may make such reasonable provision in connection with the Dixie project as, upon further study in accordance with section 2 of the Fish and Wildlife Coordination Act (48 Stat. 401, as amended; 16 U.S.C. 661, 662), he finds to be required for the conservation and development of fish and wildlife. An appropriate portion of the cost of the development shall be allocated as provided in said Act and it, together with the Federal operation and maintenance costs allocated to this function, shall be nonreimbursable and nonreturnable under the reclamation laws.

In line 23, after "Sec. 7.", to insert "(a)"; and on page 6, after line 3, to insert:

(b) In the operation and maintenance of all facilities under the jurisdiction and supervision of the Secretary of the Interior authorized by this Act, the Secretary of the Interior is directed to comply with the appli-

cable provisions of the Colorado River compact, the Upper Colorado River Basin compact, the Boulder Canyon Project Act, the Boulder Canyon Project Adjustment Act, the Colorado River Storage Project Act (and any contract lawfully entered into by the United States under any of said Acts), the treaty with the United Mexican States, and the operating principles, and to comply with the laws of the State of Utah, relating to the control, appropriation, use, and distribution of water therein. In the event of the failure of the Secretary of the Interior to so comply, any State of the Colorado River Basin may maintain an action in the Supreme Court of the United States to enforce the provisions of this section and consent is given to the joinder of the United States as a party in such suits, as a defendant or otherwise.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purposes of developing the water resources of the Virgin and Santa Clara Rivers, including the furnishing of municipal and industrial water supplies, the furnishing of an irrigation water supply to approximately twenty-one thousand acres of land, the control of floods, the generation and sale of electric energy, the conservation and development of fish and wildlife resources, and the enhancement of recreation opportunities, the Secretary of the Interior is authorized to construct, operate, and maintain the Dixie project, Utah. The project shall consist of the Virgin City Dam and Reservoir, tunnels, canals, siphons, pumping plants, and other works necessary to serve irrigated and irrigable lands along and adjacent to the Virgin River; a dam on the Santa Clara River near Gunlock, Utah, and other works necessary to serve irrigated and irrigable lands along and adjacent to the Santa Clara River and on Ivins Bench; and hydroelectric plants and transmission facilities at the Virgin City Dam and at such other points as are desirable. The Dixie project shall be coordinated with the Cedar City water development program which includes the diversion of the waters of Crystal Creek into the Kolob Reservoir, and after completion of the Dixie project said waters of Crystal Creek and of the natural watershed of said Kolob Reservoir shall be exported for use of Cedar City and vicinity in accordance with an agreement entered by Cedar and Iron County, Utah, on the 26th day of August 1953, with Kolob Reservoir and Storage Association, Incorporated, and Washington County, Utah.

SEC. 2. The project shall include such measures for the disposition of saline waters of La Verkin Springs as are necessary in the opinion of the Secretary to insure the delivery of water at downstream points along the Virgin River for water users in the States of Arizona and Nevada of suitable quality for irrigation, or provision shall be made to indemnify such water users for any impairment of water quality for irrigation purposes directly attributable to Dixie project operations.

SEC. 3. In constructing, operating, and maintaining the works authorized by this Act, the Secretary shall be governed by the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto), except as is otherwise provided in this Act.

SEC. 4. Construction of the project shall not be commenced until there shall be established a conservancy district or similar organization with such powers as may be required by the Secretary, these to include powers to tax both real and personal property within the boundary of the district and to enter into contracts with the United States for the repayment of reimbursable costs.

SEC. 5. The interest rate to be used for purposes of computing interest during construction and interest on the unpaid balance of those portions of the reimbursable costs which are properly allocable to commercial power development and municipal and industrial water supply shall be determined by the Secretary of the Treasury, as of the beginning of the fiscal year in which this bill is enacted, on the basis of the computed average interest rate payable by the Treasury upon its outstanding marketable public obligations, which are neither due nor callable for redemption for fifteen years from date of issue. If the interest rate so computed is not a multiple of one-eighth of 1 per centum, the rate of interest to be used for these purposes shall be the multiple of one-eighth of 1 per centum next lower than the rate so computed. The portions of the costs which are allocable to commercial power development and to municipal and industrial water supply shall be repaid over a period of fifty years with interest at the rate determined in accordance with this section. The portion of the costs which is properly allocable to irrigation and which is beyond the water users' ability to repay in fifty years plus a ten-year development period but not to exceed $3,500,000 shall be returned to the reclamation fund within such period from revenues derived by the Secretary of the Interior from the disposition of power marketed from Federal projects in the Lower Colorado River Basin.

SEC. 6. (a) The Secretary of the Interior is authorized as a part of the Dixie project to construct, operate, and maintain public recreation facilities including access roads, to acquire or to withdraw from entry or other disposition under the public land laws such adjacent lands or interests therein as are necessary for present and future public recreation use, and to provide for public use and enjoyment of the same and of the water areas of the project but these undertakings shall be coordinated with the other project purposes. The Secretary is authorized to enter into agreements with State or local public agencies or other public entities for the operation, maintenance, or additional development of project lands or facilities or to dispose of project lands or facilities to State or local agencies or other public entities by lease, transfer, exchange or conveyance, upon such terms and conditions as will best promote their development and operation in the public interest for recreation purposes. The costs of the undertakings described in this section, including costs of investigation, planning, operation, and maintenance and an appropriate share of the joint costs of the Dixie project, shall be nonreimbursable.

SEC. 7. (a) The use of all water diverted for this project from the Colorado River system shall be subject to and controlled by the Colorado River compact, the Boulder Canyon Project Act (45 Stat. 1057; 43 U.S.C. 617t) and the Mexican Water Treaty (Treaty Series 994) (59 Stat. 1219).

(b) In the operation and maintenance of all facilities under the jurisdiction and supervision of the Secretary of the Interior authorized by this Act, the Secretary of the Interior is directed to comply with the applicable provisions of the Colorado River compact, the Upper Colorado River Basin compact, the Boulder Canyon Project Act, the Boulder Canyon Project Adjustment Act, the Colorado River Storage Project Act (and any contract lawfully entered into by the United States under any of said Acts), the treaty with the United Mexican States, and the operating principles, and to comply with the laws of the State of Utah, relating to the control, appropriation, use, and distribution of water therein. In the event of the failure of the Secretary of the Interior to so comply, any State of the Colorado River Basin may maintain an action in the Supreme Court of the United States to enforce the provisions of this section and consent is given to the joinder of the United States as a party in such suits, as a defendant or otherwise.

SEC. 8. There is hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, such sums as may be required to carry out the purposes of this Act.

Mr. MOSS. Mr. President, few moments in my years in the U.S. Senate have given me greater satisfaction than this one. The bill before the Senate, which I introduced, and on which it was my privilege as chairman of the Senate Subcommittee on Irrigation and Reclamation to conduct hearings, authorizes the Secretary of the Interior to construct, operate, and maintain the Dixie Reclamation Project in Washington County, Utah.

The Dixie project is relatively small as reclamation projects go. Multiple-purpose in conception, it will assure supplemental and full irrigation water supply to about 21,000 acres in the county, and will supply municipal and industrial water to the city of St. George, the county seat. It will also generate badly needed hydroelectric energy, will tame downstream floods, and will establish attractive recreation areas. Its total cost will be about $45 million—most of which will be paid back to the Government, with interest—and it has been calculated that the benefits from the project will exceed the costs by a ratio of 2 to 1.

These "vital statistics" may make it seem that the Dixie project is just like any other sound reclamation project—better perhaps than most because of its excellent benefits to cost ratio—but important mainly because its enactment will represent another transaction in the West's most important business—that of conserving and making the best possible use of precious and scarce water resources.

But back of these dull-sounding statistics on Dixie lies one of the most dramatic episodes of the settlement of the West. The people of Utah's Dixie are no ordinary people. They are the descendants of some of the hardiest and most resourceful pioneers the West has ever known. Their forebears went into the southern Utah wilderness at the direction of Brigham Young, and under the most heartbreaking circumstances developed a half-dozen self-sufficient communities. Their story has become a legend celebrated in stories and verse.

The Dixie Cotton Mission, as it was called, was established in the winter of 1854. The first settlement was on the banks of the Santa Clara, one of the streams which the Dixie project will now harness, and settlements then spread to the Virgin River, the larger of the two streams involved. By cooperative effort the pioneers built diversion structures on the two rivers, and irrigated the lush green river bottoms to grow cotton, figs, sugarcane, tobacco, and other tropical agricultural products. They even experimented in the cultivation of silkworms so they could make silk as well as cotton cloth.

Their accomplishments were won against the greatest of odds. Again and

again the diversion structures built with such sweat and toil on the Santa Clara and the Virgin were washed out, and again and again the carefully tilled farmlands were strewn with mud and boulders. Lesser souls would have been daunted, but the hardy people of this southwestern area of Utah stayed on to rebuild and build again. They suffered greatly from food shortages, sickness, disease, and other setbacks. After decades of effort, permanent diversion dams were finally constructed, and the silt laden waters of the two rivers brought under some restraint, but never over the whole long century since the Cotton Mission was founded have the waters of the Santa Clara and the Virgin Rivers been put to full and beneficial use.

That is what my bill before us here today would do. It would—at long last—make it possible for this arid and colorful area to realize its full potential. The project has been needed for a hundred years, has been a dream for over 50, and an objective actively and fervently sought for 25.

Hearings were held on it in St. George, and again in Washington, D.C. It was almost unanimously supported—by officials of the State of Utah, and by businessmen and farmers and citizens, and even schoolchildren of the area. And it came out of the Senate Interior and Insular Affairs Committee by unanimous vote.

The area the Dixie project will serve is a delightful garden spot. It has spectacular semidesert scenery, a mild winter climate, and the proximity of Zion National Park and other scenic wonders to make it a growing tourist center. The water from the project will place both its farms and towns on a firmer foundation. Let me hasten to interpose here, in case some of my colleagues from the South might be concerned lest Utah's Dixie should try to compete with the Southland's Dixie in cotton cultivation, that there is no danger. Utah's Dixie gave up cotton cultivation shortly after the Civil War, and is now concerned with fruitgrowing, cattle feeding, and turkey raising and processing—to name a few of the most important agricultural pursuits. In fact, St. George is the center of one of the largest turkey operations in the country.

I feel I can say without reservation that the problems which have held up consideration of the Dixie project for so many years have now all been successfully solved. The Virgin River is a tributary to the Colorado River, its small flow entering at Lake Mead, above the Hoover Dam. It is therefore a part of the Lower Colorado River Basin, as defined in the Colorado River compact. My bill provides that the use of all water diverted for the Dixie project from the Colorado River system shall be subject to and controlled by the Colorado River compact, the Boulder Canyon project and the Mexican Water Treaty.

The amount of water actually contributed to the Colorado by the Virgin and its tributary, the Santa Clara, is less than 1 percent of the flow of the mighty Colorado, so we are actually talking about an infinitesimal amount of water. But the terms of the water treaties in effect are being adhered to, and there is no problem in this respect.

The bill provides that the portion of the costs which is properly allocable to irrigation and beyond the ability of the water users to pay in 50 years, plus a 10-year development period, shall be returned to the reclamation fund by revenues derived from the disposition of power in the Federal projects in the lower basin. A committee amendment limited the amount that can be used to $3½ million; the Bureau of Reclamation indicated that only about $3,230,000 will be needed.

Funds are included in the project cost to work out a small saline water problem, and agreements have been reached with the State of Utah on the road problems.

Even the shadow cast over the project by the long controversy between California and Arizona over the division of the waters of the Colorado River has been completely lifted by the refusal last week of the U.S. Supreme Court to review its earlier decision. Of course, as I have pointed out, the Dixie project never would have any substantial effect on the amount of water available for division between these two lower basin States—the less than 1 percent the Virgin contributes to the Colorado River's flow is too small to be any real point of controversy. But could anyone have ever wanted to raise this question to hold up Dixie, the time has now passed.

Mr. President, enactment of S. 26 will mean the rehabilitation and rebirth of Utah's Dixie. The project it will authorize will have a great impact on both the economy and spirits of the people of this remarkable section of Utah. I trust it will pass the Senate today without further delay.

Mr. BENNETT. Mr. President, it gives me great pleasure to stand before the Senate today to voice my complete and enthusiastic support of the Dixie project bill, S. 26; and in so doing I also would like to inform this body of the unqualified support of virtually the entire State of Utah.

Today marks another important milestone in the fulfillment of a 100-year-old dream of the residents of Utah's so-called Dixie in the southwestern portion of our State. The story of the Dixie Cotton Mission is one of the most fascinating in all the history of Utah. The State's earliest leader, Brigham Young, decided to colonize that portion of the State and sent 300 wagons loaded with families and their provisions to the area. This was known as the Cotton Mission or the Dixie Mission because of the hot climate. Today a stalk of cotton would be a source of wonder to the children of Utah's Dixie, but in 1861 the people did plant and raise cotton for the State in a valiant effort to become self-sustaining.

Those early colonizers initiated an irrigation system which opened up the croplands and the fruit orchards that are in Utah's Dixie today. However, without river control and storage, it was then and still is today impossible to divert a plentiful supply of water from the rivers and streams in this arid region.

Water storage facilities are the primary need of the Dixie project area. Development of such facilities will enable the conservation and orderly release of water that is now largely wasted in floods. The project also will permit the conservation of those portions of normal flows which are in excess of immediate requirements for irrigation and other purposes. A reserve of stored water will serve as the foundation upon which to base a revitalized and modernized agricultural development. Any substantial economic increase and population growth for the region hinges heavily on this project.

LEGISLATIVE BACKGROUND

In addition to hearings conducted in Washington, D.C. on May 7 and in St. George, Utah on May 17 by the Senate Irrigation and Reclamation Subcommittee, the House Interior and Insular Affairs Committee also held hearings on the Dixie project in St. George on October 2.

To express my unqualified support I have been privileged to appear and testify in favor of the project on two separate occasions.

I also have found at these hearings that the people of Utah are united in their earnest desires to see the Dixie project built after its having been under study by the Bureau of Reclamation since at least 1918. It was only World War II which blocked much earlier construction of the project at a cost that would have been but a relatively small fraction of the burdens which the people of Utah's Dixie are willing to undertake today so that the project may become a reality.

Since coming to the Senate I have thrown my full support behind the Dixie project—first to secure funds for the Bureau of Reclamation's investigation and planning activities, and then, after the Bureau had completed its restudy, to offer the first Dixie project bill, which was S. 14 of the 87th Congress. My colleague, Senator Moss, and others in the Utah congressional delegation introduced similar bills.

On January 9 of this year, I directed a letter to my junior colleague from Utah [Mr. Moss], inviting him to join in sponsoring the Dixie project. Five days later he chose instead to introduce his own bill, S. 26. So that I could be clearly on record in support of the project I introduced my bill, S. 655. Utah's Representatives in Congress LAURENCE J. BURTON and SHERMAN P. LLOYD also introduced their Dixie bills in the House.

The bills introduced by the junior Senator from Utah [Mr. Moss] and myself were essentially the same, except for one provision in my bill which pointed out the already existing contractual arrangement under which the Cedar City area would receive 8,000 acre-feet of water annually. This language was written so that Cedar City's citizens would be fully protected. When the Kolob Dam and Reservoir was constructed by the Kolob Reservoir and Storage Association in Washington County, Utah, in 1956, it was agreed that Cedar City would construct works for the diversion of up to 8,000 acre-feet of water from tributaries of the Virgin River for municipal use. It should be noted that Cedar City agreed to reimburse the project for power revenue losses resulting from this diversion.

In my testimony before the Senate subcommittee in Washington on May 7, I said it would be equally satisfactory to me for the subcommittee either to have my colleague's bill amended to add this clause or to approve my bill, whichever the committee desired. On October 16 the committee agreed to include my Cedar City amendment in the bill which it reported to the Senate.

Of course, the major benefits of the project will accrue to Washington County, in which it is located. The Dixie project is a proposed multiple-purpose water resource development in the Virgin River Basin in southwestern Utah. By regulation of flows of the Virgin River and its tributary, the Santa Clara River, the project would provide supplemental irrigation water to 9,455 acres of presently developed land and a full water supply for 11,615 acres of new land. The city of St. George would be provided with 5,000 acre-feet of water annually for municipal and industrial purposes. Construction of three powerplants would produce about 44,500,000 kilowatt-hours of firm electric energy and about 1,900,000 kilowatt-hours of secondary energy for sale annually. In addition, minor flood control benefits would result, as would fish and wildlife and recreation benefits.

Water storage facilities are considered to be the primary need of the Dixie project area. Development of such facilities would provide for the conservation and orderly release of water that is now wasted. The resulting supply of stored water would serve as the foundation for a revitalized and modernized agricultural development, and to permit local industry and population growth.

The proposed Dixie project will be divided into two divisions. The first is the Hurricane division along the Virgin River. It would consist of the Virgin City Dam, reservoir, and powerplant, the Hurricane division main canal, and the Bench Lake and Warner powerplants. The second is the Santa Clara division, which will consist of the Lower Gunlock Dam and Reservoir and rehabilitation of an existing canal. The total cost of the project is now estimated to be $44,822,000.

Utah's Dixie has experienced years of serious drought, and the water situation is even now critical. Unless the Dixie project is built, there appears to be no possibility that additional water supplies can be developed. The future of the entire area is dependent upon congressional approval and construction of the Dixie project.

PROJECT REPAYMENT

That is why the local people have agreed to impose an almost unprecedentedly high tax to repay their share of the project costs. This 5-mill ad valorem tax contrasts with the usual levy of from 1 to 2 mills for other reclamation projects.

The local people have further demonstrated their complete cooperation by forming a local conservancy district which, based upon the high tax levy, will repay 76 percent of the irrigation costs. In order to complete repayment, the Dixie bill provides for allocating the remainder to power revenues that will arise from Lower Colorado Basin dams, since the Virgin River is a lower basin stream. This same principle is used in connection with the Colorado River storage project, which established a formal basin account. Moreover, it is my understanding that some 15 additional western reclamation projects have utilized the same principle without establishing a basin account.

As my colleagues know, it has been rumored that Secretary Udall and the Kennedy administration wish to make the Dixie project a hostage of the Lower Colorado River Basin bill, which could delay its approval by months and even years. It is my sincere hope that this is indeed a rumor, for I cannot stress too vigorously the urgency of the Dixie project and its importance to the economy and future well-being of southern Utah.

It is a well-known fact the projects included in the overall Lower Colorado River Basin legislation have been the subject of long litigation between the States of Arizona and California over rights to the waters of the Colorado River. The Supreme Court, on June 3, 1963, announced its opinion in the case of Arizona against California, et al. This opinion appears to clear the way for the Lower Colorado River Basin developments, though California has filed an appeal to the decision.

NO ADJUDICATION ON SANTA CLARA AND VIRGIN

However, Utah's only use of water within the lower basin is from the Virgin and the Santa Clara tributaries—the right to which the Court did not adjudicate. Accordingly, Utah's right to expand its present lower basin tributary uses is not limited by the Court's decision, and likewise should not be included in the package of legislation for the Lower Colorado River Basin. The Virgin River is a captive stream and not an issue in the Arizona against California decision. It should be developed and considered on its merits alone, and the time for action is now, not a year or several years from now.

AMENDMENTS TO THE BILL

In favorably reporting the bill about a week ago the Senate Interior and Insular Affairs Committee attached several amendments to the measure. I have been told by professional staff members of the committee that they are of a relatively minor nature and should not have any major effect to the overall project plan.

Despite these assurances I have taken the liberty to send the amendments and copies of the new bill to officials of the State—to Utah's Gov. George Clyde, who is one of the Nation's outstanding reclamation engineers; to Mr. Jay R. Bingham, the State's director of the Utah Water and Power Board; and to officials directly involved in the project in southern Utah.

To date I have not as yet received any replies, nor did I expect them this soon.

However, I feel the record should be clear that we are carefully studying these new amendments and should any new proposals or problems arise, I can only hope they will be considered when this legislation goes through the process in the House.

Initially, I am particularly concerned about the amendment limiting the power contribution from the lower basin for Dixie to $3.5 million. Our concern is mainly with protection of the Dixie people against being shortchanged because of this language. However, rather than obstruct the project at this time I am going to support the bill and, as I say, pave the way for further study before it reaches the House Interior and Insular Affairs Committee hearing stage.

URGE PROMPT APPROVAL

In conclusion, Mr. President, I again voice my wholehearted backing of the Dixie project and urge its favorable approval. It has been determined by all agencies concerned that the project has engineering feasibility, that it is economically justified, that the reimbursable cost can be repaid within the standard 50-year repayment period, and that construction would be a forward step in the conservation and utilization of the lands and water resources of the entire region.

The passage of this bill will fill a vital niche in this arid region of the State and of the country. I support the bill, and ask my colleagues in this body to do the same.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none; and, without objection, the committee amendments are agreed to en bloc.

The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 26) was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. MOSS. Mr. President, I move to lay the motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table.

The motion to lay on the table was agreed to.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961

The Senate resumed the consideration of the bill (H.R. 7885) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

Mr. ELLENDER. Mr. President, almost two decades ago we commenced the drainage of American wealth with the inception of the foreign aid program we are discussing today. Since the beginning of this program, in excess of $100 billion have been lavished on almost every country on earth.

It is too late now to discuss what might have been done by us when our foreign aid program was first established. But, I cannot help but remark we would be

much better off today if most of the aid under our original Marshall plan, which was doled out on a 90 percent grant basis to the Western European countries, had instead been made available on a loan basis. It will be recalled that the Marshall plan contemplated loans for the rehabilitation of Western Europe. It did not contemplate gifts. There is no question, but that if the words of General Marshall had been heeded—as to making loans instead of gifts—our economy would be in a much better shape today than it is. At least we would not be confronted with the enigmatic balance-of-payments problem that hangs over our heads today like the sword of Damocles.

As early as 1957, I believe I was the first Senator to bring to the attention of the Senate the drain on our gold taking place not only because of the foreign aid program but also because of the large number of soldiers that the United States had stationed all over the world, particularly in Western Europe.

Though we cannot change what might have been, there is no reason for us to continue our folly by making the same mistakes over and over again.

If the nations of Western Europe had accepted the original concept of the Marshall plan, they would now be helping us in our endeavor to develop the backward nations of the world. But that has not happened, and is not happening. Western Europe still has its hand out and is looking for assistance, perhaps not in the same form it was given to them under the Marshall plan, but they are looking for a handout, nevertheless.

The recent military exercise we conducted, known as Operation Big Lift, caused our Western German ally, one of the most important nations in Western Europe, to become greatly concerned because she feared we were going to remove some of our divisions from Germany—which, by the way, contribute handsomely to the German economy.

When the NATO agreement was first conceived, we envisioned, with our Western Allies, that it would require, as I recall the figures, 95 divisions to be stationed on the Rhine.

Of that huge number of divisions, the United States was to contribute five to five and one-half divisions.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield for a question.

Mr. JOHNSTON. Is it not true that having American soldiers in foreign countries has greatly helped the economy of each foreign country where our troops are stationed?

Mr. ELLENDER. The Senator anticipates me. I expect to show that fact.

In my opinion, it is one of the main causes for the drain on our gold.

To maintain our divisions all over the world, particularly in Western Europe, it costs, in cold cash, over $3 billion a year. We do not pay soldiers with collar buttons—we use good hard tax dollars. The soldiers, in turn, spend that money abroad. To my way of thinking, that has been one of the chief causes for the gold outflow from our country.

Mr. JOHNSTON. In order to let the people know what effect stationing American soldiers in a particular place has, when military installations are located in certain parts of the United States, does it not increase economic activity in those particular localities?

Mr. ELLENDER. There is no doubt about it; but, of course, that does not affect the gold outflow.

Mr. JOHNSTON. No. I am using that illustration to show how military installations located in foreign countries help their economy.

Mr. ELLENDER. I see the point. In other words, the fact that South Carolina may have several thousand troops located there helps her economy. By the same token, the fact that we have in excess of 450,000 U.S. personnel in Western Europe is bound to have a salutory effect or the economy of Western Europe, particularly West Germany. The Senator is absolutely correct. There is no question about it. In my judgment, that is what caused Germany to take the position it did recently, as I shall point out later when I cite excerpts from some of the local newspapers.

I hold in my hand an article that appeared in the Washington Star, under date of the 27th of this month, by Mr. John Weyland, the headline of which reads, "United States Irritated With Allies Policy Attacks—Americans Stress We Alone Meet Arms Obligations."

The article reads:

The United States is getting increasingly impatient with its European allies for criticizing U.S. military policies while refusing to meet their own Atlantic Alliance commitments, U.S. sources said today.

Secretary of State Rusk, in Bonn for 2 days, had to reassure West German leaders about the continued presence of U.S. troops in Europe. There have been fears that Operation Big Lift would be used as a prelude to a partial withdrawal.

REASSURANCE AWAITED

Mr. Rusk's talks here did not produce an official West German statement that these fears have been entirely dispelled. The Government is understood to be waiting for further reassurances. Mr. Rusk is expected to give these in a public speech tomorrow in Frankfurt.

Which he did. I wonder where he obtained his authority.

The article continues:

West Germany, like other European members of the Atlantic Alliance, has failed to meet its own NATO military obligations. These are being fulfilled only by the United States.

The U.S. sources described an increasingly tough attitude on the part of the Kennedy administration toward such examples of a "double standard." They said that concern is mounting in the United States over the standard being frequently applied not only to military matters but to U.S. policy in general.

They likened the Atlantic Alliance to a 20-mule team and said only one mule has been pulling while the others rode. It was time, they said, for the other mules to get out and help.

The U.S. plan to sell wheat to the Soviet Union was mentioned as another example of Europe criticizing the United States for what Europe itself does. European trade with the Soviet Union is much greater than United States-Soviet trade.

The U.S. sources said that for 17 years America tried to obtain a coordinated policy among the Allies on trade with the Soviet Union, but has not been able to get anywhere.

On U.S. military strength in West Germany, the U.S. sources said that this represents an inconceivable amount of power, greater than any ever massed in this country before. They said the United States does not see any basis for reducing its combat capability in NATO. They added that the United States hopes the other members will show the same willingness to keep making sacrifices.

WEST GERMANS PRAISED

The sources said the United States does not feel that the rest of the alliance, particularly on the central front, is doing its share. West Germany was praised for making the second best showing after the United States, but it was said German military forces need to make big improvements in logistic support, equipment, and general combat readiness.

West Germany announced at the beginning of this year that for economy reasons the planned buildup of its armed forces to half a million men will be delayed until late in the decade. This half million was its original NATO goal. The present strength is about 400,000 men.

The Bonn government takes the position that the United States should not reduce its 250,000-man garrison in this country, though it represents a heavy drain on the U.S. budget and complicates the balance-of-payments problems.

NO GUARANTEE GIVEN

The U.S. sources indicated that Mr. Rusk did not guarantee in his Bonn talks that the number of U.S. troops will never be reduced, but emphasized that military strength is not determined by numbers alone. The U.S. Government recently announced a buildup in firepower in Europe through the shipment of more nuclear weapons.

Mr. Rusk met for an hour today with West German Foreign Minister Gerhard Schroeder. The meeting, like Mr. Rusk's others here, produced no official word on the troop issue.

A Foreign Ministry spokesman issued a statement saying that Mr. Rusk and Mr. Schroeder discussed East-West relations in a cordial atmosphere.

As I started to show a moment ago, when this alliance was first talked about, 95 divisions were envisioned, 5½ of which were to be supplied by the United States, and the rest by the countries of Western Europe. That arrangement was changed a few years later, and the number of divisions envisioned was reduced from 95 to 66. Of that amount, the United States was still required to furnish 5½ divisions.

Since I serve on the Appropriations Committee of the Senate, in 1960 I was given top secret information regarding the status of forces in NATO, by our armed services. Naturally, because this information is classified "top secret," I cannot give it to the public. But I can say that up to that time Western Europe had absolutely and positively failed to meet its obligations. Indeed I was so astounded by the information that was furnished to me that I wondered if it were true. I wondered how it was that our Defense Department, the Department responsible for NATO, could let this matter slide, as they did.

Between the Republican and Democratic conventions in 1960 I made up my mind to visit Western Europe to learn for myself whether or not the top secret

documents reflected the true picture in Western Europe.

The picture was worse than what was shown by the secret documents. I invite Senators who are entitled to see these secret documents of 1960 to see for themselves. They will learn that most of the divisions in Western Europe were paper divisions at that time and very little had been done along the lines that were agreed upon back in 1951 and 1952.

What I am saying now was substantiated in 1961 when the Berlin crisis took place. At that time, we had to obligate ourselves to the tune of $3.247 billion to improve our readiness to meet this particular crisis.

In addition, $419 million was expended for the callup of the two National Guard divisions. We had to send more soldiers over there. Why? Because our so-called allies in Western Europe failed to carry out their part of the agreement. They reneged on their commitments. Now we are being asked to keep our soldiers there. We are being asked to let them stay there, and to spend the money to maintain them there. We are being asked to do that by our friends in Western Europe.

I ask unanimous consent to have printed in the RECORD an article which appeared in the Washington Post of October 29; also an article entitled "French Minister Urges Sweeping Revision of NATO," which appeared in the Washington Post this morning.

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

[From the Washington Post, Oct. 29, 1963]

RUSK VISIT CALMS GERMAN FEARS; GIVES ERHARD A WEAPON

(By Robert S. Elegant)

BONN, October 28.—Responsible West Germans today considered Secretary of State Dean Rusk's 52-hour mission of reassurance with sighs of relief. The greatest demonstration of his success was their tendency to remark sheepishly, "Of course, we weren't really worried at all."

Rusk's spirited renewal of the pledge to keep American combat forces in the Federal Republic at their present strength has calmed immediate German fears. But both German and American political analysts feel that it will not be long before the development of the next in the series of minor crises of confidence that have characterized relations between the two countries for the last 20 months.

The Germans' regular manifestation of the desire for reassurance has two chief sources.

First is the immediate fear that any detente between Washington and Moscow will result in the withdrawal of a substantial number of American troops from Europe, leaving Germany unprotected before her enemies. Rusk, therefore, went out of his way to stress that the two great powers are still a long way from a real detente.

The second reason is undoubtedly more abstruse and, probably, more fundamental. The West Germans, living in an incomplete nation behind an 800-mile-long frontier with Communist Eastern Europe, have an acute emotional need to know that they are inextricably linked with a powerful ally—and protector.

"We'll just have to reconcile ourselves to coming here two or three times a year to tell the Germans that we still love them," remarked one official in Rusk's entourage.

At the moment when an uncertain, new era has just begun with the succession of Ludwig Erhard to the chancellorship held so long by Konrad Adenauer, Rusk's confident demeanor and blunt manner were even more effective than his words.

Erhard had particular reason to be grateful for the visit, which many Germans have interpreted as a demonstration of President Kennedy's personal esteem for the new German administration. The new Chancellor has been given a powerful weapon with which to confront his enemies who charge that his political ineptitude and softness will weaken the ties between Washington and Bonn, thus imperiling German security. Now possessed of a pledge that American military power will continue to shield the Federal Republic, Erhard will undoubtedly utilize his visit to Washington next month to make that weapon even stronger.

The Secretary of State came to Germany over the weekend because of longstanding engagements to dedicate a memorial to Gen. George C. Marshall in Frankfurt and to confer with 31 American Ambassadors in Bonn. Instead, he spent most of his time calming perennial German jitters. He was so concerned with public opinion that he spent most of Saturday afternoon in discussions with the press.

The burden of Rusk's message, both public and private, was that the Germans need fear no reduction of American combat forces in the Federal Republic, despite the coincidence of the much touted aerial operation Big Lift, which deposited 15,000 American troops in Europe within 65 hours, and Deputy Defense Secretary Roswell Gilpatric's remarks that the new airlift capacity would enable the United States to reduce permanent garrisons abroad.

Rusk also struck a new note in American discussions with the European allies. In effect, he rejected German charges before they were made, noting that it was ridiculous for allies who had not met their full "force goal" commitments to NATO to be constantly questioning the purpose of the one ally that has met its commitments in full.

That approach disarmed the Germans. Rusk was himself somewhat startled when Defense Minister Kai Uwe von Hassel, who had earlier announced that his Ministry required detailed explanations of American intentions, dealt with the matter almost perfunctorily. Prepared to discuss the question at length, the Secretary found that von Hassel was content with a brief interview.

Erhard himself hardly touched on the troop issue. Instead, Rusk outlined the present state of negotiations with the Russians at length—another, but quite distinct aspect of Operation Reassurance.

"You can feel the difference in the atmosphere now that hard-nosed, suspicious Konrad Adenauer is on the sidelines," said one U.S. official.

Nonetheless, the seeds of the next German demand for more reassurance—another demonstration of affection—were already sprouting.

The Rheinische Post, a stalwart of Erhard's—and Adenauer's—Christian Union editorialized with satisfaction on Rusk's pledges. But the newspaper jumped on one phrase in Frankfurt, his speech in Frankfurt, his promise that "American troops will remain as long as they are needed." Asked the Rheinische Post plaintively: "And who will decide whether the troops are needed or not? The Americans of course."

[From the Washington Post, Oct. 30, 1963]

FRENCH MINISTER URGES SWEEPING REVISION OF NATO

PARIS, October 29.—French Foreign Minister Maurice Couve de Murville today said the current structure of the North Atlantic Treaty Organization (NATO) is out of date and called for sweeping reorganization of the 15-nation alliance.

He stressed, however, that a major reorganization will be possible only if other European members pull their full weight.

In a broad foreign policy review to the National Assembly, Couve de Murville defended France's decision "to play her own role in defense."

This decision, he said, was forced by the failure of other Western allies to meet their defense commitments.

"The United States has complained for several years now," he said, "that Europe today, risen from the ruins of the war, does not agree to a sufficient effort for its own defense, leaving to the United States the essential part of the burden, just as in the faraway days of 1950 when it alone had the necessary resources.

"And in fact, most of their European allies find this situation convenient where they can, without other preoccupation, to attend to their own affairs."

"That is the reason," he said, "why France wanted to get back control of its own forces—land, naval or air. That is why she decided on an atomic military program. In doing this, she has perhaps upset some of the fixed ideas in the Atlantic alliance. But she has shown herself as having a national will, and as a result is a real ally.

"The day when necessary changes are made and other European members of the alliance show the same will, then a reorganization of the Atlantic alliance on durable foundations will become possible.

"Then we will be able to satisfy the legitimate request of America for a different distribution of duties, because there will be a different distribution of responsibilities. Then we will assure, for the duration, the maintenance of this alliance and as a result the participation of the United States in the defense of Europe."

Couve de Murville said "systematic agreement is not a policy. Neither is it, in an alliance, a guarantee for promises made. France is perhaps a difficult ally. It is above all a loyal and sure ally. When grave crises come, everyone can see it."

Mr. ELLENDER. Mr. President, what does that mean? Only the future will tell. We are having a little trouble today in Western Europe in having our so-called allies collaborate with us. In the future I can see much trouble. How can we blame them? If we continue to furnish the money, if we continue to keep our soldiers there, if we continue to let the countries of Western Europe lean on our shoulders, of course they are not going to do anything about it, but let Uncle Sam carry the whole burden.

That has been the case in the past, and it will continue if we enact such bills as we have been enacting in the past 7 or 8 years.

For the past 10 years I have been traveling all over the world. I have brought back reports which are now Senate documents. They indicate what is happening. But they have had little effect on a curtailment of the vast sums that are being spent by our Government to maintain an umbrella, particularly to safeguard Europe.

While all this was going on, what did Europe do? Europe did not have to spend much money to protect itself militarily, because good old Uncle Sam was carrying the burden. While we were carrying that burden, the economy of those countries was raised to the point where we are having great difficulty now

to dispose of some of the goods that we have produced.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield to the Senator from South Carolina.

Mr. JOHNSTON. I commend the Senator for the facts he is bringing to the Senate in this connection. I also agree with him thoroughly when he says that our allies have not built up their military strength in connection with NATO. We could excuse them if they were not able to do it; but those countries are well able to do their share in putting soldiers in the field. Is that not correct?

Mr. ELLENDER. There is no doubt about it, I have brought that to the attention of the Senate on many occasions. However, my voice was a voice in the wilderness. Very few listened. We only succeeded in making small reductions in the budget estimate for foreign aid each year. However, no sincere effort has been made to taper off the program. We started the program in 1947, in the hope of completing it in 5 or 6 years, insofar as Western Europe was concerned. Did it stop? Here we are in 1963; and the amount of money being asked by the executive department is almost as much as the amount that was requested when the program was first placed on the statute books.

There is no end to it. As I say, we cannot expect our allies to do their part unless we stop or curtail these expenditures.

(At this point Mr. RIBICOFF took the chair as Presiding Officer.)

Mr. ELLENDER. Mr. President, with all the prosperity that now reigns in Western Europe, with the many thoroughly equipped divisions we have there, with all the money we are spending there now, there is in the pending bill $229,356,000 for use in Western Europe. How silly can we be? Those countries are better able to carry the burden than we are; yet some "striped pants" people from the State Department, who do not stop to think of the impact that all of this will have on our own economy, are recommending that we continue these programs, in the face of the condition of our own Treasury and in the light of the prosperity that reigns in Western Europe.

We must add to the amount that I have just indicated the amount of military assistance that we are giving to Greece and Turkey, a part of which should be provided by the countries of Western Europe.

There is in the bill the amount of $486 million-plus that we are furnishing countries that belong to NATO.

This goes on year after year. Eight years ago I brought it to the attention of the Senate at which time prosperity was already reigning in Western Europe. The answer I got was, "We are giving it to them this year because we are committed to do it. After we get through with this commitment, we will stop it."

Yet the commitments are made from year to year. I believe we must pay some attention to this problem.

It is shameful for us to appropriate as much as $486 million to assist our NATO allies. Of course, this is only military assistance. In addition we are furnishing a handsome sum for economic assistance to Turkey and Greece. Strange to say, that assistance does not appear in the European part of the program. The military assistance appears in the European program, but so far as economic assistance is concerned, Greece and Turkey appear in another area of the justification.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MORSE. I would like to have the record show, as the Senator knows, that most of the assistance which goes to Greece and Turkey is paid for by the American taxpayers, and a very small amount of it comes from our so-called NATO allies.

Mr. ELLENDER. Yes; a very small amount. The accent is on "very." I intend to bring this fact out when I speak on my amendment to reduce the military assistance program by $300 million.

I have been there, Mr. President, to check on all of this, particularly during the 1960 trip I spoke about a moment ago. I spent 6 weeks there, trying to verify the information I had obtained from the Department of Defense. It irked me to learn that our military missions abroad tried to justify what I discovered there. The divisions that were supposed to exist were mostly paper divisions. A few of them were armed. Perhaps to the extent of 60 to 65 percent of what could be called combat ready. I cannot give the exact number, because it is secret—although I have seen the figures in the newspapers on many occasions.

If in the summer of 1960 the Russians had struck, the only ones prepared to meet the foe would have been the divisions supplied by the United States and a brigade from Canada. The rest of the countries were not prepared. Yet, I repeat, what irked me was that our military missions, which were on the scene and watching what was happening, did not raise their voices at all. On the contrary, they justified what was happening, until I showed them that I knew what I was talking about, because I was armed with the top secret document to which I previously referred.

Mr. MORSE. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield to the Senator from Oregon.

Mr. MORSE. I am glad the Senator from Louisiana is making this point. I wish to supplement it with this statement: One of the myths that has been spoken around the Senate Chamber for a long time is that West Germany has been living up to her NATO commitment. Yesterday I checked with the Committee on Armed Services. Before this debate has been concluded, I shall have the figures, but I want to burst the bubble of that myth: West Germany has not been living up to her armament commitments to NATO, either. The fact is that the overwhelming burden of NATO obligations has been carried by the United States.

The senior Senator from Oregon has made it very clear that he does not intend to vote a single dollar for NATO until the NATO countries proceed to live up to their commitments. If they do, we can greatly reduce the amount of money that the United States is now spending in connection with NATO.

Mr. ELLENDER. I am sure the Senator from Oregon will find that there has been very little improvement since 1960. We still seem to be living on promises. This practice started a few years ago, when it was said that the NATO countries would have 500,000 troops in the field. Now the number has been reduced to 400,000. That situation should have been corrected quite a while ago, when the NATO agreements were entered into in 1951, and in 1952, when the NATO meeting was held at Lisbon. But none of our allies in Western Europe have lived up to more than a fraction of what they promised.

We are told by the Department of Defense and others that we are receiving from Germany quite a large number of orders for the manufacture of hardware for their troops, and that that will balance the money we are spending for the stationing of our troops in West Germany. Mr. President, those purchases do not amount to a drop in the bucket. When they buy from us, some of our treasure and resources are consumed. They are not doing us a favor. We now have a golden opportunity to force the issue, to force those people to contribute their share. If they do not, we should withdraw.

I said this many years ago—at least 6 years ago. And this lack of interest on the part of allies does not apply solely in Western Europe; it applies also in South Korea, South Vietnam, and Taiwan. Who is there today but the local troops and the troops of good old Uncle Sam? Consider South Korea, for example. The military operation there is supposed to be under the jurisdiction of the U.N.; it is supposed to be under the wing of the U.N. But how is it made that way?

To make the operation in South Korea a U.N. operation, the British have supplied two soldiers, the Canadians two, New Zealand two, Turkey a handful, Greece a handful, and Ethiopia and Thailand a handful. The total number of soldiers in South Korea, outside of the Republic of Korea troops and the 2 divisions supplied by the United States, is about 325.

To add insult to injury, the United States has been paying for the logistics for all of these soldiers, except the two supplied by the British, the two from New Zealand, and the two from Australia. Who can stand for a situation like that? It is a farce. Yet under this bill, we shall still be spending millions of dollars to maintain such a position.

As I have said for several years, there is a way to settle this problem. We have been furnishing Korea aid at the rate of half a billion dollars per year. We have been assisting Taiwan every year. We have once again started to provide assistance on a big scale to South Vietnam, and we shall continue to do so. But in all of these areas we are not receiving any assistance from our wealthy allies of Western Europe. As I have said on

many occasions, the only time that those countries contribute a little money is when they are directly interested; when they are involved in something that they want to protect, as in Malaya, or to protect the oil in Kuwait. They will assist in those areas, because they are directly interested. But they are not directly interested in South Korea, or in Taiwan, or in South Vietnam. The burden in those areas is being carried solely by the United States, and we shall continue to carry it as long as we have this inept foreign aid program. I issue a warning that if it is important that freedom be maintained in South Korea or Taiwan or South Vietnam, we should get help from our Western European allies or pull out.

Mr. MORSE. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield to the Senator from Oregon.

Mr. MORSE. I am glad the Senator from Louisiana has placed in the RECORD the figures concerning the so-called allied assistance in South Korea. To me, those figures spell the word "deception." It is about time that the U.S. Government stopped deceiving the American people. It is about time the American people were given the facts about foreign aid.

I say to my administration: "You ought to lift the label of secrecy on about 85 percent of the material that is now marked 'Top Secret', because that information belongs to the American people. The American people are entitled to know the facts."

If the American people ever knew the facts about foreign aid and its administration, either Congress would stop supplying foreign aid in its present form, or most Members of Congress would remain at home the next time the people had an opportunity to enter the citadel of freedom in this country, which is the voting booth.

I wish to refer for a moment to the Senator's discussion of the situation in Europe. I am glad he has commented on what I call the bribery argument that is being used in an attempt to influence American public opinion to support this foreign aid bill. For weeks past, I have said that the pressures for it are tremendous. Hour after hour, Senators are receiving telephone calls from administration spokesmen who urge them to vote against the Morse amendments, the Ellender amendments, and other amendments. If the administration wants to pick that fight, I am ready to take it on, because I am going to disclose to the American people every fact in regard to the foreign aid program that I can disclose within the limits of secrecy that seal my lips with regard to a good many facts.

It is a sad commentary that under the Kennedy administration we have moved so far down the road toward Government by secrecy that we cannot disclose to the American people a good many of the facts they should know in connection with our foreign policy in regard to foreign aid.

So I wish to refer briefly to the purchases of military equipment made by Germany in the United States. That program is opposed by many of the labor leaders in this country, and I have been hearing from them. American workers need to be put to work in factories producing civilian goods—not munitions of war for Germany or for any other countries, but civilian goods that will help the economy of the United States and will expand it. We sorely need to expand it for the benefit of the underdeveloped areas within the territorial limits of the United States.

Let me say further, in regard to the argument about bribery—the argument that we should continue to vote for a continuation of this shocking foreign aid program because some of the money under it is spent in the United States, that we should use some of that money for heart research, cancer research, and health programs, and we need to use some of the money for education for the youth of America, and we also need to use some of the money to stop the waste of our natural resources and for programs to make better use of the natural resources of the United States. In short, we should use that money in this country, to develop our own economy.

The Senator from Louisiana spoke about our troops in Europe. Yesterday, I did some work with the Senate Armed Services Committee, in order to obtain some facts and figures which I shall use in a subsequent speech during this debate. At this time, I wish to ask whether the Senator from Louisiana is as aware as I am that Secretary of State Rusk went to Germany, the other day, and gave assurance that all the American divisions now in Germany would remain there.

Mr. ELLENDER. Yes, and I have already placed in the RECORD articles about that.

Mr. MORSE. I am glad to know that; and I am sorry I could not be in the Chamber at the time when the Senator from Louisiana began his speech.

Let me ask whether he knows of any right of the Secretary of State to go to Germany and, in behalf of the American people, give assurance that those divisions of American troops will remain there. Does the Senator know by what authority the Secretary of State could do that?

Mr. ELLENDER. I asked the same question when I presented the data, for I want to know. As the Senator from Oregon knows, I should like to have the answer put into the RECORD. I do not know of any such authority.

Mr. MORSE. Neither does the Armed Services Committee.

Mr. ELLENDER. But I say to the Senator from Oregon that today we seem to be in the hands of the military. They are "calling the shots"; they ask us for anything they want, and get it. We have military missions scattered all over the world. As I have often stated, the little missions we have abroad only keep things stirred up, in my judgment.

Mr. MORSE. The Senator from Louisiana has heard me say before, and I do not hesitate to repeat it, that the two greatest threats to the peace of the world are the American military and the Russian military.

Mr. ELLENDER. Certainly Senators should go abroad and should talk to some of our military men, in order to find out for themselves what is going on.

The members of some of our military missions say to the governments of those countries, "Thus and so needs to be done by you. Do as much as you can; and if you cannot do all of it, we will help you."

Mr. President, let us consider the money we have spent in Iran. As I have pointed out on many occasions, we have spent almost $1 billion training Iranian troops to fight Russia. As everyone knows, Iran is on the border of Russia. If we are to believe that Russia is equipped with many missiles which can travel 200 miles, 500 miles, 1,000, 2,000, or 5,000 miles, then it is obvious that in a matter of seconds Russia could destroy all of Iran. So I have often said that, despite the vast amounts of money we have sent to Iran, Iraq, and other small countries, to develop little armies there, those armies would be almost as effective to protect those countries as a popgun corps would be to protect the city of Washington against our generals. Yet we continue to send funds abroad; and in a few moments I shall show that we are now beginning a program in Africa—a brandnew area for our AID administrators to build their little empires. I have an amendment on that subject which I hope the Senate will adopt. The amendment would limit the military equipment we are to furnish to Africa for internal security.

Mr. MORSE. I shall support the amendment.

Mr. ELLENDER. And the amendment will limit the amount which can be put into the whole continent of Africa.

Mr. MORSE. I shall support the amendment.

Mr. President, will the Senator from Louisiana yield further to me?

Mr. ELLENDER. I yield.

Mr. MORSE. In my judgment, one of the greatest needs of this country today is to place drastic checks upon the American military; but I am satisfied that will not be done by the executive branch of our Government. Certainly, Congress has, under our system of checks and balances, a duty to do that; and one of the places to start it is at the purse strings.

The study I have made of American military forces in Germany satisfies me that it is an overstatement, in regard to any justifiable need, to say that we need to keep two divisions there. Two divisions are the maximum number, and it may be that we should not keep more than one division there. I believe the time has come to bring thousands of American troops back to the United States from Germany, for Germany knows very well that she is going to be protected in case of any offensive conducted against her by Russia. Germany knows very well that if Russia were to make that great mistake, Russia would be starting a nuclear war. So there is no need to have six divisions of American troops in Germany, in order to protect Germany.

Therefore, the time has come—now that our balance-of-payments problems are what they are—to see to it that those

troops are brought back home. I do not buy the argument to the effect that Germany buys enough goods from the United States to really absorb the cost of maintaining those troops in Germany. First of all, Germany would have to spend the money for those goods, anyway; and if she wants to buy them somewhere else, let her do so. But we are now spending in Germany a great deal of the money we need to spend on domestic developments needed by our own country. So I wish to say that when the Secretary of State made that statement, he did not speak for me or for millions of other Americans.

Mr. ELLENDER. Neither did he speak for me.

Mr. MORSE. Millions of Americans were shocked by the gratuitous statement the Secretary of State made, the other day, in Germany; and I believe he should be held by Congress to an accounting for his going to Germany and telling the people there—without any check whatsover with the legislative branch of our Government—what he thought should be our policy with regard to maintaining American troops in other countries.

It is time for us to serve clear notice on the State Department that we have had enough of the State Department's assuming legislative functions in connection with the foreign aid program and the defense budget.

Mr. ELLENDER. Mr. President, as I remember, 3 or 4 weeks ago former President Eisenhower indicated that he thought most of our troops should be removed from Western Europe. I recall reading somewhere that when the agreement was first made, our contribution of 5½ divisions to NATO was supposed to be on a temporary basis until the countries of Western Europe became wealthy enough or got back on their feet so that they could provide the NATO shield. But although Western Europe has become wealthy enough, that has not happened.

I repeat what I said a while ago. In 1960, when I questioned representatives of our own military missions, I was incensed to learn that we had more power in Western Europe than the rest of the European countries put together. I say that they failed to meet their obligations, and that there ought to be a way to put them on notice that either they must meet their commitments or we will stop our huge expenditures in that area. A continuation of those expenditures would so blunt our economy that in a short time we might lose our way of life. If we go too deeply in debt, as we are today—our debt is about $310 billion, requiring an expenditure of from $10.5 to $11 billion merely to pay the interest—we shall soon be led into some kind of "ism." We shall lose our way of life as we know it. I do not wish that to happen if I can help it.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. CARLSON. I compliment the Senator from Louisiana for calling to the attention of the Senate and the country a problem about which I believe we must take some definite action. We have troops scattered all over the globe, so to speak. We have large installations in Germany, Korea, and Vietnam. We make military contributions to many countries in which we do not have troops, but rather military personnel as advisers. While I realize the value of such a course, the time has come to look into the situation, as the Senator from Louisiana has well stated with a view to returning many of those troops to the United States. We are in a different situation, in my opinion, than we were 10 years ago. We now have modern weapons with nuclear warheads. Our manpower in Germany could well be reduced based upon our defensive and offensive power and weaponry.

The Senator has rendered a real service. I sincerely hope that some action will be taken as the debate continues on the foreign aid authorization bill this year. It was discussed in committee. The problem was discussed from every angle.

For example, we learned that in Germany the United States is the only country that maintains its full quota of troops and equipment for NATO. Germany has been second. France, Italy, and Great Britain are far behind. Not only would it be in our own interest, but I think it would have a wholesome effect on those countries if we should serve notice on them that we shall make some changes.

Mr. ELLENDER. We are also maintaining the 6th Fleet in the Mediterranean. The 7th Fleet is in the Pacific waters around Taiwan. All that contribution is in addition to our NATO obligations.

What contribution has been made by our so-called allies? Nothing. We are carrying the entire burden. As I have often said, if we continue to carry it, if we continue to spend $50 to $60 billion a year for military equipment during peacetime, it will be only a question of a few years when the taxpayers of our country will be unable to carry the burden. We are going deeper and deeper into debt now. As all of us know, in the past 30 years, approximately, our budget was balanced only three or four times. But I do not call those budgets balanced budgets.

Once or twice the balancing occurred under former President Truman. That was due to the fact that much more money was appropriated than was needed toward the end of World War II. The war had ended; we had not spent what had been previously authorized.

We have read that under former President Eisenhower the budget was balanced. It might have been balanced on June 30—at the end of the fiscal year—but within 30 days we were again in the red. We did not pay our debts promptly, and probably for that reason we remained in the black. My friend the Senator from Kansas [Mr. CARLSON] could also keep his bank account in the black if he should postpone the payment of his debts in a similar way.

Mr. CARLSON. It would help.

Mr. ELLENDER. I cannot understand why the people who serve us in the Armed Forces, including the military men abroad who are at the head of military missions, can permit the things to happen that I have been describing, particularly in Western Europe. It is unbelievable. One must go there to see the situation for himself.

Mr. CARLSON. Mr. President, will the Senator yield further?

Mr. ELLENDER. I yield.

Mr. CARLSON. The Senator from Louisiana has mentioned Vietnam. As the Senator knows, at the present time we have 12,000 American boys in Vietnam. We are presently spending $1 million or $1.5 million a day in Vietnam.

Mr. ELLENDER. One and one-half million dollars.

Mr. CARLSON. It ought to be of interest to people in that area to preserve the freedoms that we try to protect for those people. But what help are we receiving? We are getting a few soldiers from Australia and very little assistance from New Zealand. That is all the help we are getting in Vietnam.

Mr. ELLENDER. Mr. President, the Senator must have been in Vietnam recently. When I was in that country 2 years ago the information I received was that Australia, which was the only contributor to the forces, had provided a few trucks. But as far as manpower was concerned, we were the only nation which had supplied such help. If the Senator's statement is correct, I am glad to know that those countries are contributing a few soldiers in Vietnam. I hope that they are paying the logistics for the soldiers.

Mr. CARLSON. The reason I made that statement is that Secretary Rusk supplied a memorandum during the hearings, which appears on page 248, and reads as follows:

ALLIED CONTRIBUTIONS IN SOUTH VIETNAM

Currently Australia is providing a military advisory group to South Vietnam consisting of [deleted] officers and noncommissioned officers to instruct in antiguerrilla warfare.

[Deleted.]

New Zealand is now making arrangements to provide a small advisory group.

Mr. ELLENDER. Those are advisers, not soldiers. In other countries there are similar military missions consisting of a couple of officers and perhaps a few sergeants who train the local people how to use certain implements of war.

Mr. President, I submit that I have discussed only some of the cases where our allies are leaning on our shoulders. I assure the Senate that they will continue to do so unless we take the necessary and long-called-for action. That action will be taken only when we begin to make firm efforts toward reducing our foreign aid commitments. Our Western European allies are now financially able to supply most of the manpower required by the NATO shield; furthermore, they are financially able to give more assistance to the underdeveloped countries of the world, as I previously stated. But I am confident that so long as we continue our foreign aid program, they will do neither of those things.

Mr. President, a while ago I mentioned our ventures in Africa. It was my privilege to visit that great continent last year. I spent almost 12 weeks there.

I made a complete circuit of Africa in 1953, when the only two independent countries were Liberia and Ethiopia. Last year when I visited, more than 30 countries had become independent.

During the course of my stay, I happened to tell the truth in the wrong place about the capabilities of some of those countries. Two weeks ago the head of one of the countries I was speaking of at the time, and on which I had commented, paid a visit to the United States with hat in hand. He was the Premier of Nyasaland. I said last December that Nyasaland was incapable of self-government, that it lacked both human and natural resources. Nyasaland is strictly an agricultural country. There is nothing there but agriculture, and the most part of it is subsistence agriculture. Ninety-eight percent of those who farm in Nyasaland use the machete, the hoe, and the rake; while 2 percent have traction, that traction consists not of tractors, but bullocks and a few jackasses.

How can a country that farms the way I have described maintain a modern government? Nyasaland formerly received $20 million a year from North Rhodesia, which has a copper mine economy; and received additional money from South Rhodesia, which has a great many minerals and some very good farmland. The British agreed to permit Nyasaland to secede from the Federation of the Rhodesias and Nyasaland. What has happened? What I predicted in December happened last week. Dr. Hastings Banda, the Premier of Nyasaland came to the United States with hat in hand and said he had to have money in order to be able to operate his government.

That situation prevails not only in Nyasaland, but also in many other countries in Africa. I hope and pray that nobody thought the report I made on Africa was biased or prejudiced because I am from the South. I have tried to make objective all of the reports I have presented to the Senate. The things that I have predicted will come to pass.

In 1953, when I visited all of Africa, I put the Belgian Congo at the top of the ladder so far as progress was concerned, except for education. The Belgians had a good policy, which was to force those who invested in the Belgian Congo to plow back their profits into the economy of that area. Investors were not permitted to take out of the Congo more than a 6-percent profit on their investments.

In 1953 I said that, if and when Belgium ever left the Congo, darkness would return. That is in my report of 1953. When I went back in 1962, the prophecy that I made in 1953 had come to pass. I would say that now, the Belgian Congo is certainly in darkness. In 1953, it was a country which had a balanced budget, and a $225 million favorable balance of trade if I remember correctly. Its exports were greater than its imports. Today the outside world, particularly the United States, is putting up the money in order to keep this government alive.

In Africa as a whole, through fiscal year 1962, we have already spent $2½ billion. If the Senate should foolishly pass this bill, an additional amount of $683.2 million would be provided.

Mr. President, Africa is a great continent. It has vast natural resources to support it. In my judgment, if those natural resources were exploited for the benefit of the people there, a great economy could be developed over most parts of Africa. There is no question about that.

I should like to ask all Senators: If all those resources are in the hands of Europeans, and if those resources are being exploited for the benefit of Europeans, without taking care of the local people, how can that economy be developed?

No matter how much money we put into the hands of these new leaders, it will be insufficient, because we could not print enough money to raise the economy of Africa overnight. Two-thirds of the people of Africa live in central Africa, known as tropical Africa, which consists of two-thirds of the area.

I do not like to say this, but it is true that while the countries in that area have fine leaders, they do not have the resources with which to work—and that applies to natural and human resources.

Chad is one of the newly created states. It was only 7 years ago that the inhabitants of that area ever saw a plow or ever saw a wheel. They had never seen a wheel there yet an independent country has been made out of Chad.

The same applies to quite a few other so-called independent countries in Africa. Not one nation has been created out of French Equatorial Africa, French West Africa, or some of the British possessions that are not dependent upon the Europeans or our country. They are coming after us for assistance—assistance that we are unable to give unless we continue to borrow and pile up our debt.

I say that any assistance we provide for those people will not do the masses of the people much good. It will give them a little more buying power, but who will benefit from that? Those who own and control the businesses and the resources of Africa. Who are they? The Portuguese, the British, the French, and the nationals of quite a few other European countries.

Africa is in the sphere of influence of the Europeans, the same way that I believe the South and Central American area should be the sphere of influence of the United States. If we as a nation should need iron ore, copper, and other minerals to feed our hungry mills, we could not look to the west, the east, or the north for those resources. We must look to the south.

In my first trip to South and Central America, in 1952 as I recall, and again in 1958, I stated that if America is to remain strong and have sufficient resources to remain strong, we should in some way try to enmesh our own economy with the economies of the countries to the south of us.

I went so far as to state that our State Department should give no protection to an American investor in South or Central America unless that investor first made efforts to take care of the people locally, to help them build roads and schools. And if this were done, who would benefit? The investor. I am sure if the resources of Central and South America are explored, and not exploited, they will be sufficient not only to take care of our needs, but to develop the countries to the south of us and bring to the people there happiness and contentment.

I could give much more information with regard to Africa, but let me merely state that it would be the height of folly for us to agree to let the countries of Africa have $683.2 million of borrowed money.

Nigeria is one of the most developed of the new independent countries of Africa. All of the resources of this country, which is the most thickly populated one in Africa, are owned and controlled by the British—particularly gold, timber, and cocoa plantations. They are taxable resources and they are the resources that could be made to pay Nigeria's way to prosperity. But, they are under the supervision of and are owned by the British. It would seem that the British should be the ones to put up the money to develop this country.

Mr. President, are Senators aware of what the State Department has done? I do not know where it obtained its authority, but it agreed to make available to Nigeria $225 million over the next 5 years.

I point out to the Senator from Kansas [Mr. CARLSON], who is present, that about half of that amount would be in grants, and the other part on easy terms, at three-quarters of 1 percent interest, with 10 years' grace, and 40 years to pay. The British, who own and control all the resources in that area, agreed to put up $50 million.

I reiterate that, so long as we are so soft, so long as we continue to give of our treasure to those people, so long as we have personnel in our State Department and in the AID program who will peddle our resources to them, those people are not going to try to get anything from anybody else but soft Uncle Sam.

We should, by all means, stay out of Africa, except, as I have said, to provide some technical assistance. The Lord knows that they need that kind of assistance badly. I would be willing to vote the necessary sum to assist those people in this way. This could be done at a very small cost. We do not have to send college graduates there to teach those people how to read and write.

Technical knowledge could be given to those people on the same basis as was done in my own State 60 years ago, when I was a boy. The Extension Service was started in Louisiana about 60 years ago. At that time it was difficult to get the State to put up a sufficient amount of money to hire Extension Service workers. When the State consented, we had difficulty persuading the farmers to follow the example set by the personnel of the Extension Service. How was it done? Little farms were established in certain sections. They were model farms where the people could see what would happen if a little more fertilizer were put on the ground, or if it were cultivated in a certain way, or more water were put on the soil.

A similar program could be carried out in some areas of Africa, to the great advantage of the people there. I would willingly vote for technical aid projects of that kind. But when it comes to giving all this money to governments that are incapable of handling their own affairs because of a lack of human resources and natural resources, I am against that, because, no matter how much is given to them, it will all be wasted and we will go broke in the process.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. CARLSON. I have been much interested in the discussion of the Senator from Louisiana in regard to Africa. During the hearings on the foreign aid authorization I went into this subject at some length with the Director, Mr. Bell, as shown at pages 582 through 585 of the hearings, in which we discussed aid to Africa. The Senator from Louisiana has not mentioned Public Law 480, the cost under that program amounting to $100 million last year. Nor has the Senator mentioned the cost of the Congo operation, of which we paid 48 percent.

I asked the Director, Mr. Bell, to submit for the record a list of the personnel we have in Africa. I shall ask to have included in the RECORD the table furnished by Mr. Bell, which appears on page 585 of the hearings. The table shows we have 2,461 employees there, made up as follows: 1,037 in direct hire for AID, 361 by contract, 913 in the State Department, 150 in the USIA—which total, according to my figures, 2,461.

Then we have 1,466 Peace Corps members. I ask unanimous consent that the table be made a part of the RECORD. It will be of interest to all Senators.

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

U.S. Government personnel in Africa by agency, as of May 1963

Country	AID		State	USIA	Peace Corps
	Direct-hire	Contract			
Algeria	3	2	33	6	
Angola			6		
Burundi			13	1	
Cameroun	18		24	2	39
Central African Republic	1	1	8	2	
Chad	3		9	1	
Congo (Brazzaville)	4	1	20	3	
Congo (Leopoldville)	22	24	70	15	
Dahomey	7		8	2	
Ethiopia	101	47	46	8	278
Gabon	6		12	2	41
Ghana	51		62	8	129
Guinea	25	16	26	3	
Ivory Coast	22		26	2	51
Kenya	32	11	24	5	
Liberia	102	68	43	2	129
Libya	72	3	49	8	
Malagasy Republic	12	1	12	2	
Mali	19		17	3	
Mauritania			5		
Morocco	39	3	54	11	56
Mozambique			6		
Niger	4		9	2	16
Nigeria	157	106	62	21	295
Rhodesia/Nyasaland	30	16	25	5	42
Rwanda			6		
Senegal	8		23	4	33
Sierra Leone	19	8	17	1	120
Somali Republic	59	40	25	5	39
South Africa			52	4	
Sudan	76		37	5	
Tanganyika	15	4	11	2	59
Togo	12		15	2	45
Tunisia	67	1	30	7	94
Uganda	15	6	12	3	
Upper Volta	8	3	13	2	
Zanzibar			3	1	
Regional	28				
Total	1,037	361	913	150	1,466

Mr. CARLSON. Mr. President, I share the views of the Senator from Louisiana with regard to the personnel who can render technical assistance, and can render aid to these people. I have sometimes been critical of certain of the folk we have sent over there, but when we realize that they are entering underdeveloped areas, it is not so easy for them, and therefore I give them credit. Our Nation has done much in those countries with missionaries of all denominations, and we have done it for many years. That is the type of people who will help improve the living standards of those people.

Mr. ELLENDER. There is no question about it. Of the $683 million, $270 million is for Public Law 480 food that we are sending there.

With respect to the Peace Corps, I have been in favor of it 100 percent. However, the way some of the work has been done and the way the money has been spent has been disappointing to me. In my opinion, the Peace Corps should try to teach the people of Africa to do a much better job than they are now capable of doing. They should be taught to use tractors and other equipment so that they may improve their agriculture and build roads.

The Senator from Oregon may be interested to know that we have more than 300 Peace Corps members in Ethiopia. Instead of having them teach the people there to do a better job than they are now doing in agriculture and in other areas, the Peace Corps personnel are employed as teachers in elementary and secondary schools, under the direct jurisdiction of the Department of Education of Ethiopia. In other words, we are paying about $9,500, on the average, for a Peace Corpsman to become a school teacher in Ethiopia. In this connection, Ethiopia pays us $72 for each Peace Corps teacher we furnish.

The same thing is true in Ghana, except that in Ghana we have approximately 200 teachers and Ghana pays about $130 or $140 a year of the $9,500 that we are spending on the teacher.

The Peace Corps is capable of doing a great job by having its members live among the people of Africa, Asia, and South America, encouraging the people to do some of the simple things of life. However, when we must pay as much as I have just stated for these corpsmen, and let them act as teachers, that may be all right; but it is not along the line of what I thought the Peace Corps would do. I do not believe it was ever intended that we should send Peace Corps men into Ethiopia, Ghana, Nigeria, and other places to serve as teachers under the same supervision as other teachers who serve there.

I must leave for another time a further discussion of Africa. There is a very fertile area there, as I have indicated in my report. A great deal of money has been spent without results because of a lack of capability of the people in many areas.

Returning to my prepared text, when anyone criticizes the foreign aid program, the proponents will always respond with the reply that "Surely, the program is not perfect, but it has accomplished important objectives." It is said that it has stemmed the Communists on the 38th parallel in Korea; and that it has prevented the Communists from taking over the little island of Formosa.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MORSE. I wish categorically to state that in my opinion the foreign aid program has not had any cause-and-effect relationship with respect to any of the alleged results. The fact that the Communists have not taken over Formosa is due to the presence of our 7th Fleet there, and no other reason. The fact that they have not taken over Korea is due to the 7th Fleet and the presence of 50,000 American military forces in Korea and tens of thousands more nearby, and no other reason.

The interesting thing is that in most of the places where we are pouring in military aid we have American boys there, and it is the American boys who give the guarantee and the protection. The military aid, for the most part, is either wasted or creates serious problems, to the detriment of our own welfare.

Mr. ELLENDER. The Senator understands that I was not expressing my own views.

Mr. MORSE. I understand. I wished to reinforce the Senator's statement.

Mr. ELLENDER. It is said that the program has kept the Communists from taking over the countries of Western

Europe. The abject failures of the program are overlooked.

These include such failures as the loss of Laos, the loss of Cuba, and the problems in South Vietnam, where we are currently spending $1.5 million a day.

In South Korea we are still spending at the rate of nearly one-half billion dollars a year and that has been going on for 10 years.

In Taiwan we are still spending in excess of $200 million a year. It seems unending. It is as though we were putting the money into a bottomless pit. In Korea we are over the barrelhead. There is no democratic government there, as we expected. It is more or less governed by a military government. Of course, it is true that a recent election was held; however, the democracy practiced in those areas is not the kind that we have in our own country.

Through fiscal year 1962 we have already spent $5,269 million in Korea. That does not include fiscal year 1963, and what is included in the pending bill.

In Formosa, during the same period—that is, through 1962, and not including the expenditures of 1963 and the amount provided in this bill—we spent in that little area, that little island one can almost jump across, $4,349,900,000.

In Vietnam, where we have just begun to spend in a big way—through 1962, but not including 1963 and the amount that is provided in the bill—we have already spent $2,447 million. We are still pouring money into those areas in larger sums than we did when the program was first started.

When I was in South Vietnam in 1961, President Diem refused to see me. On three previous occasions he was glad to see me. But on my last visit, he would not see me, because I had a bone to pick with him. On previous occasions, I had tried to point out that all his troubles stemmed from two areas or pockets inside his country. One of them is about 60 miles northeast of Saigon, and one is in the lower delta. In those areas were groups of people who never agreed with the Government of Diem. I doubt whether much of the assistance that we provided for that country was ever spent in those areas.

It is from those two areas that most of the trouble in South Vietnam stems. It seems to me that if sincere efforts had been made by the local government, there would not be any trouble in those areas today. Yet we have spent almost $2.5 billion in South Vietnam already. Last year we spent a great deal, and this year again a large amount will be spent.

We are being asked to continue the spending irrespective of the results. But we do not have the money to spend there. We receive no assistance except what the distinguished Senator from Kansas [Mr. CARLSON] spoke of; namely, from Australia, which sent a small training division of a few officers and a small contingent of men, and also New Zealand.

But the United States has more than 12,000 men in South Vietnam. What is in progress there is more or less an undeclared war. We are bearing the burden of taking care of that country, with hardly any assistance from other countries. So far as I am concerned—and I have said this on many occasions—I would have our allies chip in and help, or else I would have the United States pull out. I suggested many years ago that this is the only way to make our allies help. So long as we continue to supply the money lavishly our allies will not make a move. They will continue to rest their weary heads on Uncle Sam's shoulders.

In the 1964 budget, we have provided for South Korea and Taiwan a total of $635,800,000 for operations in those areas, without assistance from any other country. The whole free world ought to be interested in those areas. We are the only ones who are "ponying up," as it were.

Any of our successes, few though they are, can be attributed not to our foreign aid program, but to the successful implementation of a clear-cut foreign policy. Conversely, the failures have resulted not because of a lack of foreign aid money, but from the lack of a clear-cut and realistic policy. I am inclined to think that our foreign aid softheadedness has often harmed the implementation of our foreign policy. The leaders of foreign nations cannot help thinking that our softness in economic matters must spill over into other fields. Unfortunately, I myself believe that this is often the case.

But of greater importance than the little failures or minor mishaps is the complete failure of the program to attain the objectives we sought in Western Europe. After restoring Western Europe to a state of economic prosperity, unparalleled in all its history, we still have failed to eliminate communism from this area of the world. Today in Italy, the Communist Party, almost two decades after the inception of Marshall plan aid there, is stronger than ever. In France, the Communists can still obtain large percentages of the vote. All over Western Europe the Communists are waiting, and are hopeful of toppling any weak government at the first opportunity.

But, irrespective of the Communist threat, we are now seeing every day that the hand which has fed Western Europe is very often bitten. Today, the European Economic Community, to whom we acted as midwife, is holding a veritable dagger at our throats in almost every marketplace of the world. Instead of turning their new-found largess toward the underdeveloped nations of the world, as we have been doing, although our wealth has long since been expended, they are turning it within, strengthening their own economy at the expense of ours.

The time has come to replace idealism with realism. The action taken by the House on the foreign aid authorization bill is a step in the right direction, but it is still too expensive. We should insist on a tapering-off date.

In due course, I shall present to the Senate a number of amendments. I hope Senators will give their utmost consideration to them. I feel that such amendments would not only reduce the amount of money made available for foreign aid in fiscal year 1964, but would also strengthen a weak foreign aid program. Congress has been an overindulgent parent to the foreign aid program over the years. As a result, the program cannot stand on its own feet, and has produced little of value. It has failed, just as a pampered or coddled child can be expected to fail when he steps out into the world. It is time to begin to bend the twig in the way that it should grow.

AMENDMENTS TO PUBLIC LAW 480 IN FOREIGN AID BILL

Among the amendments that I plan to offer is one to which I hope the Committee on Foreign Relations will pay heed. I wish to discuss it now. This amendment was incorporated by the House. I hope that the conference committee will stand firm on the Foreign Relations Committee decision.

From time to time, amendments have been made to the Agricultural Trade Development and Assistance Act of 1954 in the Foreign Assistance Acts. Many of those amendments did not receive the consideration which they would have received if they had been considered within the framework of all the other provisions of Public Law 480. This has resulted in a jerrybuilt patchwork which is a burden rather than a strengthening of Public Law 480. In principle, I feel it is unsound to attach an isolated amendment to a complicated act such as Public Law 480 by inserting it in some other authorization act.

In principle, I feel it is unsound to attach an isolated amendment to a complicated act, such as Public Law 480, by inserting it in some other authorization act, and I respectfully request that all such amendments be deleted from the Foreign Assistance Act of 1963—H.R. 7885—particularly in view of the fact that Public Law 480 will be up for overall review next year at which time all proposed amendments can be considered at the same time and their effect on the overall legislation can be better weighed and determined.

AMENDMENT IN HOUSE BILL TO AMEND ELLENDER AMENDMENT

For example, there is a particularly bad piece of proposed legislation included in part IV, section 402 of the pending bill, in the form of an amendment to section 101(f) of Public Law 480, otherwise known as the Ellender amendment. While this proposed amendment was not included in the Senate version of this bill, I wish to go into it now in some detail, for the purpose of urging that the Senate make sure such an amendment is not included in the final bill.

In 1961, I pointed out in my report to the Senate Appropriations Committee on Foreign Operations that agricultural commodities had been sold to numerous countries under Public Law 480, title I, at great loss to the United States, through the acceptance of unrealistically low exchange rates. For instance, commodities had been sold to Yugoslavia for 300 dinars to the dollar, when the regular market rate of exchange was from 600 to as much as 750 to the dollar. In

Poland, sales were being made at 24 zlotys to the dollar, when the regular exchange rate was 55 to $1. Such giveaway practices occurred in sales to Spain, Turkey, Brazil, and numerous other countries. In other words, not only was the United States subsidizing the sale of its commodities to the world market price, and, as a result of the ship subsidy, financing about half of the costs of the ocean transportation, but it was also accepting in foreign currencies, in some cases, less than 50 percent of the world market price in payment for these commodities. This, of course, was the height of folly, for although we were loaning or granting about 75 percent of the proceeds of these sales back to the recipient countries, to assist in their economic development, the sales themselves were supposed to be business transactions.

There will also be found in the Senate Agriculture Appropriations Subcommittee hearings in 1961, a schedule of Public Law 480, title I sales reflecting the foreign exchange collection rate received, as compared to the market rate at the time of the sale, which shows that the United States suffered a loss of around $700 million, as of that date, as a result of this unconscionable practice. Although the United States was selling its agricultural commodities to these countries at unrealistically low exchange rates—as in the example of Poland, at 24 to $1—at the same time it was permitting the U.S. agencies which were using a minor percentage of the proceeds of these sales to purchase zlotys at the rate of 55 to $1, a more realistic rate.

On the basis of these facts, and to correct such abuses, I introduced an amendment to Public Law 480—section 101(f)—which was approved August 8, 1961, and which required this country, in making Public Law 480, title I sales, to obtain, under such agreements, rates of exchange which were not less favorable than the rates at which U.S. Government agencies could buy currencies from the U.S. disbursing officers in the respective countries.

This amendment, for the most part, stopped this giveaway practice. However, there now appears in the House foreign aid authorization bill for 1963, as section 402(a), an amendment which would change section 101(f) of Public Law 480 so as to require only that the United States obtain the highest rates of exchange legally obtainable. This amendment would not only permit the relaxing of the terms of the sales agreements with respect to the rate of exchange; it would also permit U.S. Government agencies conducting programs with foreign currencies to purchase such currencies at rates other than those at which the commodities were sold. House Report No. 646, at page 48, gives this as the only substantial reason for this amendment, and states that the Government agencies would like to get the currencies at realistic rates of exchange from the U.S. Treasury. Nothing is said as to why the U.S. Government should not get realistic rates when the commodities are sold—and, Mr. President, let no one tell you that these unfavorable rates we received for these sales resulted from a desire to get rid of the commodities. They resulted from political or giveaway considerations dictated by the State Department or the foreign assistance group.

Perhaps I can shed more light on this amendment by going into a little more detail. It is my understanding that in two countries—namely, Indonesia and Poland—the purpose of the Ellender amendment was defeated—although I do not know on what authority—by fixing the official rates of exchange between these two countries and the United States at arbitrarily low rates to correspond with the collection rates received in the Public Law 480 sales. This, of course, did not please the agencies downtown which had a need for foreign currencies, because when they came up for an appropriation from Congress for construction or other program purposes in certain foreign countries, they wanted to receive their full dollar's worth. In this regard we cannot blame them; but why should we not also get our dollar's worth in making these Public Law 480 sales?

It probably was not surprising that at the hearings on the State Department appropriation bill this year, representatives of the Foreign Buildings Operations of the State Department, which uses substantial foreign currencies, complained:

> The recent Ellender amendment to Public Law 480 had the effect of requiring this program to purchase Public Law 480 Polish zlotys at the rate of 24 to $1 instead of the previous rate of 55 to $1, which overnight multiplied the cost by a 2.3 factor.

It was pointed out that this was not at all the result of the so-called Ellender amendment, but was due to the action of the executive department in accepting an arbitrary low exchange rate in connection with Public Law 480 commodity sales to Poland. Inasmuch as the witnesses indicated that they had received their impression from the Treasury Department, there was addressed to the Secretary of the Treasury, by the subcommittee chairman, a letter, dated September 12, 1963, which, in substance requested advice as to why such an arbitrarily low exchange rate had been established.

By letter of October 11, 1963, from the Secretary, after an explanation to the effect that 24 zlotys to $1 was the best rate the U.S. negotiators could get in negotiating the sales to Poland, it was pointed out that any of the sales proceeds which the United States did not use, would, by the terms of the agreement, be repaid by Poland in dollars, after a specified number of years, at the same rate, and that as the disbursing officer's sales to the U.S. agencies were also at 24 to $1, no loss to the U.S. Government was involved. In other words, it was simply bypassing the law. Accordingly, why is there any need to change section 101(f), if we are not losing money under it now, provided Poland lives up to its agreement and we do not decide later to give Poland most of the proceeds? Why should we change the law, so that we shall begin to lose money on such transactions? Again, let me point out that we did not have to make the sales to Poland at substantially less than half of the world market price; and, accordingly, the decision to make these sales had to be a purely political determination, and in the interest of foreign aid. Incidentally, it is my understanding that the Treasury Department reportedly was unable to advise the committee what a realistic exchange rate between the United States and Poland would be at the present time; but if we ask any traveler who recently has been in Poland, he will tell us that, except from the U.S. disburing officer and from official Polish banks, one can obtain throughout Poland 75 zlotys to $1, and nobody asks any questions.

I think the facts that I have given show ample reason why an amendment such as this should not be attached to the foreign aid authorization act, and I again urge my colleagues who will attend the conference with the House on this bill not to recede to the House position on section 402(a) of H.R. 7885.

OTHER PROPOSED AMENDMENTS

The other proposed amendments in the House bill; namely, sections 402(b) and 402(c), I object to on the principle which I have stated earlier.

There are two amendments to H.R. 7885 proposed by the Senate Committee on Foreign Realtions which relate to a change in the Public Law 480 law. While I have not studied these amendments and offhand see no great objection to them in substance—as stated before, I see no reason for their inclusion at this time in the foreign aid bill, as we will have an opportunity—hopefully, early next year—to review the whole Public Law 480 act, at which time they can be considered in proper context.

The first amendment, section 403(a) would change section 104(e) of Public Law 480 to permit an increase from 25 percent to 50 percent of foreign currency proceeds from title I sales to be used for loans to private business—Cooley (e) loans—and to broaden the purposes for which these loans might be made. I might say here, in passing, that where 104(e) money is presently available, it is due to the fact that the country does not have a favorable climate for investment, or is socialistically inclined and restricts this type of private loan. Where it is in short supply, the present purposes for which loans can be made are entirely sufficient to use all of the currencies available.

The other amendment, contained in section 403 (b) and (c), would make it possible to include fish as a commodity in Public Law 480 sales under titles I and IV. As the effective date of this amendment would not be until January 1, 1965, such an amendment could be included in next year's Public Law 480 act, with no loss.

Mr. President, in passing, let me say that I have no objection whatever to the inclusion of fish as a commodity for sale under Public Law 480, but I think it should be done in the proper manner through the Committee on Agriculture and Forestry.

Mr. President, as I stated, I have a number of amendments that I shall submit to the Senate which I have not dis-

cussed. I hope to discuss them when the time comes to consider the amendments.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. CARLSON. I appreciate the Senator's yielding, for the reason that he discussed the amendment which would strike out the provision for 25 percent which is permitted to be loaned under the Cooley funds and substitute a 50-percent loan. I mention that subject because the Senator referred to my amendment. I submitted it for a definite reason. There are funds in many countries which need housing programs. I am advised that those funds could be used to great advantage for housing. While we have had difficulty in securing loan programs, it seems to me that there was one place in which we might, to great advantage, use Public Law 480 funds for a housing program rather than permitting those funds to lie around and not be used. That is my only reason for offering the amendment.

Mr. ELLENDER. The entire Public Law 480 program will be revamped next year. It is my belief that such amendments should be considered by the Committee on Agriculture and Forestry, and not here. Several amendments to Public Law 480 have been proposed which in my judgment should not be offered to the bill. There are amendments relating not only to Public Law 480, but also to other subjects which in my judgment should not be considered in connection with the foreign aid bill.

Mr. CARLSON. Mr. President, will the Senator yield further?

Mr. ELLENDER. I yield.

Mr. CARLSON. I assure the Senator from Louisiana that, as far as I am concerned, no one is more familiar with the language of the law and the use of the funds authorized under Public Law 480 than is the Senator from Louisiana. Therefore, I appreciate the statement that the Committee on Agriculture and Forestry will next year revise the act, or at least study it with the hope of revision. But I did not desire personally to be in a position in which we would use dollars and not the funds we have already accumulated under Public Law 480. That is my only point.

Mr. ELLENDER. I very much appreciate that suggestion from the Senator from Kansas. As chairman of the Committee on Agriculture and Forestry, I assure the Senator that one of our first tasks when we return next year will be to revise Public Law 480 and to see to that the funds to which he has referred will be properly spent not only for our benefit but also for the benefit of the host countries that have them.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

Mr. RUSSELL. Mr. President, will the Senator withhold his request?

Mr. MANSFIELD. I withhold the suggestion.

Mr. RUSSELL. I hope that the Senator will make the quorum call a live quorum call. There has not been one for 3 days. Senators get out of the habit of even coming into the Chamber. There ought to be a live quorum call at least every 3 days.

Mr. MANSFIELD. I think that is a good idea. I ask the attachés of the Senate to advise Senators that the quorum call will be a live quorum call.

Mr. LAUSCHE. Mr. President, will the Senator yield so that I may ask a question of the Senator from Louisiana?

Mr. MANSFIELD. I yield for a question.

Mr. LAUSCHE. Will the Senator from Louisiana tell me by what amount his amendments would reduce the total appropriation recommended by the Committee on Foreign Relations? I understand that the Senator from Louisiana has several different levels. What would be the maximum reduction?

Mr. ELLENDER. Approximately $650 million.

Mr. LAUSCHE. Would that reduction bring the bill down to the House figure?

Mr. ELLENDER. Almost.

Mr. LAUSCHE. It would be above the House figure?

Mr. ELLENDER. Slightly; but I have other amendments to offer which would probably bring the amount within the range of the House figure.

Mr. LAUSCHE. That is the maximum. Does the Senator have a second level of reduction?

Mr. ELLENDER. I should like to see the figure lower than the House figure because, as I said in my main argument, we should begin to taper off the program and not increase it from year to year.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STENNIS. Mr. President, I ask unanimous consent that the order for the quorum call may be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

USE OF SHIPS IN TRADE WITH CUBA

Mr. STENNIS. Mr. President, in May of this year, the Preparedness Investigating Subcommittee, of which I am privileged to be chairman, issued a report of its investigation into the Soviet military buildup in Cuba, pointed out the menace to the Western Hemisphere presented by communism in Cuba, and warned the Nation of the necessity for alertness and vigilance to all its sinister implications.

In recognition of the dangers presented by communism only 90 miles from our shores, the administration has taken certain steps to isolate Cuba through economic moves, including regulations to prevent or reduce the ocean traffic to Cuba in free world ships. Unfortunately, these regulations may have operated to accelerate and assist such traffic, rather than impede it. Since such traffic had increased rather than decreased, I submitted, on September 11, an amendment to the Foreign Assistance Act, S. 1276, designed to make it less attractive to our allies to continue carrying vital cargoes to Cuba, which only helps to perpetuate the Communist regime of Fidel Castro.

The amendment was identical with an amendment offered in the House, and the substance of these amendments is included in the bill recommended to the Senate by the Foreign Relations Committee.

The language of my amendment would broaden and strengthen existing legislation and plug the loopholes in existing legislation. These loopholes have, for example, permitted the United States to furnish continuing military assistance to free world countries which were nevertheless carrying Soviet bloc crude oil to Cuba.

As provided in the amendments the reported bill would:

First. Broaden the scope of existing legislation—section 107 of the Foreign Assistance Appropriations Act of 1962—to deny assistance of any kind to any country failing to take steps to prevent vessels under its registry from carrying to Cuba, equipment, materials, or commodities, in addition to military items which have been embargoed under the Battle Act. Presently only the Battle Act items plus those commodities designated as items of economic assistance, fall within the proscription of the statute;

Second. Broaden the coverage of existing law to deny any assistance in the case where equipment, materials, or commodities are transported from, as well as to, Cuba—presently, only the latter situation is within the statute.

Third. Prohibit the furnishing of assistance to countries in the Cuba trade which permit planes of their registry to transport materiel of war to or from Cuba—presently such transportation is not forbidden by the statute providing foreign assistance.

There is a crying necessity for putting more teeth—stronger teeth—into the existing law. The present law denies economic assistance, alone, to countries permitting their ships to transport items of economic assistance to Cuba, but these countries nevertheless are permitted to receive military assistance from the United States. The new language would plug the loophole in a number of respects, particularly in the case of crude oil, a critical military item which is being transported to Cuba in free world ships of countries receiving large amounts of assistance from this country.

Our experience since January 1, 1963, indicates that the following military aid program recipients have permitted the use of their ships for trade with Cuba: Great Britain, Lebanon, Italy, Norway, Denmark, and West Germany. It does not appear, however, that West German or Danish ships are now engaged in the Cuban trade. In fact, West Germany has recently taken legal steps to prevent this.

However, some of our other so-called free world allies have not been so cooperative. Italy, for example, which received $300 million in military and economic assistance in fiscal year 1963 was continuing through August to send vessels under its registry into the Cuban trade.

While there is no evidence that any free world country has itself furnished any Battle Act commodities or "items of economic assistance" to Cuba, since January 1, 1963, some free world tankers have transported Soviet bloc crude oil

to Cuba. Since crude oil has not been placed on the Battle Act list of embargoed commodities, military assistance is not prohibited to countries which permit ships of their registry to transport this bloc crude oil. The amendment would correct this situation and should prove an important step in imposing the burden of crude oil and other petroleum delivery on already burdened Soviet bloc transport capability.

Unfortunately, trade with Cuba through free world ships—plus Polish and Yugoslavic ships—has continued on a very large scale although some steps have been taken in the direction of isolating Cuba from the economic life of the free world. Such steps include a ban on transportation of U.S.-financed goods by ships which have been to Cuba, an embargo on U.S. trade with Cuba, and steps to freeze Cuban assets in this country.

Notwithstanding these efforts, however, it appears that free world shipping to Cuba has been increased through a great part of 1963 and exceeded Russian shipping in the Cuba trade although Russia was far ahead at the beginning of the year.

It is evident from the figures obtained from naval intelligence and the Maritime Administration that free world shipping to Cuba has been increasing steadily over that of Russia shipping since April of this year and that the trend in this increase became clear much earlier in the year.

Since the beginning of this year, numerous free world nations have allowed their flagships to carry Russian and Soviet bloc goods to Cuba. During the period January 1, 1963, through September 20, 1963, the leaders in this shipping have been as follows: Britain, 93 trips; Greece, 81 trips; Lebanon, 40 trips; Italy, 14; Norway, 13. This is to name just a few of the countries carrying bloc goods to Cuba. Preliminary estimates show that Britain, Greece, Norway, and Italy alone, have been the recipients of $488 million in military and economic assistance for fiscal year 1963 alone.

Now let me introduce a table comparing free world shipping and Russian shipping to Cuba during 1963 which shows that although Russian shipping to Cuba in January 1963 led free world shipping 35 trips to 12, by April the free world held the lead 37 to 27 and has continued to hold this dubious honor.

Shipping to Cuba

	Free world	Russian
January	12	35
February	19	34
March	28	32
April	37	27
May	44	38
June	43	31
July	45	31
August	29	23

It is a chilling fact to contemplate, but the increase in free world shipping by nations receiving our assistance has been spurred—it is reported—by the premium rates being paid by the Soviets. The Soviets pay these bonus rates since present U.S. regulations, as stated, provide that any foreign vessel in the Cuban trade stopping at Cuba is ineligible to carry U.S.-financed cargoes. So the Russians make it up to them. These mercenary so-called allies have it both ways then—by assistance from us and by premium payments from the Russians.

I say that we should tell these countries that they cannot have it both ways, and I think these provisions should go a long way in bringing that message home to these greedy countries. If they want our help it is not too much to ask of them that they desist from aiding communism on our doorsteps, the communism that is being exported into so many South American and Central American countries like a spreading cancer.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. STENNIS. I am glad to yield.

Mr. SYMINGTON. I congratulate the able Senator from Mississippi on his statement. I know that the American people will be gratified to realize that, as chairman of the Preparedness Investigating Subcommittee, the Senator is constantly following developments in Cuba.

Mr. STENNIS. I thank the Senator for his remarks, and for his very fine assistance. I did not realize that the Senator from Missouri was in the Chamber. I know of his fine interest in the work on this subject.

Mr. President, I yield the floor.

Mr. RUSSELL. Mr. President, I suggest the absence of a quorum.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. RUSSELL. I will defer to the Senator for one moment, but I believe there should be a quorum present at least once every 3 days.

Mr. LAUSCHE. Mr. President, on behalf of myself and the Senator from Colorado [Mr. DOMINICK] I submit an amendment to the bill now pending before the Senate, which I probably will call up.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

Mr. RUSSELL. Mr. President, I renew my suggestion of the absence of a quorum; and I shall object to any suspension of this call.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

[No. 199 Leg.]

Aiken	Fong	Mansfield
Allott	Fulbright	McCarthy
Bartlett	Goldwater	McClellan
Bayh	Gore	McGee
Beall	Gruening	McGovern
Bennett	Hart	McIntyre
Boggs	Hartke	McNamara
Brewster	Hayden	Mechem
Burdick	Hickenlooper	Miller
Byrd, Va.	Hill	Monroney
Byrd, W. Va.	Holland	Morse
Carlson	Inouye	Morton
Church	Jackson	Moss
Clark	Javits	Muskie
Cotton	Johnston	Nelson
Curtis	Jordan, N.C.	Neuberger
Dirksen	Jordan, Idaho	Pastore
Dodd	Keating	Pearson
Dominick	Kennedy	Pell
Douglas	Kuchel	Prouty
Eastland	Lausche	Proxmire
Ellender	Long, Mo.	Randolph
Ervin	Long, La.	Ribicoff
Robertson	Sparkman	Williams, N.J.
Russell	Stennis	Williams, Del.
Saltonstall	Symington	Yarborough
Scott	Talmadge	Young, N. Dak.
Simpson	Thurmond	Young, Ohio
Smathers	Tower	
Smith	Walters	

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Nevada [Mr. BIBLE], the Senator from Nevada [Mr. CANNON], the Senator from Oklahoma [Mr. EDMONDSON], the Senator from Washington [Mr. MAGNUSON], the Senator from Montana [Mr. METCALF], and the Senator from Minnesota [Mr. HUMPHREY] are absent on official business.

I also announce that the Senator from California [Mr. ENGLE] is absent because of illness.

Mr. KUCHEL. I announce that the Senator from New Jersey [Mr. CASE], the Senator from Kentucky [Mr. COOPER], and the Senator from Nebraska [Mr. HRUSKA] are necessarily absent.

The Senator from South Dakota [Mr. MUNDT] is absent because of illness.

The PRESIDING OFFICER. A quorum is present.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, if I may have the attention of Senators, the leadership has endeavored to arrive at a unanimous-consent agreement, without success.

In view of the objections to the unanimous-consent agreement, it is our responsibility to advise Senators to remain available for votes, which may come at any time from now on.

We realize that some Senators have longstanding engagements out of Washington, and commitments to participate as Senate delegates in various international conferences, which will take place in the near future, in the NATO conference, in Paris, and in the Commonwealth Parliamentary Conference at Kuala Lampur, among others.

It is with great reluctance, therefore, that we now urge Senators to cancel all such engagements and commitments, and others, which may not have been mentioned.

Our primary responsibility as Senators, as we all know, is here in this body. In view of the situation which has developed, it seems to us to be incumbent upon every Member of the Senate to remain here in order that this primary responsibility may be discharged.

Mr. SPARKMAN. Mr. President, of course no one can quarrel with the philosophy of the majority leader's statement. It is our duty to be here. Yet I believe it is quite regrettable that we must cancel attendance at meetings of international conferences, particularly the one with our NATO partners. It is a conference which was authorized by act of Congress, for which funds are made available each year. It was set up because it was felt wise to have a political underpinning for NATO.

This is not the first time that Senators have been prevented from attending a NATO conference. I remember that at the first one no Senator was able to attend. The House Members at-

tended, and they represented us ably, I am sure. However, it does not present a complete representation, and withdraws from the representation the body of Congress that really has the greater responsibility in the field of international relations. It is most deplorable, and particularly to be regretted, that the Senate is denied the privilege of participating in this most important international conference, which has been authorized by the Congress.

Mr. MORSE. Mr. President, I am sorry that the majority leader has found it necessary to make the announcement he has made. Of course, I do not see what other announcement he could make. There will be those who will seek to make something out of the fact that we who are opposed to the foreign aid bill and who have refused to give unanimous consent to limit debate in order to vote on a certain date, are responsible for the inconvenience to our colleagues in the Senate who wish to go abroad to attend international conferences.

I regret it very much if we inconvenience them. However, there are procedures which Senators can follow if they feel it is more important to go abroad than to stay here for the debate on the foreign aid bill; that is the procedure of a live pair. They could try that procedure. I have been heard to say before that I believe it is too bad that we have not exercised that custom to the extent that it was formerly exercised.

Important as the international conferences are, I know of nothing connected with our duties that is more important than debating and considering a major piece of legislation involving the foreign aid program. I do not know of any proposed legislation more vital to the country that will come before Congress than the foreign aid program.

I am perfectly willing to take whatever criticism is to be heaped on my shoulders; and I know that my associates, who are also opposed to the bill, will share the responsibility.

We were elected to be here to enact legislation. If international conferences have to be arranged at a time when the Senate is in session, it is too bad for those international conferences, if going to them interferes with the work of the Senate.

There is another proposal that might help Senators who wish to attend the conference, for in due course of time a motion will be made to recommit the bill to the committee, to bring it in line with the committee's report.

If the committee's report is sound, the Committee on Foreign Relations ought to modify the bill to make it consistent with the report. That might require a couple of weeks. If we can obtain the necessary support to recommit the bill, I invite Senators to let me know. When we have our next conference, we will judge when will be the most appropriate time to move to recommit the bill. Then the Committee on Foreign Relations can begin to work on it, and Senators can go on whatever safaris they wish to go on around the world.

It is not pleasant to take the position that Senators ought to stay here and act on the foreign aid bill. I have gone through these battles before. As of now, I will not agree to a unanimous-consent agreement to limit debate and to fix a time to vote, because the bill requires a considerable amount of educational discussion for the benefit of Senators who wish to inform themselves about it. Certainly it requires discussion for the benefit of the American people. Whether some of us realize it or not, the American people are exhibiting an increasing interest in the foreign aid bill. They are entitled to know whatever facts we can supply them. Unfortunately, many of the facts cannot be supplied because they are behind an American "iron curtain" of top secrecy, although they involve public business.

I have told the majority leader that I will do my best, joining with other Senators who feel the bill needs to be discussed before the Senate is ready to vote on it, to expedite the debate consistently in what we consider to be the public interest.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. KUCHEL. First, I commiserate with the distinguished majority leader for the ideological disarray which is apparently present on the majority side of the aisle. In this case, the majority leader has no alternative. While I have no right to speak for all Senators on this side of the aisle, I wish to tell the majority leader that we over here desire to expedite the disposition of this important legislation. The comments made by the distinguished Senator from Alabama [Mr. SPARKMAN] are most appropriate and important. Nevertheless, so far as I am concerned, Senators on this side of the aisle wish to move along with the public business.

In that respect, may I inquire of the distinguished majority leader whether during the remainder of the week he contemplates having the sessions of the Senate continue into the evening and whether he contemplates having a session on Saturday?

Mr. MANSFIELD. At the moment, I do not contemplate a session on Saturday. So far as going into the evening is concerned, it seems to me that the Senate has been recessing at 4 o'clock, 4:30 o'clock, or 5 o'clock because of a lack of speakers and a lack of interest. Unfortunately, the usual number of Senators on the floor during the debate has been three, four, or five. This is too important a bill to have that kind of attendance.

However, the Senate will convene at noon tomorrow and at noon on Friday.

Concerning what the distinguished senior Senator from Oregon [Mr. MORSE] has said, he has been most cooperative. He is acting within his rights. He has a right to express himself as he has and as he usually does on matters of this kind.

So far as the Senator from Alabama is concerned, he also is right, because for many years the Senate and Congress have created committees to meet at certain times of the year with our European counterparts in very important international conferences, if not the most important, to discuss problems of mutual interest.

I know it is disappointing to many Senators to hear this announcement, which I felt I had to make, but only with a sense of deep regret, because I had hoped that some arrangement could be made. But that is the way things go, and we have to "call them as we see them."

Mr. KUCHEL. Meanwhile, if amendments are in order, then I understand, implicit in the majority leader's statement just announced to the Senate, yea-and-nay votes, or at least a disposition of amendments, will be in order while the Senate remains in session?

Mr. MANSFIELD. Yes; that would be the usual procedure. We should anticipate those things happening. Whether they will, remains to be seen. At least, Senators are all on notice and can act accordingly.

I thank Senators for their courtesy in listening to me.

NATIONAL OBJECTIVES IN SPACE

Mrs. SMITH. Mr. President, the Administrator of the National Aeronautics and Space Administration stated recently that:

> The $5.35 billion authorized by the Congress for 1964 constitutes the minimum appropriation which will enable NASA to maintain its momentum, to sustain our on going programs at an optimum pace, and to achieve our stated national objectives in space.

Now these stated national objectives in space were spelled out in some detail on May 25, 1961, when the President of the United States addressed the Congress on "urgent national goals."

It will be recalled that among those urgent national needs was the landing of a man on the moon and return him safely to earth before this decade is out. The words the President spoke that day only 2½ years ago concerning space seem as pertinent now as they were then.

Mr. President, I ask unanimous consent to have one paragraph from the President's address printed at this point in the RECORD.

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

> Let it be clear—and this is a judgment which the Members of the Congress must finally make—let it be clear that I am asking the Congress and the country to accept a firm commitment to a new course of action—a course which will last for many years and carry very heavy costs, $531 million in the fiscal year 1962 and an estimated $7 to $9 billion additional over the next 5 years. If we are to go only halfway, or reduce our sights in the face of difficulty, in my judgment it would be better not to go at all. This is a choice which this country must make, and I am confident that under the leadership of the space committees of the Congress and the Appropriations Committees you will consider the matter carefully. It is a most important decision that we make as a nation; but all of you have lived through the last 4 years and have seen the significance of space and the adventures in space, and no one can predict with certainty what the ultimate meaning will be of the mastery of space. I believe we should go to the moon. But I think every citizen

of this country as well as the Members of Congress should consider the matter carefully in making their judgment, to which we have given attention over many weeks and months, as it is a heavy burden; and there is no sense in agreeing, or desiring, that the United States take an affirmative position in outer space unless we are prepared to do the work and bear the burdens to make it successful. If we are not, we should decide today.

Mrs. SMITH. Mr. President, the President's challenge was clear and bold. Congress accepted it and the NASA has received substantially what it has asked for up to the present time.

Mr. President, why is it this year that we find ourselves going through such an agonizing reappraisal of our space program? I, for one, cannot understand why each time Khrushchev mentions space we should reappraise our own position. If we are not, and have not, been in any race what difference does it make what Russia's moon plans are? If we are in a race why not be frank with the public and say so. During the last few days there have been many interpretations of what Mr. Khrushchev was saying at his latest press conference on space. Frankly, I could not care less what he meant. However, since self-serving connotations have been placed on his statement by those who are either for or against our space program, I believe it would be helpful to have the full text of his press statement on space printed at this point in my remarks, so that Congress may judge for itself.

Mr. President, I ask unanimous consent that the text of the press statement be printed at this point in the RECORD.

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

Journalist Leopold Vargas, of Colombia, asks: "Can you tell us whether a flight to the moon by Soviet cosmonauts is planned for the not too distant future?"

Khrushchev: "It would be very interesting to take a trip to the moon. But I cannot at present say when this will be done. We are not at present planning flights by cosmonauts to the moon. Soviet scientists are working on this problem. It is being studied as a scientific problem and the necessary research is being done. I have a report to the effect that the Americans want to land a man on the moon by 1970–80. Well, let's wish them success. We shall see how they will fly there, how they will land on the moon and, more important, how they will start off and return home. We shall take their experience into account. We do not want to compete with the sending of people to the moon without careful preparation. It is clear that no benefits would be derived from such a competition. On the contrary, it would be harmful as it might result in the destruction of people. We have a frequently quoted joke: He who cannot bear it any longer on earth may fly to the moon. But we are all right on earth, to speak seriously, much work will have to be done and good preparations made for a successful flight to the moon by man."

Mrs. SMITH. Mr. President, have the space goals which were so enthusiastically stated and accepted in May of 1961 become unobtainable? I believe they are obtainable. I have listened for over 5 years to many learned people tell our committee what we had done in space; what we were now doing; and what we hoped to do. I am now convinced after 5 years of talk and accomplishments that the National Aeronautics and Space Administration can do about what it says it can do, but not always within the time period it optimistically promises. However, this inability to meet previously announced deadlines is perhaps understandable when one considers the technological tightrope that NASA walks between the known and the unknown.

If our goals have changed since 1961 or they cannot be reached, we should be told so. If there is a lack of urgency because of the latest press release from Moscow we should be told so. If there is no continuing priority because there are new priorities, or too many priorities, we should be told so.

Mr. President, I have supported our space program unswervingly since its inception. I shall continue to support it so long as I believe it to be in the best interests of this country. However, Mr. President, it is readily apparent that if this program is to continue at its optimum speed, if the goals set for this decade are to be realized, it is past time for those who in 1961 placed this challenge before Congress to speak now with equal vigor and clarity in reaffirming the urgency in space.

ADDRESSES BY SENATOR GOLDWATER BEFORE MILITARY ORDER OF WORLD WARS AND BEFORE REPUBLICAN WESTERN STATES CONFERENCE

Mr. TOWER. Mr. President, the distinguished junior Senator from Arizona [Mr. GOLDWATER] recently made two speeches that I believe to be of major significance for all Americans. One was delivered in my own great State of Texas, in the historic city of San Antonio, before the Military Order of World Wars. The other was delivered in Oregon before the Republican Western States Conference.

Because of their significance, I ask unanimous consent that the Senator's remarks be printed in the RECORD, for all to read and consider.

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

TEXT OF SPEECH BY SENATOR BARRY GOLDWATER, REPUBLICAN, OF ARIZONA, BEFORE THE MILITARY ORDER OF WORLD WARS, SAN ANTONIO, TEX., FRIDAY, OCTOBER 11, 1963

As are all Americans who have been touched by war in the past, you are deeply concerned now by the problems of peace. I have been in a war, too, and I am now deeply concerned by the problems of peace.

One of the gravest elements of the problem is to even define or recognize peace in a world of long conflict and continuing crisis. The old criteria no long apply. We cannot say, as our ancestors did, that when the cannons are silent there is peace. Such silence gives only the illusion of peace. Today the weapons of war sound differently. The scratch of a pen at a treaty table may be of more significance than the roar of artillery massed hub to hub. The pounding of freighters on the high seas, engaged in economic warfare, may be of more significance than the roaring attack of a flotilla at flank speed. The silent subversion of a shaky government may be a greater victory than the fall of a walled city.

And, though the cannons are silent today, these other sounds of other warfare are clearly heard even though not fully recognized, I think, by the policies of this Government at this time.

We face today the very real possibility that the illusion of peace, the silence of the guns, will be mistaken for real peace. We have been tempted that way before. We have become complacent that way before. In the euphoria that followed the end of the Second World War we became complacent. After the tumult of the battlefield, the seeming calm led us to disband our armies, and prematurely begin beating our swords into plowshares.

Rude awakenings followed. Those who had warned that the enemy was there all along were proven correct and a long buildup of our strength began again.

Today, though the enemy has not changed, though his goals have not changed, though the peril has not changed, we face again the slow erosion of purpose, alertness, and preparedness that has so nearly proven ruinous in the past.

We are beginning again to mistake the sounds of peace for the reality of peace. We are beginning to heed the lures of comfort rather than hear the voices of national need. We are beginning to chase will-o'-the-wisp hopes while avoiding the real truths, in the real world, which we know in our hearts but try to avoid with our eyes.

In the fashion of the day, with its emphasis on sweet dreams of an eternal status quo, we might be said to be forgetting the Alamo, and forgetting also the *Maine*, the Marne, the beaches of Normandy, and Okinawa, and Inchon. We are forgetting that peace, real peace, has always been held with resolution and strength and lost by indecision and unpreparedness. Wars are waged when weakness tempts an aggressor, not when he is confronted by power and purpose.

We can keep the peace in this world only so long as we keep our power, our purposes high, dedicated, and unmistakable. We risk the peace at every turn when the power declines, when the purpose deteriorates, when the enemy can mistake what we say and what we do.

I cannot speak of these matters as simple academic exercises. They are too close to my heart and too close to the heart of my country. I cannot see what I regard as wrong things in high places and refrain from speaking. Such politeness would be a betrayal of conscience. I cannot divorce, for the sake of such politeness, the policies that I view as wrong from the men whom I view as wrong. I must ask your forbearance if I speak now without regard for clever and veiled references but in full and frank identification of what I regard as one grave area of mistaken policy and misplaced purpose.

Your hospitality was not extended to me, I know, to hear a political statement and yet, without a political bill of particulars, how can we discuss the matters of most urgent and serious concern to all Americans? I will speak then, in the only way I know, openly, of just such a matter.

Under the present administration this Nation is following the most disastrous foreign policy in its history. It has failed so badly that its only defense is that the Soviet Union is still being held 90 miles off our shore. Russian troops have been kept out of Florida. Of course, their ships can be seen from the shore but they haven't landed—yet.

But even that will change under present plans. Russian ships may have to land here to pick up the wheat that we will sell to them. We will, at least, I hope, get some cash return from that deal. We will certainly reap no new harvest of freedom by patching up the Soviet's crumbling agricultural economy. We will certainly get no political advantages—because we have demanded none. And we should demand at the very least that

the Russians pay and prior to delivery, get their troops and equipment out of Cuba.

What has this foreign policy achieved over all? It has been said that it has kept the peace. I say it has endangered the peace and that only the great strength built up under previous administrations has, actually, kept the peace. Should that strength wane, as the present administration seems to be willing to see it wane, then a combination of weakness at home, and weakness abroad would invite ultimate disaster for this Nation and for the hopes of freedom everywhere in the world.

Now, what has this foreign policy actually achieved? It has split the greatest alliance in free world history, NATO, into factions and inaction. The policy stands walleyed in Berlin and crosseyed in Paris and blind in Cuba.

In Africa, policies of confusion and compromise, have plunged the Congo back 50 years in its development. They have subsidized and supported the socialist and aggressive Nasser government in Egypt. They have subsidized and supported the tyranny in Ghana. They have spread across the entire continent a smokescreen behind which economic and social chaos has been able to rampage in the name of progress.

Real progress in Africa, as a result, has been stunted and shunted aside. This is a foreign policy that responds like a high-strung puppy to any mention of colonialism but shies like a frightened colt from the real problems of development in these underdeveloped lands, from the problems of basic education, administrative responsibility, and the accumulation of native capital without which these nations will remain forever dependent upon international charity. Such nations are free in name only. And the present response to their problems has been a response in name only.

In southeast Asia, the present foreign policy lunged for neutrality in Laos and came up with a creeping Communist takeover. In Vietnam we fare no better. India, shocked for a time by the Chinese invasion, has drifted again toward a complacency encouraged by official U.S. vacillation. Pakistan, once a great ally of the West, has been frustrated and finally repelled by indecision and now seeks to deal with the dragon that it cannot slay and against which our policies offer no protection.

But there are failures closer to home, failures toward which all the great States of the gulf face as they look to the south.

A year ago it seemed that we might wipe away the dark and spreading stain of the Bay of Pigs. A year ago the nations of Latin America were electrified by a sudden surge of American leadership. In the missile crisis there was real meaning to hemispheric solidarity, real meaning to the hope that America, even if not loved, would be respected in the vast reaches that are the meaning of the Monroe Doctrine.

But time and failure have eroded the moment, blighted the brightness, and shadowed the future. Cuba ticks like a time bomb, awaiting either the heroism of others or another moment of political expediency. It festers like a cancer, spreading its growths throughout Latin America while the Yankee doctors play golf, go sailing, and prescribe nothing but diplomatic aspirins; while the administration will not even fully enforce the sanctions it has been given to shake loose the Soviet toehold in our hemisphere.

Pro-Castro assassins roam the streets of Venezuela, killing virtually at will and giving hero-sized interviews to newsmen. Brazil stands at a state of siege, reaping the dragon's teeth sown by a leftist government.

The Dominican Republic, plagued by Castro pressures and infiltrated, proved a shaky showcase of administration policy. Now it is smashed altogether by military leaders who saw communism, not true progress, building behind the facade.

The same in Honduras. And the response now is to try to make those new regimes fail just as once we tried to make the fallen ones succeed. Argentina and Peru had similar experiences earlier, when the military was forced to intercede to assure regimes that could stabilize the nations and protect them against penetration. Ecuador and Guatemala also have seen the military replace other governments which could not bring order or security to the nations. And all of this in the midst of what the administration had boasted would solve the problems of Latin America—the Alliance for Progress.

Why has that scheme failed also?

It has failed because it was shallow in concept, muddled in administration, and misguided in direction.

Bolivia stands as a monument to its ineptitude. As far back as May 14, 1961, President Kennedy made it clear that Bolivia was to be a monument instead to the best and brightest hopes of Latin America. To the leader of the Bolivian revolutionary movement which the administration obviously had picked as a model, the President wrote that "This great revolution has blazed a path for others to follow." And he pledged a long-range program to assist it, to make it the jewel in the crown of the Alliance for Progress. Bolivia has received more aid, per capita, than any other country in the hemisphere. The administration still wants more for it.

But what is this handpicked revolution really like? What hope does it hold? How will Latin America fare if the administration has its way and others follow the path of the so-called revolution in Bolivia, the one that the administration supports, subsidizes, and sanctifies?

It could hardly be called democratic. It came into power with a secret police, political prisons, a political militia, and a high tolerance for Communist influence. Its ideology is basically Marxist.

By the time it was handpicked as the answer for Latin America, the government had nationalized 70 percent of the means of production and had expropriated privately worked lands rather than properly work the land it already owned.

It had socialized the tin mines that had formed the economic base for the nation's industry. And production, under socialism, under the administration's dream for Latin America, promptly fell off by 59 percent.

When the administration discovered and began coddling them, they had also anticipated the administration's domestic economic policy, the "purchasing power" theory of economic growth. To get forced draft economic development, the Bolivian revolutionary government, the bright hope, printed more and more money. Simple isn't it? If the people have more to spend, all will prosper. Real productivity was left to run a very poor second.

The result, which seems not to have dismayed the administration at all, is that by the time it picked it, the revolutionary, Socialist regime had forced the cost of living up more than 3,000 percent.

It's easy for the present foreign policy to absorb blows such as that. It is, after all, formless to begin with. To show you just how formless, and fiction ridden, listen to the foreign aid administrator, David Bell, testifying before Congress as to the Bolivian situtation. He called it "the most difficult case we have," and admitted that our budgetary support seemed to be getting nowhere. Yet, in an official memorandum, the same David Bell listed Bolivia as a country that had achieved substantial growth with continuing external independence as a result of our aid.

What do the Bolivians say of the program? Well, it has proved very useful in a special sense. The failures of socialism now can be, and are, blamed on American aid. But still we subsidize socialism there. Still we hold on to the hope that it will be a model.

Meanwhile, the Castro subversion spreads—social order which the administration hopes to build with dollars and dependency, crumbles.

The administration has created no new good neighbors in Latin America. It has, instead, opened the hemisphere's doors to new enemies. The Alliance for Progress has brought no new unity, no true alliance, and no real progress.

Instead, under the Alliance, hopes of unity against Castro have been sacrificed to unrealized hopes of unity in social progress. And social progress has become the progress of socialism.

Domestic and foreign capital, under the Alliance, have been leaving Latin America even faster than the aid program can replace it. Is that progress? Toward what? Bankruptcy perhaps, certainly not progress.

So long as the administration regards the problems of Latin America as nothing more than an exercise in grade school sociology, the Alliance will be an illusion and the progress will be backward.

Land reform is not Latin America's first problem. The wise cultivation of lands already open is the problem. Dependency or interdependence, or whatever the current catchphrase may be, is not the problem; the means to real independence is the challenge. Tolerance of communism is not a sign of political liberalism in Latin America, it is a sign of political unreality and of eventual disaster.

Socialization of industry is not the bright promise of productivity, it is the gloomy precursor of depression and more dependency. Burgeoning bureaucracies to plan for the people is not the answer. People who are educated to plan for themselves is a vital part of the answer. Sound business management cannot grow in lands encouraged to forsake business for bureaucracy, to substitute sociological models for real markets.

Latin America, as indeed the whole world, is today a game of political touch football for the administration. Latin America's problems, as indeed the whole world's problems, are polished off as parts of the political sloganry of the administration. They are not solved, they are merely salved, by talk, talk, and more talk. They are touched—not tackled.

If domestic politics demands a new image, then polish up all the slogans of peaceful coexistence. Never mind that, at a time when communism is cracking across the globe, this means that we rush to support it with trade, with treaties, with eased pressures. Leave the problems of a retrenched Communist world for tomorrow; solve today only the political problems of the administration. Patch a crisis there; prescribe a pill somewhere else; make a concession here, there, the next place; promise, promise, promise; spend, spend, spend; elect, elect, elect. That is the equation from which the formula for our foreign policy failures has been figured.

Lord knows what baubles will be pulled from the grab bag in 1964 to divert, with some momentary flash, our eyes from the failures of 4 fruitless years of floundering foreign policy. There will be something, we can rest assured. Cuba was used once—it may be used again. But sugar candy must not buy another go-round of the same failures. All Americans, one way or another, will have to pay for the failures so far. They do not have to vote for them.

Our foreign policy, along with the strength of our domestic economy and the state of our arms, is the frontline of the struggle today. We cannot buy peace, we must earn and deserve it. We must win it—win it by

foreign policies that are gaged on their service to the cause of freedom everywhere and to the confounding of the enemy's assault. We must win it—by a strength and dedication of purpose at home, by a new depth of patriotism—not by efforts to make it unfashionable. We must win and keep the peace by the proof of our way of life, by the vitality of its production, by the merit of its spirit. We must win and keep the peace by clear declaration to all the world that the cause of freedom will not be negotiated, will not be walled off by compromise and detente.

The peace we seek is the peace of open societies, not closed deals. The only peace we can have is peace in freedom, peace in justice. And in God's good cause and just time we can win that peace; the only peace worthy of the sacrifices we have made and will make; the only peace worthy of the world in which we want our children to live.

Let this be our cause—and the victory will be mankind's.

REMARKS OF SENATOR BARRY GOLDWATER, REPUBLICAN OF ARIZONA, BEFORE THE REPUBLICAN WESTERN CONFERENCE, EUGENE, OREG., OCTOBER 12, 1963

This Nation, in 1964, will choose more than parties and persons in its election. It will choose a way of life, and a way of living. Beyond all the quibbling, the slogans, the details of programs, and the programs of detail, the ballot boxes of 1964 will be the crossroads markers of our future.

Pick the one path, the rutted path of New Frontier futility, and factionalism will replace federalism, paternalism will replace responsibility, compromise will replace conscience, and chaos will replace order under law. The signs have been planted aplenty on the New Frontier; bureaucracy as a way of life, contrived complexity as a way to obscure issues, contrived issues as a way to avoid decisions.

Republicans have blazed another path; a path of real progress rather than sugarcoated status quo. Republican candidacies from the town hall to the statehouse, from the Congress to the Senate, to the White House itself, offer the real changes, the real choices to which all Americans can rally, to which the heart and hopes of the whole world can respond.

Four years of drift at home, 4 years of doubt and indecision abroad, mean that America needs that change, that freedom needs that change, that America and freedom both need the chance that the change will bring.

This is no stopgap election in 1964. This is not one just for record books. This is one for the history books.

We stand now at the latter end of the second century of the American experience, the American Revolution. We are as old, in our people and our heritage, in the ways of freedom as any nation on earth.

But this freedom, this America is a fragile moment in history's long span. Freedom always has been. It has not been the rule of mankind. It has been the exception. Today it remains the exception. And, today, it remains the issue.

Controls, coercion, compromise with tyranny are the marks of the New Frontier; big words and petty deeds are its adjectives and verbs; promises are its substitutes for performance, and its vision of issues is no wider than its view of electoral expediency.

But the real issue remains. Freedom. And which party will more effectively preserve and enlarge it? Can there be any doubt?

The current administration fears the people and doubts their wisdom. Can it build freedom on such a base?

The current administration confuses its friends and consoles its enemies abroad? Can it enlarge human freedom from such a failure of will and wit?

The current administration spreads fear of war while it misunderstands and mishandles the power to preserve the peace and win the victory for freedom which is the sure way to peace. Can it say to communism that your grandchildren will live under freedom, while it seeks to divide the world with tyranny?

What is the Republican alternative? Is it a mystery, a secret hidden in some particular briefcase awaiting a dramatic moment of revelation? It is not. Republicans have spelled it out. Republicans have worked it out. They are experienced in freedom. They believe in it. They have made it work. They have made it real. In 1964 they can make it live again.

Already we have inscribed our principles and policies, clearly and understandably—not obscuring them under a mass of words written like the predictions of the Oracle at Delphi, or the Oracle at Hyannis Port, so that meanings can change as moments demand.

Under the chairmanship of Congressman MEL LAIRD, in June 1962, a committee of Representatives and Senators issued a declaration of Republican principle and policy. It was accepted as a unanimous report in both Houses.

It was not drawn from expediency, it was drawn from long conviction and proven performance. It was not drawn to serve the needs of a moment but to serve the future of the Nation.

Republicans stood on that statement then, they can stand on it today. We do not change principles to curry favor or to gain political advantage. There is nowhere on the New Frontier any such enduring statement. There could not be, for the New Frontier is bereft of principles, barren of frankness, and bogged in doubletalk.

Let's listen instead to Republican straight talk. Let's listen to and work for Republican principles.

Starting at home, where do we stand? First and foremost, for a free competitive economy. We hold that American labor, business, industry, science, and agriculture get the jobs done, pay the wages, and create the rising standard of living. Government cannot do those things. It can only encourage them.

Republicans understand this. They understand business and jobs and what creates them. The current administration does not. Its lack of sympathy for a free competitive economy has been made abundantly clear.

The current administration is pessimistic. It believes that economic growth can only come through bureaucratic growth and heavyhanded bureaucratic controls. They fear the people spending their own money and argue that Government should spend more and more of it for them.

The current administration plans deficits. Republicans seek to end them. Republicans believe, as their declaration of principles states, in "a thorough overhaul of the tax system to encourage production, build jobs, and promote savings and investment." But they believe also that economic responsibility must couple that with a halt to the upward spiral of Federal spending, especially for nondefense purposes.

We have spelled out a guiding principle here and I will quote it directly: "We believe that government must prudently weigh needs against resources, put first things first, rigorously tailor means to ends, and understand the difference between words and deeds. The future will be built by those who work for it—not by those who only promise it."

The currency of this Nation, upon which the security of homes and families is based, is no plaything to Republicans. It is a prime responsibility, needing stability, not political whimsy.

At every point these Republican principles point a way far different from the New Frontier's, with its fear of the people and love of power.

What does our statement of principle say of health care and education? All Americans should heed it well. It is no feeble echo of New Frontier nonsense. It is exemplary of the basic difference in our approaches, the basic difference between handheld power and individually held responsibility.

"Republicans seek to preserve the system that has provided the highest quality of hospital and medical care available anywhere on earth. We reject attempts to run a legislative bulldozer through the structure of voluntary health insurance and private medicine. Effective tax relief for medical and hospital insurance should be given to all."

The same Republican approach is clear in the field of education. Rejecting schemes that would substitute Federal direction for local or private control of our schools, we urge a course that is closest to the people, most responsive to their needs, most responsible of their freedom.

Our declaration says that "tax relief should be given to those who bear the burden of financing education for themselves for others."

Of public assistance programs we say that they should put "a floor over the pit of poverty, never a ceiling on personal achievement. They should strive to equip individuals to become self-supporting. The qualified recipient, as well as the taxpayer, must be protected from the abuse of welfare funds."

In the area of Federal-State relations, the whole great area of the Federal system, our principles are clear and challenge clearly the effrontery of the New Frontier. We believe in the Federal system of balanced powers and the prevention of centralization of power. The New Frontier distrusts the Federal system and moves everywhere to weaken it.

It is New Frontiersmen who attack the Congress most violently, damning it for doing its job, demanding that it become a rubber-stamp for the Executive.

It is New Frontiersmen who scoff at the State houses of this Nation, denying them credit for the ability to solve their problems or denying them the opportunity.

It was a New Frontiersman, Senator JOSEPH S. CLARK of Pennsylvania, who downgraded the Congress in the most astounding fashion I have ever heard of. He said in a recent article—and I quote:

"The legislatures of America, local, State and National are presently the greatest menace to the successful operation of the democratic process."

It is Republicans who stand foremost in their dedication to a Federal system based upon 50 great States and one great Constitution.

Federal, to Republicans, means all of us—means the responsibility and the means to act when and only when the people cannot be adequately served by State or local governments. Federal, to the New Frontier, means unprecedented peacetime concentrations and uses of power to mold and force, to bend and break; not to serve but to silence and command.

Republicans believe in the individual's right and capacity to govern himself—to set his own goals—to make his way to them without the restraints of regimentation. That, too, is a Republican principle for all to hear and all to heed.

We Republicans believe that Americans consent to be governed. We do not elect to be ruled.

In foreign policy, Republican principles are no mish-mash of promises to be broken under every pressure of negotiation. They are guidelines for a world of open societies.

secure in freedom, blessed by peace with justice. Such principles can inspire men. Lesser ones can but confuse them as they now are confused.

Let me quote these principles too, for all Republicans can be proud of them, all Americans can be proud of them, and the whole world could be inspired by them.

"The world cannot permanently endure part Communist and part free. In a world dominated by communism, liberty would become a luxury which Americans could not afford. Republicans believe that this Nation which has, under God, proclaimed liberty throughout the land, must now dedicate its strength to proclaiming freedom throughout the world.

"In foreign policy, the overriding national goal must be victory over communism through the establishment of a world in which men can live in freedom, security, and national independence. There can be no real peace short of it.

"An active strategy aimed at victory does not increase the risk of nuclear war. Weakness and irresolution on the part of the United States—which could lead the Communists to underestimate the intensity of the devotion of free men to their freedom—are more likely to bring the world to hot war than are strength and firmness.

"American strategy should be tested by this standard: If it advances the cause of freedom, do it. If it injuries that cause, reject it."

What has the New Frontier to offer in that area? It has the wall in Berlin. It has the slow takeover of Laos. It has the Bay of Pigs. It has chaos in Vietnam. It has the drying shell of what was once the mightiest alliance for peace and freedom ever forged, NATO. It has new enemies and few good neighbors in Latin America. It has in short, failure and fear where, under Republicans, we had known forthrightness, hope, and confidence.

Americans must be disillusioned by the defaults at home and the disarray abroad. The whole world must be dismayed. Only our enemies can be comforted by the world picture painted in the arid and barren policies of the New Frontier, the new wasteland of American will. Munich also was such a frontier of folly and a waste of hope.

History and destiny watch us today but could discard us tomorrow should we fail to respond, not simply react, to the challenge both have placed before us.

I love this land and I believe in its future and its people. Its institutions of freedom have been worth dying for and remain worth living for.

There is a new mood in this land that clearly calls upon us to say these things and do these deeds for which Republican principles, Republican experience, Republican dedication befit us.

The history of liberty, it has been said, is a history of the limitation of government power, not the increase of it. It is such a turn in the history of liberty that must concern us at home.

The history of liberty, also, is a history of resistance to tyranny and its overthrow. It is such a turn in the history of liberty that must concern us everywhere in the world.

Those whom we will oppose in 1964 have defaulted their leadership to turn the tide against tyranny abroad. And they have rejected limited government at home. They stand naked in the indictment of basic principle no matter how well clad they may be by sequin slogans and flannel promises.

America must have a choice and freedom must have a chance. Republican principles, Republican candidacies offer the choice, give the chance, and reaffirm the right of the people of this God-blessed Nation to reclaim the powers they are loosing, to rededicate the will they are wasting, and to win the peace for which they are praying.

THE UNITED STATES IS BUYING BOTH BUTTER AND GUNS FOR AGGRESSOR NATIONS—WE MUST STOP IT NOW

Mr. GRUENING. Mr. President, I ask unanimous consent that the names of the junior Senator from New Jersey [Mr. WILLIAMS], the junior Senator from Connecticut [Mr. RIBICOFF], and the junior Senator from Ohio [Mr. YOUNG] be added as cosponsors of my amendment number 231 to the Foreign Assistance Authorization Act, which I am now about to discuss.

The PRESIDING OFFICER (Mr. McGOVERN in the chair). Without objection, it is so ordered.

Mr. GRUENING. Mr. President, one of the amendments to the Foreign Assistance Act—H.R. 7885—amendment 231, which I have submitted, on behalf of myself, Mr. JAVITS, Mr. MORSE, Mr. CASE of New Jersey, Mr. WILLIAMS of New Jersey, Mr. RIBICOFF, and Mr. YOUNG of Ohio, would deny assistance to any nation which the President determines "is engaging in or preparing for aggressive military efforts directed against" the United States or any nation receiving aid from the United States.

This is a perfectly simple amendment, based on a perfectly simple principle. Its adoption would strengthen the bill and will enhance the repute, prestige, and good name of the United States.

Our military assistance is given to enable a friendly foreign nation to be strong enough militarily to defend itself against aggression. Our military aid is not being given to enable any nation to become a military aggressor.

Our economic assistance is given to help an undeveloped friendly country help itself economically. When this economic assistance is diverted—directly or indirectly—by the receiving nation, so that it can arm itself in order to be the aggressor militarily against another nation, then the basic principle of our aid program is violated, for the nation thus acting is obviously not helping itself grow economically.

In both cases, the receiving nation is indicating that it is more interested in aggression than in economic growth and in the welfare of its people which U.S. aid aims to succor. There then remains not a particle of reason why the United States should continue its assistance to that nation.

The urgency of taking this action is vastly increased when the nations against which aggression is aimed are also receiving our assistance, for it requires such threatened nations to divert badly needed development funds to strengthening themselves militarily to resist the threatened or actual attack.

Thus we can say that any aided nation which embarks upon a course of military aggression—whether actual or potential—is causing a double waste of U.S. taxpayers' dollars.

Mr. President, let me lay to rest for all time, I hope, the myth that if the U.S. aid dollar cannot be traced directly to the purpose of military hardware or the paycheck of a member of the aided nation's armed forces, then our economic aid is not being used to arm the aggressor. Such a statement is utter nonsense.

One cannot look at a nation with blinders on. We must look at the total economy. If our aid money relieves one area of the economy, then the nation thus aided with our funds is able to purchase arms, rather than to devote both sums to economic development. The situation is just that simple.

Aggressor nations, such as Egypt, Algeria, Morocco, and Indonesia, do not want to choose between guns and butter. They want both guns and butter, and they want the U.S. taxpayers to foot the bill—or at least a part of it. They want to use butter money to buy guns. And, Mr. President, the amazing part of this sorry tale is that the U.S. Government is going along with this support of military aggressive buildups.

Consider, Mr. President, our actions vis-a-vis Egypt: Here is a country with a population of 25.3 million living on a land of 386,000 square miles, with a literacy rate—a literacy rate, not an illiteracy rate—of 25 percent.

Earlier this month, I made a report to the able and distinguished senior Senator from Minnesota [Mr. HUMPHREY], as chairman of the Subcommittee on Reorganization and International Organizations, of the Senate Committee on Government Operations, of my study of the U.S. foreign aid programs in 10 Middle Eastern and African countries. The report covers 472 printed pages. One of the countries studied was Egypt. I shall call to the attention of the Senate certain portions of my report; and I ask unanimous consent that the entire chapter dealing with Egypt be printed in the CONGRESSIONAL RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. GRUENING. Mr. President, I now read certain portions of my report:

> Col. Gamal Abd el-Nasser, President of the United Arab Republic (Egypt), has been responsible, more than any other single individual, for keeping the political caldron boiling furiously in the strife-torn, arid Middle East since July 23, 1952. He has also been responsible for the other nations in this area diverting funds from sorely needed economic development to arms.
>
> He is still, 11 years later, pouring oil on whatever brush fire breaks out there, seeking his own personal and Egypt's national aggrandizement, in that order.

Mr. President, the fact remains that he is the only ruler of any of the nations in that area who avowedly and persistently seeks to export his own brand of economic and political socialism and urges the violent overthrow of neighboring governments. In this regard, he is on a par with the Communists, with whom he is professedly at loggerheads, but whose arms and economic aid he willingly accepts.

The parallel between Khrushchev's Russia, Nasser's Egypt, and Hitler's Germany is striking.

Both Egypt and Russia are police states where individual freedoms are ruthlessly suppressed. So was Nazi Germany.

Both Egypt and Russia are states in which the Central Government owns and operates the total economy. So did Nazi Germany.

And, most important, both Egypt and Russia want to export their own brands of government, being willing—and they speak openly of their willingness—to repress resistant peoples by force, if necessary. So did Nazi Germany.

It must be remembered that it was Colonel Nasser himself who, after the Suez Canal fiasco in 1956, gave the Russians their first foothold in the Middle East. It was Colonel Nasser who invited them into Egypt with their arms and their technicians.

Egypt has been most adept at playing off the Soviets against the United States. Egypt, Syria, and Yemen are absolutely dependent upon Soviet arms—so much so that Soviet transport jets were standing by to transport Egyptian troops to Yeman even before the revolt broke out there, and have continued to furnish the transportation for the Egyptian troops in Yemen and their supplies. All three countries, while blowing hot and cold with respect to local Communists, continue to welcome technicians, in sizable numbers, from the Soviet-bloc countries. And, most recently, on September 3, 1963, in the Security Council of the United Nations, the Soviet Union vetoed a resolution, sponsored by the United States and the United Kingdom, condemning the "wanton murder" of two Israel farmers by Syrians within Israel territory, 2 weeks before. The resolution was supported by the United States, the United Kingdom, France, Nationalist China, Brazil, the Philippines, Norway, and Ghana. It was the third time since 1954 that the Kremlin had vetoed a resolution opposed by the Arab nations. Yet, despite the military maneuvering of these three countries with the Soviet-bloc nations, U.S. economic assistance continues most generously to them.

When I spoke to Colonel Nasser, he stated that after the poor showing made by his soldiers against the English, France, and Israelis, his officers had demanded that he accept the Soviet offer of arms. Against this statement must be placed the fact that the three-party invasion was precipitated by his rash action, in a fit of pique, in seizing the Suez Canal—a lifeline for Britain, France, and Israel.

Today, militarily, Egypt is completely dependent on Soviet-bloc countries. Colonel Nasser has maneuvered himself into the position of being completely dependent on Communist Russia for a continued flow of arms and parts. Should that flow be cut off, Egypt is militarily unarmed. Syria and Iraq are in the same position. And those are the very countries in which the Nasserites seem strongest.

It is difficult to obtain any reliable figure as to how much military and economic aid thas been going to Nasser from the Soviet Union. The best figures are that it is roughly equivalent to $920 million, although not on as liberal terms as ours. We sell Colonel Nasser Public Law 480 food and fiber for Egyptian pounds which are used for the development of Egypt and its people. Soviet Russia sells Egypt weapons in exchange for cotton which is used for the benefit of Soviet Russia and its people.

One cannot help but wonder where our policy vis-a-vis Colonel Nasser will ultimately lead.

The fact is that since September 1962 Nasser has been carrying on a war of destruction against the people of Yemen in which 28,000 of his troops are engaged and in which he is aided by Soviet fighter planes. The fact also is that his powerful radio transmitters constantly beam messages of hate and destruction against Jordan, Saudi Arabia, and Israel. Until he succeeded in bringing about the revolutions in Syria and Iraq, his radio urged the violent overthrow of the governments of those countries. Now he is engaged in a hate campaign against the Baathists in Syria because they have not seen fit to go out of existence in favor of Nasser's own followers in Syria.

The current official suggestion is to disregard Nasser's radio hate campaign because that is the way things are done in the Middle East and that both sides are doing it. A careful study of foreign radio broadcasts in that area will show that this statement is not in accord with the facts. Nasser's radio beamed for outside consumption is the only radio preaching the violent overthrow of other governments and the assassination of their rulers.

It is indeed ironic that Nasser's proficiency in radio propaganda—and everyone admits that he is proficient—should have been achieved, or aided, through the use of AID funds. Thus, AID project 263–G–22–AA, for which over $1 million has been obligated through fiscal year 1963 is "to assist the United Arab Republic to establish and operate within 5 years a 'Telecommunications Research and Training Institute.' The U.S. Government set out in fiscal year 1961 to assist the United Arab Republic staff in operating this institute so that, in time, it will be well organized and efficiently operating."

Two points must be stressed in connection with this arms buildup by Nasser.

First. He is doing it with U.S. AID dollars just as surely as though the AID dollars were going directly to Russia for the purchase of jet fighters or directly into the pockets of the German Nazis masterminding the design and construction of these weapons. There are some with blinders who would say that this is a misstatement—that AID dollars go for Public Law 480 food and fiber, and for worthwhile development projects. To the extent that we relieve Nasser's normal budget of the cost of food, fiber, and development projects we permit Nasser to have his cake and eat it too. He can divert that much into his arms budget for an arms buildup and let the United States pick up the check for the food, fiber, and development projects.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. GRUENING. I am happy to yield to the Senator from Oregon.

Mr. MORSE. I am so glad that the Senator from Alaska has made that point, because although those who do not share our criticisms of the bill will say, as the Senator from Alaska has pointed out, that we are not giving Nasser direct military aid; we are giving aid to his economy, which means that his own funds are released to that amount for other purposes. Therefore, he uses the funds that otherwise he would have to use to supply the food for his people for the very instrumentalities of war which enable him to continue to threaten to make war in the Middle East whenever he thinks he is strong enough to do it. So what the Senator is really raising is the basic fundamental question as to whether or not we are going to give support to any country, including Nasser, that takes the position that they will use their military might for nonpeaceful purposes.

The United States cannot have its cake and eat it, too. The United States cannot hope to have the confidence and respect of the people of the free nations of the world if we continue to support, aid and abet in their warlike tendencies totalitarian nations.

No one can dispute the fact that Nasser operates a totalitarian nation. No one can dispute the fact that he is a totalitarian, that he is a dictator, that he is a despot.

What we are trying to do in a series of amendments is to get the Senate to face the basic foreign policy question. Has not the time come in the history of American foreign policy for us to square our actions with our professions?

Mr. GRUENING. That is true; and the amendment is a strengthening amendment. The amendment would not merely strengthen the foreign aid program, but would enhance the repute and good name of the United States throughout the world.

Mr. MORSE. I could not agree more completely. It is an amendment that would strengthen the cause of freedom around the world, because unless we are able and willing to devote our resources to the aid of freedom in the world and stop using them to aid dictatorships and despots who threaten to breach the peace, we cannot hope to maintain the prestige that we ought to have among the free people of the world—and we are not maintaining it.

The American people had better get over the attitude that our Government can do no wrong. The fact is that our Government is doing wrong constantly in the field of foreign policy. But the American people do not know about it. The American people are not aware of the wrongs of the Government of the United States. The American people do not know the facts about American hypocrisy in the field of foreign policy. The American people have concealed from them facts that they are entitled to know about the administration of the American foreign policy. We, the elected officials of the people, cannot tell them, because our lips are sealed by so-called top secret labels.

As the Senator from Alaska knows, for he has been joining me in the endeavor, I have been battling away, along with some wonderful colleagues, to take us down another fork of the road of American foreign policy. I desire that we turn back from our present direction and go down the road that will lead to the goal of full public disclosure of the public's business, for we do not have a democracy if we do not have full public disclosure of the public's business.

But the question is asked, "Senator, does this mean that you would make available to your potential enemies information that would assist your potential enemies in weakening the fabric of the American system?"

Of course not.

I point out that such information is de minimis compared with the great bulk of information on which our Government stamps the label "top secret." I do not like to say these things, but they are true, and they need to be said. Many items marked "top secret" should not be marked "top secret." The American people are entitled to know what is being done in the field of foreign policy, because it must be their foreign policy, and not the policy of the President or of the Secretary of State. There will be no system of freedom as a government in this country if the foreign policy does not belong to the American people, with the President carrying out his constitutional obligation to administer the people's foreign policy.

As a member of the Foreign Relations Committee I say to the Senator from Alaska that if a great deal of the material marked "Top Secret" were made available to the American people, they would demand that the policy be changed. I have explained this to the present administration, and also to the previous administration, because this problem is not new with the present administration. For 8 years under the previous administration, under another party, the same policy prevailed.

Mr. GRUENING. That is correct.

Mr. MORSE. I do not believe there are many significant differences between the foreign policy of this administration and the foreign policy of the preceding administration. There should be some changes. We should have a new policy. So we have prepared the amendment.

I have been in conference today with administration officials, in connection with another amendment of which the Senator from Alaska is a cosponsor, as I am a cosponsor of his amendment. I have made clear to the administration that I have no intention of changing my position on the amendment.

I shall discuss later this afternoon the amendment which would provide that no economic or military aid shall be granted to any regime which comes into power through a military overthrow of a democratic, constitutionally elected government. The notorious cases of the moment are, of course, the Dominican Republic and Honduras. They will not be the last ones—if we do not change our policy.

Mr. GRUENING. That will inevitably happen unless we stand firm.

Mr. MORSE. If we maintain this policy, the United States will have to assume its full share of responsibility for more military overthrows in Latin America.

Mr. GRUENING. And the Alliance for Progress will be destroyed.

Mr. MORSE. I do not intend to put that blood on my hands, for there will be bloodletting in those overthrows.

Mr. GRUENING. There was bloodletting in Honduras, when some 80 people were killed, and there is violence now in the Dominican Republic, which there was not under its duly elected democratic regime.

Mr. MORSE. I do not know how long the opposition will last, but at this moment the administration looks askance at my amendment, which would provide that if there were an overthrow, and subsequent events caused the President of the United States to believe it to be in the national interest that we should grant economic and military aid to a government which had overthrown a constitutionally elected democratic government, the President would be required to send a report to both Houses of Congress setting forth the reasons for his request that economic and military aid be made available to the new government. If Congress by concurrent resolution approved the report, the President could grant the aid, but if Congress did not, he could not do so.

What is wrong with that procedure?

Why is there so much concern about it? Are those opposed to my resolution afraid of Congress? Are those opposed to my amendment afraid of the people who elect the Congress under our system of checks and balances? There is a constitutional duty of Congress to check a President if he follows a course of action which in the opinion of Congress is not in the public interest.

This amendment would not interfere with the constitutional powers of a President, but it would guarantee the exercise of the right of Congress to check on the expenditure of taxpayers' dollars; because when we talk about military and economic aid, we are talking about taxpayers' dollars. We are talking about a good many other policy questions, too, but we are talking about the people's money.

In my judgment, we have a clear duty to see to it that no President—I care not what his party affiliation may be—is given the unchecked power, after a military overthrow of a constitutionally elected government, to supply the new military government with money for economic and military aid, even though it may be acting behind a facade of civilian stooges.

I shall discuss this question many times before a final vote on the bill, because I am perfectly satisfied that the American people are with me. I am also perfectly satisfied that the leaders of democratic, constitutionally elected governments in Latin America, in an overwhelming majority of cases are also with me. I shall continue to discuss this issue until I am satisfied it is understood across the land, and then I shall call for a vote and let the majority work its will.

Mr. GRUENING. Mr. President, there may also be some who would say that if the United States did not sell Nasser the food and fiber, the Russians would be glad to do so. This does not jibe with the facts. The Russians are not giving anything to Nasser. They are bartering arms for cotton. They are loaning him money to build the Aswan Dam. And, finally, Russia's agricultural economy is not good enough to take on the added burden of feeding 22 million Egyptians. Russia has trouble doing that for Castro and herself.

Nasser's diversion of AID dollars to an arms buildup requires his neighbors to follow suit—at the expense of their own sorely needed economic development and, in the case of Jordan and formerly Israel, at the expense of the U.S. taxpayer—the New York Herald Tribune for January 2, 1963, reported Israel's defense spending up 17 percent for this year.

They do not want to do it, but they feel they must because of Nasser.

Here again there will be those with blinders who will say that we have given no military assistance to Israel and comparatively little to Jordan. Here, too, those who make such a statement will have missed the point. To the extent that Jordan or Israel have had to divert badly needed funds from their own economic development, because they felt it necessary to be prepared to defend themselves against Nasser's open threats, to that extent has the United States been forced to give both Israel and Jordan economic assistance, which in the case of Jordan has amounted to $325.3 million, and in the case of Israel to $878.9 million.

On April 30, 1963, I stated on the floor of the Senate:

> At the same time Nasser is receiving military aid from Soviet Russia, he has a great many ex-Nazis working to provide the modern weapons of destruction for his purpose to carry on the war against Jordan and Israel. In a recent book entitled "Behind the Egyptian Sphinx," which was called to our attention by our American military in Egypt, are listed a number of ex-Nazis who are wanted in Germany for their manifest crimes, who are not merely safely ensconced in the United Arab Republic but are employed to help Nasser in his sinister purpose to destroy his peaceful neighbors.
>
> What possible justification can there be for the United States to be pouring in its dollars, not only to support, but to encourage, a regime of this kind, which has drawn to itself all the elements which are antithetic to the professed purposes of the United States, in order to carry on a warfare which Nasser has never ceased to preach and for his objective to conquer and destroy.
>
> Unless the United States reverses its program promptly, and does more than merely study, review, and view with alarm, unless we act definitely, there is going to be a destructive war to the death in the Middle East in which thousands of people will be killed and in which we will inevitably be involved.

Mr. President, I am not alone in making this comparison between President Nasser, Adolf Hitler, and Joseph Stalin.

Others have made it, and I am quite concerned that these repeated warnings have gone unheeded.

Mr. President, I ask unanimous consent that articles from the Reporter magazine, from the Committee to Prevent World War III, and from the New York Times, the Washington Post, and the New York Herald Tribune be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibits 2 through 7.)

Mr. GRUENING. Mr. President, I especially call to the attention of my colleagues the following statement from the excellent article which appeared in the Reporter magazine entitled "Our Yemen Policy: Pursuit of a Mirage," by Philip Horton in the October 24, 1963 issue of the Reporter:

> The U.S. decision also sharply reduced the leverage Washington could have exercised on Nasser through its aid program, which provides a third of Egypt's food. It eliminated the possibility of any official U.S. negotiations with the royalist government to seek a peaceful compromise between the two factions. Finally, on the international scale, recognition was widely interpreted in Middle Eastern countries, Arab and non-Arab alike, as a U.S. acknowledgement of Nasser's right to pursue his ambitions and his "philosophy of revolution" by sending a large expeditionary force into a neighboring country.

I also call to the attention of my colleagues the following portions of the articles entitled "Unmasking German Plans in Egypt" and "German-Egyptian Rocketry" published by the Committee to Prevent World War III, which in my opinion has rendered an outstanding public service in calling these matters to the attention of the public:

> The society has published a number of articles dealing with the German general staff's postwar plans. We now charge that here in Egypt as well as in Spain, the Germans shortly after the end of the war, were able to continue and to expand their work in all military spheres for the day when they could once again confront the world with an ultimatum. To some of our readers this may sound unduly alarmist and melodramatic. In that case, let them ponder the following statement: "Nazi party members, German industrialists and the German military, realizing that victory can no longer be attained, are now developing postwar commercial projects, are endeavoring to renew and cement friendships in foreign commercial circles and are planning for renewals of prewar cartel agreements * * *. German technicians, cultural experts, and undercover agents have well-laid plans to infiltrate foreign countries with the object of developing economic, cultural and political ties.
>
> German technicians and scientific research experts will be made available at low cost to industrial firms and technical schools in foreign countries. German capital and plans for the construction of ultramodern technical schools and research laboratories will be offered at extremely favorable terms since they will afford the Germans an excellent opportunity to design and perfect new weapons. This Government is now in possession of photostatic copies of several volumes of German plans on this subject * * *." This statement is excerpted from a State Department declaration dated March 30, 1945.
>
> The society solemnly declares that it is the duty of our Government together with our allies to conduct a full-scale investigation of all of the ramifications in connection with the German presence in Egypt and present its findings to the world. To equivocate or to pretend that this matter has been unduly inflated is to literally gamble with the security of the United States and our allies.

Mr. President, it will be noted that these articles point out the same dangers as I point out in my report. Just within the last few days, newspaper accounts show that President Nasser is interfering in the conflict between Morocco and Algeria and sending his troops to aid Algeria. And always there is the sinister figure of the U.S.S.R. in the background, supplying arms and technicians.

The time has come, Mr. President, when we must reexamine our entire policy of continuing to aid aggressor nations such as Algeria, Morocco, Egypt, and Indonesia.

Over the years we have given to Algeria, Morocco, and Egypt a total of $1,328,500,000, according to the following table, which I ask unanimous consent to have printed in the RECORD at this point.

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

U.S. foreign assistance, in millions

Year	Egypt	Morocco	Algeria	Total
1946–48	$18.1	-------	(1)	$18.1
1949–52	1.5	$0.3	(1)	1.8
1953	12.9	(2)	(1)	12.9
1954	4.0	.3	(1)	4.3
1955	66.3	.1	(1)	66.4
1956	32.9	.3	(2)	33.2
1957	.3	29.8	$0.8	30.9
1958	−.2	34.5	.1	34.4
1959	49.2	48.2	.7	98.1
1960	92.9	81.1	.6	174.6
1961	106.4	107.5	2.3	216.2
1962	224.1	49.8	10.4	284.3
1963	198.7	75.0	79.6	353.3
Total	807.1	426.9	94.5	1,328.5

[1] No programs prior to fiscal year 1956.
[2] Less than $50,000.

Mr. GRUENING. Mr. President, our aid has enabled them to wage these aggressive wars. Since they appear to be more interested in personal aggrandizement than in the economic development of their countries and since they have diverted our economic aid to their own rearmament for aggressive purposes, I propose in my amendment that further aid to these countries be stopped—and stopped at once.

It is time the United States recognized that we and the world can no longer continue to buy butter for Egypt, Algeria, Morocco, and Indonesia, thus freeing their own meager resources to buy guns to wage war upon their neighbors.

I ask support of my amendment—No. 231—which I remind my colleagues is identical with the provision in the House-passed bill.

In conclusion, Mr. President, I would point out that President Nasser has been the most disturbing element in the Middle East in the last decade. He has been able to become this disturbing influence because we have backed him up in each instance and have come to his rescue whenever he has gotten in over his head.

The time has come to revise our policy.

It is high time that our Ambassador to Egypt, Mr. Badeau, be recalled. He is more Egypt's Ambassador to the United States than the reverse.

When I was in Cairo earlier this year and when I suggested that we no longer support through our economic assistance program Nasser's aggressive wars in Yemen and now in Egypt—aided and abetted by the U.S.S.R.—I was told that unless we continued to furnish Nasser with economic aid—in large part Public Law 480 grain—he would turn to the U.S.S.R.

The recent requests of the U.S.S.R. for grain from Canada and the United States show how clearly fallacious these arguments are.

Let the United States stand on principle.

We will aid aggressors nowhere in the world. The time to act is now before our own inept policies plunge the world into a worldwide conflagration.

EXHIBIT 1

III–J—EGYPT (UNITED ARAB REPUBLIC)

I. ECONOMIC DATA

Basic data on Egypt

Population (1959)	million	25.3
Annual growth rate (1959)	percent	2.2
Area	square miles	386,000
Literacy rate:		
1958	percent	25
1959	do	25

Egypt (United Arab Republic)

Year	Gross national product			Agricultural production index	Cost of living index (1958=100)	Government expenditures (millions of dollars)
	Millions of dollars	Percent of 1961 in national currency	Per capita			
1954	(1)	85	$120	94	94	564
1955	(1)	94	130	102	94	646
1956	(1)	99	130	103	96	776
1957	(1)	100	130	107	100	790
1958	(1)	(1)	(1)	116	100	794
1959	(1)	(1)	(1)	115	100	765
1960	(1)	(1)	(1)	120	101	828
1961	3,185	100	120	(1)	101	839

[1] Figures not available.

II. CURRENT POLITICAL BACKGROUND

Col. Gamal Abd el-Nasser, President of the United Arab Republic (Egypt), has been responsible, more than any other single individual, for keeping the political caldron boiling furiously in the strife-torn, arid Middle East since July 23, 1952. He has also been responsible for the other nations in this area diverting funds from sorely needed economic development to arms.

He is still, 11 years later, pouring oil on whatever brush fire breaks out there, seeking his own personal and Egypt's national aggrandizement, in that order.

And he is doing so with the assistance of the United States which still continues to

prop him up and, whenever he gets in over his head, to bail him out.

That is not to say that the dove of peace would have settled in the Middle East during these past 11 years if there had been no Colonel Nasser. There is in that troubled area of the world too long a history of political instability and the existence of such factors as poverty and disease to attribute all the woes of the Middle East to Colonel Nasser alone.

But the fact remains that he is the only ruler of any of the nations in that area who avowedly and persistently seeks to export his own brand of economic and political socialism and urges the violent overthrow of neighboring governments. In this regard, he is on a par with the Communists with whom he is professedly at loggerheads, but whose arms and economic aid he willingly accepts.

The parallel between Khrushchev's Russia, Nasser's Egypt, and Hitler's Germany is striking.

Both Egypt and Russia are police states where individual freedoms are ruthlessly suppressed. So was Nazi Germany.

Both Egypt and Russia are states in which the Central Government owns and operates the total economy. So did Nazi Germany.

And, most importantly, both Egypt and Russia want to export their own brands of government, being willing—and speak openly of their willingness—to repress resistant peoples by force if necessary.

So did Nazi Germany.

As one highly qualified writer has stated: [1]

"The promotion of a regime like that of Egypt therefore would seem to be dangerous. For while it is entirely possible to stabilize it through subsidies, it cannot, in the presence of the Soviet Union, be influenced in the direction of a peaceful or liberal development. American assistance has only a very indefinite assurance of Egyptian good will to go on. And even while stabilizing the authoritarian regime it indirectly serves to finance Cairo's subversive campaigns in the neighboring countries.

"Many Americans who listen to these criticisms with complete understanding nevertheless ask: 'But what else can we do but help Nasser? Can we look on passively while he slides into the Russian fangs, or is the victim of a putsch in his own country? Who will guarantee that his successor will not be even more dangerous? Should one give the Soviets the opportunity to nestle even more comfortably in the country via their economic policies?'

"It seems to us that such questions overestimate the danger of a pro-Communist overthrow in Egypt today, but fail to envisage clearly enough the possibility of a Communist revolution after 5 or 10 more years of authoritarian state socialism. Today, it seems to us, there is still a chance for a return to power of an older generation of Egyptians which grew up with liberal ideals."

This same thought was brought forcefully home to me when I visited Egypt in February 1963. It is definitely a police state, as much so as Communist Russia, which I visited 2 years ago. There, too, Nasser is "Big Brother" just as Lenin and Stalin were in Russia, and as Khrushchev seeks to be. The economy is controlled by the state just as firmly as it is in Russia.

As I stood in one of the principal squares in Cairo watching preparations for a major speech by Colonel Nasser that evening and saw the multitude of large posters bearing his picture and as later I heard his speech with its slogans and stirring platitudes, I, too, felt that all that it would take to have that Government become a Communist bloc nation would be to add a few slogans and change a few pictures—or maybe the pictures would not have to be changed.

It must be remembered that it was Colonel Nasser himself, after the Suez Canal fiasco in 1956, who gave the Russians their first foothold in the Middle East. It was Colonel Nasser who invited them into Egypt with their arms and their technicians.

In that connection, the following testimony before the House Committee on Foreign Affairs on April 30, 1963, on H.R. 5490 (Foreign Assistance Act of 1963) at page 437 is most interesting:

"Mr. FARBSTEIN. According to the book, there were 150 U.S.S.R. personnel in Yemen in 1961, but since the revolution in September 1962 the number of U.S.S.R. personnel has risen to about 450. How many do we have there?

"Mr. GRANT [Deputy Assistant Secretary for Near Eastern and South Asian Affairs, Department of State]. Is it under a hundred?

"Mr. GAUD [Assistant Administrator, Bureau for the Near East and South Asia, Agency for International Development]. It is under a hundred Americans.

"Mr. GRANT. I might note on that, Mr. Farbstein, that it was the leader of the present royalist regime that invited the Russians in, several years ago. So that we have an interesting reversal of positions.

"Mr. FARBSTEIN. Except that the facts as I stated them are correct, aren't they?

"Mr. GRANT. Yes; there have been increases. One of our real concerns there has been that the Russians would greatly increase the number of technicians that they have in Yemen. They have been making notable efforts to try to get an enlarged position.

"Mr. FARBSTEIN. * * * You say you assume they are trying to have more people admitted into Yemen, the suggestion being, therefore, that they couldn't get them in under the old regime. Now, with the new regime, they are trying to get them in, and not only are they trying, but they are succeeding."

Representative FARBSTEIN'S interrogation serves to point up a disturbing aspect of the relationship of Egypt, Syria, and Yemen's new regime to the Kremlin. (Iraq can be included in this trio, but it is not included in these comments because it was not among the 10 countries studied.) Egypt has been the most adept at playing the Soviets off against the United States. All three of these Arab States are absolutely dependent upon Soviet arms—so much so that Soviet transport jets were standing by to transport Egyptian troops to Yemen even before the revolt broke out there and have continued to furnish the transportation for the Egyptian troops in Yemen and their supplies. All three countries, while blowing hot and cold with respect to local Communists, continue to welcome technicians in sizable numbers from the Soviet bloc countries. And most recently on September 3, 1963, in the Security Council of the United Nations, the Soviet Union vetoed a resolution sponsored by the United States and the United Kingdom condemning the "wanton murder" of two Israeli farmers by Syrians within Israeli territory 2 weeks before. The resolution was supported by the United States, the United Kingdom, France, Nationalist China, Brazil, the Philippines, Norway, and Ghana. It was the third time since 1954 that the Kremlin had vetoed a resolution opposed by the Arab nations. Despite the military maneuvering of these three countries with the Soviet bloc nations, U.S. economic assistance continues and most generously. This policy is in sharp contrast to the threatened U.S. crackdown on Pakistan because Pakistan had signed an agreement with Communist China providing for the establishment of flights between Dacca and Chinese cities and had signed agreements with Communist China with respect to border demarcation and trade.

When I spoke to Colonel Nasser he stated that, after the poor showing made by his soldiers against the English, French, and Israelis, his officers had demanded that he accept the Soviet offer of arms.

Against this statement must be placed the fact that the three-party invasion was precipitated by his rash action, in a fit of pique, in seizing the Suez Canal—a lifeline for Britain, France, and Israel.

Today, militarily, Egypt is completely dependent on Soviet bloc countries. Colonel Nasser has maneuvered himself into the position of being completely dependent on Communist Russia for a continued flow of arms and parts. Should that flow be cut off, Egypt is militarily unarmed. Syria and Iraq are in the same position. And those are the very countries in which the Nasserites seem strongest.

It is difficult to obtain any reliable figure as to how much military and economic aid has been going to Nasser from the Soviet Union. The best figures are that it is roughly equivalent to $920 million, although not on as liberal terms as our. We sell Colonel Nasser Public Law 480 food and fiber for Egyptian pounds which are used for the development of Egypt and its people. Soviet Russia sells Egypt weapons in exchange for cotton which is used for the benefit of Soviet Russia and its people.

One cannot help but wonder where our policy vis-a-vis Colonel Nasser will ultimately lead.

What have been the reasons advanced for this buildup by the United States of Colonel Nasser as the big man in the Middle East?

The State Department justification for its policy of appeasement was ably set forth by Warren Unna, a staff reporter for the Washington Post in his News Analysis on January 11, 1963, before the revolt in Syria and Iraq. Mr. Unna stated:

"Moreover, to justify its gamble on Nasser, the administration points to the following 'positive' steps he has taken:

"Nasser now is trying to reestablish the United Arab Republic's links with the West, particularly in Europe, and last month provisionally joined the General Agreement on Tariffs and Trade (GATT).

"He and his country have done a complete turnabout in the Congo—from being one of the chief supporters of the late Patrice Lumumba and his leftist successor, Antoine Gizenga, to joining ranks behind the United Nations in its current efforts for Congo unity.

"Nasser has played down his country's Arab holy war with Israel, proposed to his colleagues a while back that the issue be put in the icebox and, for his pains, has been accused by Syria of 'subversion.'

"Nasser personally kept a strict silence a few months ago when it became known that the United States was going to sell Hawk missiles to Israel to help that country defend itself. In former years, this would have been the occasion for a major anti-U.S. campaign.

"Nasser proved more forthright than many of his fellow nonalined leaders at the August 1961 Belgrade conference when he condemned the Soviets' sudden resumption of nuclear testing.

"Nasser, a big booster of Cuban Premier Fidel Castro in the past, is considered to have been surprisingly moderate when the United States had its showdown with the Soviet Union over Cuban missile bases last fall.

"All of these factors are said to convince administration officials that Nasser, despite his penchant for interfering in the internal affairs of his Arab neighbors, still comes out on the plus side, in permitting room for reasonably friendly relations with the free world."

Mr. Unna's column is set forth in full as exhibit III–J–A.

[1] "The United States and Egypt," Arnold Mottinger, Swiss Review of World Affairs, October 1962, p. 17.

"EXHIBIT III–J–A

"[From the Washington Post, Jan. 11, 1963]

"AMERICAN AID FOR NASSER FACES REVIEW

"(By Warren Unna, staff reporter)

"United Arab Republic President Gamal Abdel Nasser's open participation in the revolt in Yemen and his hospitality to potential Saudi Arabian and Jordanian rebel leaders are beginning to raise questions over the wisdom of the U.S. friendly aid program to the United Arab Republic.

"The Israelis fear the success of the Nasser-assisted Yemeni military group in pushing out Yemen's antiquated imamate may encourage Nasser in other foreign adventures in the Middle East.

"The London Daily Telegraph this week said the United States, in making Nasser 'its instrument in the Middle East * * * is committed to the support of an expansionist revolutionary who must, by the very nature of his appeal to Arab sentiment, continually threaten the stability which the United States is hoping to preserve.'

"It was about a year ago that the Kennedy administration decided to take a hard look at Nasser as an independent whom the United States could deal with in the same arm's-length respectful way it deals with Yugoslavia's President Tito.

"The idea was that Nasser now had decided to emphasize domestic needs over Arab and Communist-bloc involvements. U.S. officials thought there could be mutual regard, no hope or thought of conversion, but conviction that since Nasser is keeping his own house in order he and the United Arab Republic would remain within at least a halloo distance of the free world.

"U.S. economic aid to the United Arab Republic was stepped up to $146 million a year, most of it in the surplus food stocks Nasser so badly needed to raise the subsistence level of his people.

"And more recently, preliminary consideration has been give to Nasser's desire for an international consortium, similar to India's and Pakistan's, that would enable the United Arab Republic to double her national income of $140 million by the end of her second 5-year plan in 1970.

"But now comes Yemen, in which the United Arab Republic has invested troops, aircraft, and political direction to turn out one neighboring Arab government it didn't like and keep another in.

"And Egyptians have given considerable publicity to the four Saudi Arabian royal princes, all brothers of ailing King Saud, who defected to Cairo and recently proclaimed the 'Democratic Republic of the Arabian Peninsula.'

"Nasser's government also makes no secret of its delight over providing asylum for the Jordanian air force chief of staff who, along with several other Jordanian pilots, recently defected to Cairo.

"And Nasser's annoyance with the regimes in his fellow Arab States of Syria and Iraq has been repeatedly proclaimed.

"Nasser also undeniably has been putting a lot of money in arms and a large army which might otherwise be devoted to economic improvement.

"But the United States still does not think it has misplaced its bets on Nasser. Administration officials are aware that his meddling in other Arab countries conflicts with U.S. policy to maintain stability and avoid Middle East disputes. But they have no objection to his doctrine of Arab socialism which is aimed at raising the economic level of the Middle East.

"And they consider Nasser the one big figure of the Middle East who neither can be ignored nor forced, through economic needs, into any further dependency on the Communist bloc.

"Nasser already gets arms from the Communists, and the Soviet Union is financing the construction of his giant Aswan Dam. But observers report that Nasser has sensed the danger to his own country's independence of too much involvement with the Communist well-wishers.

"Moreover, to justify its gamble on Nasser, the administration points to the following positive steps he has taken:

"Nasser now is trying to reestablish the United Arab Republic's links with the West, particularly in Europe, and last month provisionally joined the General Agreement on Tariffs and Trade (GATT).

"He and his country have done a complete turnabout in the Congo—from being one of the chief supporters of the late Patrice Lumumba and his leftist successor, Antoine Gizenga, to joining ranks behind the United Nations in its current efforts for Congo unity.

"Nasser has played down his country's Arab holy war with Israel, proposed to his colleagues a while back that the issue be put in the icebox and, for his pains, has been accused by Syria of subversion.

"Nasser personally kept a strict silence a few months ago when it became known that the United States was going to sell Hawk missiles to Israel to help that country defend itself. In former years, this would have been the occasion for a major anti-U.S. campaign.

"Nasser proved more forthright than many of his fellow nonalined leaders at the August 1961 Belgrade conference when he condemned the Soviets' sudden resumption of nuclear testing.

"Nasser, a big booster of Cuban Premier Fidel Castro in the past, is considered to have been surprisingly moderate when the United States had its showdown with the Soviet Union over Cuban missile bases last fall.

"All of these factors are said to convince administration officials that Nasser, despite his penchant for interfering in the internal affairs of his Arab neighbors, still comes out on the plus side in permitting room for reasonably friendly relations with the free world."

Mr. Alfred Friendly, managing editor of the Washington Post, 3 months later on March 27, 1962, under a Cairo dateline, had a slightly different analysis. He said:

"To what purpose does the United States support President Gamal Abdel Nasser's United Arab Republic? Why, already in this fiscal year, has it poured some $200 million worth of aid (mostly wheat) into a nation that is a political dictatorship, a police state, and a roaring advocate of economic socialism?

"Americans here * * * have several answers, not the least of which is the argument that no better alternative can be seen. Were Nasser toppled, he would be succeeded by one of his own clique, not so able, or by the Communists. Remnants of the old regime scarcely exist, which may be just as well, since it was a remarkably conscienceless pack of boodlers. In any event, they could never command the people's support.

"A variation of the same argument points out that cutting off American aid simply means presenting the United Arab Republic as a gift to the Soviet Union. Egypt must have huge wheat imports to survive, and will get them from Russia if it cannot obtain them from the United States. It would be in no position to bargain; Moscow could call the tune down to the last note."

Of late a new argument has been advanced in support of our Nasser buildup. That argument is that Nasser has matured since the Suez crisis and is no longer the impetuous "young officer" he was then. Thus Arnold Beichman writing for the Washington Post on July 20, 1962, from Cairo stated:

"American policy in the Middle East, and particularly since President Kennedy took office, has been to seek the disengagement of the Nasser regime from any close Soviet relationship. That policy has succeeded because of:

"Soviet ineptitude.

"U.S. firmness vis-a-vis Nasser military adventurism whether against other Arab countries or Israel.

"Tremendous internal economic problems in Egypt itself, whose solution depends on foreign aid.

"Development of a close personal understanding between President Kennedy and Nasser chiefly through a continuing exchange of letters. None of these letters has been published and their contents are not known.

"What is described hopefully is the coming of some mature, statesmanlike wisdom to the 45-year-old President Nasser."

All these arguments in support of our foreign policy toward Egypt have been advanced repeatedly by our State Department and by many columnists whose columns reflect the State Department indoctrination.

But many of these arguments do not become tenable no matter how often they are repeated.

Consider, for example, the argument of "U.S. firmness vis-a-vis Nasser military adventurism whether against other Arab countries or Israel." The fact is that Nasser has since September 1962 been carrying on a war of destruction against the people of Yemen in which 28,000 of his troops are engaged and in which he is aided by Soviet fighter planes. The fact also is that his powerful radio transmitters constantly beam messages of hate and destruction against Jordan, Saudi Arabia, and Israel. Until he succeeded in bringing about the revolutions in Syria and Iraq, his radio urged the violent overthrow of the governments of those countries. Now he is engaged in a hate campaign against the Baathists in Syria because they have not seen fit to go out of existence in favor of Nasser's own followers in Syria.

The current official suggestion is to disregard Nasser's radio hate campaign because that is the way things are done in the Middle East and that both sides are doing it. A careful study of foreign radio broadcasts in that area will show that this statement is not in accord with the facts. Nasser's radio beamed for outside consumption is the only radio preaching the violent overthrow of other governments.

It is indeed ironic that Nasser's proficiency in radio propaganda—and everyone admits that he is proficient—should have been achieved—or aided—through the use of AID funds. Thus, AID project 263–G–22–AA, for which over $1 million has been obligated through fiscal year 1963 is "to assist the United Arab Republic to establish and operate within 5 years a 'Telecommunications Research and Training Institute' * * *. The U.S. Government set out in fiscal year 1961 to assist the United Arab Republic staff in operating this institute so that, in time, it will be well organized and efficiently operating. * * *"

I was in the Middle East when the United States recognized the revoluntary Government in Yemen and can attest that our action was greeted by our friends in Lebanon, Jordan, Syria (former government), Israel, and Greece, as anything but showing "firmness vis-a-vis Nasser military adventurism."

It should be remembered that when Nasser embarked upon his costly expedition to Yemen, his prestige was at low ebb. H. B. Sharabi of Georgetown University has described the situation accurately in his article on "The Egyptian Revolution" in April 1962 issue of Current History:

"The setback to Nasser's leadership in the Arab world came suddenly and soon, long before Syria's revolt in September 1961. In itself, the Syrian-Egyptian union was only a first step, which, if not carried farther,

was meaningless in terms of pan-Arab unity; in order to exist the United Arab Republic had to grow, and the natural direction of growth was in the Fertile Crescent—in Lebanon, Jordan, and Iraq. The crucial decision in these countries was made in the summer of 1958. Jordan was rocked by a series of attempts to bring down the Hashimite monarchy; Lebanon was plunged into civil war; and Iraq experienced a military coup d'etat which toppled the pro-Western regime of Muri al-Sa'id. But the outcome of these events was unfavorable to the United Arab Republic. King Hussein's position, which for a while seemed desperate, was strengthened; in Lebanon a compromise between the pro-Nasser Muslim faction and the separatist Christian groups led to the consolidation of Lebaneses independence; and in Iraq, the most important country in this configuration, the new revolutionary regime, after a short period of friendship with Nasser, broke with the United Arab Republic. The Cairo-Baghdad rivalry was resumed with new fury.

"With their hopes frustrated, the Egyptians now resorted to desperate methods to bolster Nasser's declining prestige. Tactics included diatribes on the Voice of the Arabs, open support of Shawwaf's anti-Kassim uprising in Iraq (March 1959), and ringleadership throughout the area in incidents of subversion and violence such as the dynamiting in Amman of the Prime Minister's office which cost many lives including that of the Jordanian Premier (August 1960). Meanwhile, as the drive toward Arab unity began to meet with reverses, relations between Syrians and Egyptians also started to deteriorate. The United Arab Republic was beginning to crack at the seams."

There are also those who believe that the United States is out on a limb because it has sought to save Nasser by recognizing Yemen. Thus Patrick Seale in the New Republic for January 26, 1963, wrote:

"By the turn of the year, then, most neutral observers of the fighting were agreed (a) that Sallal's Republic would not survive an Egyptian withdrawal; (b) that the Egyptians themselves were in embarrassing straits, committed to a grim war with little prospect of victory; (c) that the royalists had scored considerable successes but did not seem to have the weapons or the organization for a really decisive push. This was the situation in which the United States recognized Marshal Sallal's regime. * * * The Yemen is the latest area in which Nasser has needed and has secured U.S. help. What are the arguments behind the U.S. decision to recognize Marshal Sallal?

"One view expressed by some American officials in the Middle East is that the initiative came from keen young New Frontiersmen in Washington, determined at all costs to dissociate America from the old, shaming, "feudal" regimes of Saudi Arabia and Jordan and throw their weight on the side of progress and the forces of history. Another view is that support for Sallal was, in a roundabout way, a pro-Saudi move, intended to "scare" the Saudi princes into reforming themselves.

"A third, more convincing explanation, derived from more authoritative sources, is that the initiative for the American recognition came from U.S. Ambassador Badeau's Embassy in Cairo and that it was intended as a rescue operation for President Nasser. The calculation was as follows: American recognition would be followed by Britain's; the Saudis and Jordanians would falter in their support of the Imam; Sallal would breathe freely for awhile and, in the lull, Nasser could withdraw his troops with honor, claiming that even the "imperialists" had conceded that Sallal's Yemen Republic was firmly established. The operation was presented to the world as an American-Egyptian agreement whereby Nasser undertook to withdraw his forces in return for American recognition. (Actually, Nasser's agreement to disengage was conditional on cessation of Saudi and Jordanian aid to the royalists.)

"But something went wrong with the predictions: there has been no lull; Britain has not recognized Sallal; the Imam is determined to press home his advantage and Nasser is faced with the painful dilemma of withdrawing ignominiously or doubling his stakes by throwing in more troops. In the meantime, American diplomacy is out on a limb having secured no quid pro quo for its overt support for Sallal's precarious regime."

A careful analysis of many other explanations advancd for our policy toward Nasser will show that we are interpreting Nasser's words as indicating his intentions rather than his actions.

True, he did not rant and rave when it was announced that the United States would sell Israel the Hawk missiles. True, he is accepting economic aid which he vitally needs. True, as a supporter of Fidel Castro, he was "surprisingly moderate" at the time of the crisis over Cuban missile bases—but so was Khrushchev.

But these are words. What of the deeds?

While he was talking softly, he was constructing missiles so that he could proudly parade them in Cairo on July 23, 1963—missiles constructed through the know-how of former German Nazis. Jay Walz reported that parade from Cairo in the New York Times for July 24, 1963, as follows:

"The United Arab Republic paraded two new rockets today and announced that it has developed "the first Arab submarine, which will be tested at sea within 15 days." One of the new rockets was a Soviet-made SA-2 ground-to-air weapon recently demonstrated in the desert near Cairo. The second was the first two-stage missile developed in the United Arab Republic. * * * This missile, called Pioneer, is of ground-to-ground type. * * * A jet fighter that thunderously broke the sound barrier over the Nile was identified as the first faster-than-sound fighter built in the United Arab Republic. * * * The Palestine Army, recruited among refugees at Gaza, participated. This army is being trained to participate in the "liberation of occupied Palestine (Israel) that President Nasser has promised."

Two points must be stressed in connection with this arms buildup by Nasser:

1. He is doing it with U.S. AID dollars just as surely as though the AID dollars were going directly to Russia for the purchase of jet fighters or directly into the pockets of the German Nazis masterminding the design and construction of these weapons. There are some with blinders who would say that this is a misstatement—that AID dollars go for Public Law 480 food and fiber and for worthwhile development projects. To the extent that we relieve Nasser's normal budget of the cost of food, fiber, and development projects we permit Nasser to have his cake and eat it too. He can divert that much into his arms budget for an arms buildup and let the United States pick up the check for the food, fiber, and development projects.

There may also be some who would say that if the United States did not sell Nasser the food and fiber the Russians would be glad to do so. This does not jibe with the facts. The Russians are not giving anything to Nasser. They are bartering arms for cotton. They are loaning him money to build the Aswan Dam. And, finally, Russia's agricultural economy is not good enough to take on the added burden of feeding 22 million Egyptians. Russia has trouble doing that for Castro and herself.

2. Nasser's diversion of AID dollars to an arms buildup requires his neighbors to follow suit—at the expense of their own sorely needed economic development and, in the case of Jordan and formerly Israel, at the expense of the U.S. taxpayer. (The New York Herald Tribune for January 2, 1963, reported Israel's defense spending up 17 percent for this year.) Here again there will be those with blinders who will say that we have given no military assistance to Israel and comparatively little to Jordan. Here, too, those who make such statement will have missed the point. To the extent that Jordan or Israel have had to divert badly needed funds from their own economic development, because they felt it necessary to be prepared to defend themselves against Nasser's open threats, to that extent has the United States been forced to give both Israel and Jordan economic assistance which in the case of Jordan has amounted to $325.3 million and in the case of Israel to $878.9 million.

Many have been sharply critical of our policy toward Nasser.

Thus Vincent Sheean in the New York Standard for February 12, 1963, in an article entitled "Gamal Nasser: Tricky Riverboat Gambler of the Nile," wrote:

"The Government in Washington recognized the puppet republic of the Yemen on December 19, 1962, as Gamal's wish, just in time to save him again from a terrible disaster—this time, no doubt, the final disaster. He had supported the revolt in that dismal wasteland (if he did not, in fact, create it) in the obvious hope of striking at Saudi Arabia from there. * * * Gamal seems to know exactly how far he can travel with his American guarantee. He let Syria go without a whimper, for instance; the Americans would not have liked to see Egyptian troops in Damascus (where, in sober fact, no Egyptian troops would survive long). And yet our present Government, then new to its tasks, purred and looked the other way when he sent troops to the Yemen. His patrons in Peiping and Moscow must have laughed heartily. They do not trust him any more than we do (perhaps even less) but they work him for all they can get out of him, which is quite a lot under the present conditions."

Thus Carl Leiden writing in the National Review for July 3, 1962:

"Nonetheless, it would be inaccurate to suggest that Egypt is moving in any other direction than the extreme left and it is wishful thinking on the part of those who suggest otherwise. Still there are many who do not think in this fashion, including no doubt a goodly percentage of those who officially represent the United States in Egypt."

Thus Arnold Hottinger in the article previously referred to—

"Returning to the question of American aid, * * * one suddenly realizes that virtually every argument of the proponents of this aid is of a tactical nature. Tactically, they believe Nasser may be used—for the moment at least—as a Pan-Arab nationalist Egyptian barrier against communism. They even hope to stabilize for a short time the chronically unsettled region by the predominance of "Nasserism," although the last 4 years have shown that "Nasserism" is not so easy to sell outside of Egypt.

"To this argument one may well reply that if the strategic aim is to promote liberal institutions and to preserve and strengthen existing liberal systems or beginnings, then the measures which help consolidate the authoritarian Egyptian regime or extend its influence are clearly harmful. Stability purchased at the price of freedom may be a tactical necessity in certain cases; at the same time however it is a loss in terms of the overall strategic aim."

No discussion of the current political scene in Egypt would be complete without a discussion of Nasser's use of former German Nazis to work on his missile program.

Even before going to Egypt I was intrigued by a book by Sedar and Greenberg entitled "Behind the Egyptian Sphinx," which detailed charges that former German Nazis

were being extensively used as a regular part of Nasser's government to train his troops, to organize the Egyptian youth along Hitler's line, and to work on missile projects.

The book was so replete with names, dates, and places that I was surprised that even though it had been published recently it had created so little stir. For example:

"Colonel Nasser's chief military and geopolitical adviser, intimate foreign collaborator, and confidant, is none other than the fullblooded Nazi, SS Col. Otto Skorzeny, who was dispatched to Cairo in 1953 upon the advice of his father-in-law, Dr. Hjalmar Schacht, Hilter's former financial wizard, now president of a Düsseldorf bank, specializing in the promotion of German-Arab trade. * * * As a double insurance against another defeat by the Israeli Army, the Nasser regime has formed an Arab Foreign Legion to fight against the Jewisn State. Its nucleus consists of 400 former Nazis and Gestapo veterans, who were recruited by Arab League agents in Germany. The entire project came to light when in September 1959 the authorities of Hamburg arrested Herr Wilhelm Adami, one of the principal German recruiting agents. * * * (Adami) was a Gestapo Storm Trooper and served in Poland with the Dirlewanger Extermination Brigade. * * * Nasser's State Security Cadre * * * under the direction of Lieutenant Colonel Al-Nasher, whose real identity is Leopold Gleim, chief of Hilter's personal guard and Gestapo Security Chief of German-occupied Poland, who was sentenced to death for war atrocities. * * * In the fields of political and psychological warfare, vicious anti-Western and anti-Israeli propaganda is unremittingly carried on by the Nasser regime under the direction of Johann von Leers, one of the former high-ranking Nazi propagandists in the Berlin Foreign Ministry. * * * von Leers * * * has assumed the Arabized name of Man Amin von Leers."

The book contained the following specific charge:

"Only the French, with the cartesian sense of realism, thought that the presence of so many Germans in the Nile Valley was an ominous sign and could not be taken lightly nor easily be explained. Devoid of illusion, they rightly concluded that the Germans were in Egypt for the express purpose of reestablishing their power and influence in the Middle East at the expense of the United States, Britain, and France. * * * Skorzeny's ultimate aim is to create, in conjunction with Nasser, the Grand Mufti of Jerusalem, and the Arab League, a German-Egyptian dominated third-power bloc and empire stretching from Berlin to Capetown, and from Bonn to New Delhi. The time is not yet ripe, however, to unmask themselves and operate in the open."

In another book, "The Boss," by Robert St. John, published in the same year, 1960, was found a repetition of these charges:

"There were hints of other activities that disturbed many people inside and outside Egypt. Naguib had quietly appointed one of Adolf Hitler's economic experts, Dr. Wilhelm Voss, head of the Egyptian Central Planning Board and chief adviser to the War Ministry. Dr. Johann von Leers, who had been one of Goebbels' most trusted anti-Semitic rabble rousers, was named political adviser to the information department. * * * Voss and von Leers were only two. Every day additional names were whispered. Other foreigners might be trying to get out of Egypt, but the ex-Nazis were pouring in. There were hundreds of them, who saw in postrevolutionary Egypt a place they could fish in troubled waters. They changed their names so as not to embarrass their hosts. * * * Many of these men had been brought in by Farouk, but they were not unpopular with free officers like Anwar el Sadat, who had seen nothing wrong with Hitler except that he lost."

When in Cairo in the latter part of February 1963 I questioned the Ambassador and his top political advisers concerning these charges. They stated they had not read "Behind the Egyptian Sphinx" and that they were unaware of the infiltration of the Nasser government by former Nazis. Our military attachés, however, were well aware of this and called my attention to it.

On April 30, 1963, I stated on the floor of the Senate:

"I visited the Middle East last fall and this winter as a member of the Committee on Government Operations, to look into the operations of our foreign-aid program. I found that throughout the Middle East there was great apprehension about the growing power of Nasser and a resentment over the manifestly lavish aid which the United States was giving to him, which he uses to achieve his objectives, the objectives of conquest and domination of that entire area, the extermination of the free State of Israel and driving its people into the sea.

"We found these objectives voiced by officials in Turkey, in Iran, in Syria before the latest revolt, in Lebanon, in Jordan, and in Greece. Their expressions varied, but there was wonderment as to why we neglected our friends and built up our potential enemies and their enemies.

"President Nasser has made no secret whatever of his purposes and intentions. His broadcasts, both through the official radio station, radio Cairo, and through the secret radio station which he entirely controls, clearly show his intentions. Opinion and expression in Egypt and the United Arab Republic are 100 percent controlled, with no freedom on the press whatsoever. In fact, there is greater control—more nearly absolute control—than is found almost anywhere else. Not only are the newspapers forbidden to print anything that President Nasser does not want, but also they are instructed precisely what to print, what not to print, what to conceal, and how to slant and color the news. Thus the people become pawns in Nasser's ambitious programs and cannon fodder in the wars of his making and planning.

"Through the years President Nasser has preached openly the assassination of the rulers and other officials of the countries which he wishes to subvert.

"It has been alleged by some defenders of our policy in this area that Nasser is softening his tone, that he is not as rambunctious or violent in his declarations as he has been in the past. That is not the case. He continues to preach assassination. He continues to preach violence. He continues to incite to subversion in neighboring countries. He continues to preach warfare. He makes no secret whatsoever of his determination to destroy the little country of Jordan, which is one of the democratic hopes in the Middle East, and little Israel.

"I very much fear unless the U.S. policy of building up Nasser by pouring in money to enable him to carry on his military and subversive ventures is reversed, that there will be a bloody war in the Middle East, for which we shall bear a considerable responsibility, and into which we shall perhaps be inevitably drawn.

"As recently as March 19 of this year there was a broadcast of The Voice of the Arab Nation from Cairo. I could cite and quote from many other such broadcasts, but this is a clear illustration of what is going on today; not 5 years ago, not 2 years ago, and not 1 year ago although it went on then. This type of propaganda—this type of incendiary preachment of assassination of rulers and officials of friendly countries—has been going on all through this period of time.

"The Voice of Cairo on March 19 broadcast as follows: 'Free officers, soldiers, students and Arab brothers in Saudi Arabia and Jordan, how long are you going to tolerate Saud and Hussein?' Saud and Hussein are the respective monarchs of those two countries.

" 'The time has come for the army and the people to purge the Arab land of the imperialist vestiges—the lackeys who have sold their honor and dignity and who cooperate with the archenemies of the Arabs—the English, the Americans, and the Jews.'

"These are the words of the Voice of Cairo in a country which we have subsidized and are continuing to subsidize to the extent of millions of dollars. and in greater amounts now than ever previously. These words list us among, indeed call us—Americans—the 'archenemies of the Arabs.' This is but one more example, among many, of 'biting the hand that feeds you.'

"The broadcast goes on:

" 'Free Arab soldiers and officers, the people call on you to shoulder your full responsibilities in the forthcoming battle for the liberation of Palestine. You will not be able to do so as long as the traitorous renegade clique is controlling the fate of the country.'

"Those words are addressed to the people of Saudi Arabia and of Jordan.

" 'Even the Arab people in other parts of the Arab homeland will meet great difficulties in the battle for the liberation of Palestine as long as there are people like Hussein in Jordan and people like Saud and Feisal in the Arabian Peninsula.

" 'Imperialism was able to establish the State of Israel in 1948 after deceiving the Arab people with the lackey Arab rulers to whom it entrusted leadership.

" 'Freemen in Jordan and Saudi Arabia, the situation is serious. Our Arab people are irrevocably determined to wipe away the disgrace of Israel and to purge the Holy Land of the remnants of Zionism, which is hostile to the Arabs and humanity.

" 'Our Arab people call upon the free Arabs, both military and civilian, to unite their efforts to purge Jordan and the Arabian Peninsula of the traitors. All the Arab people stand at the side of the Arab liberation revolutions in any part of the Arab homeland, because the Arab liberation battles and the aims as regards the fate of the Arab nation are indivisible units.

" 'Free officers, come forward and fix the zero hour; surge like flames to the palaces in Riyadh and Amman'—the respective capitals of Saudi Arabia and of Jordan—'and destroy the hireling traitors—enemies of God and of the people.

" 'We will then march together on our dear usurped land—Jerusalem, Jaffa, and Haifa—and the crime of Israel will no longer exist.

" 'We call the army and the people in the Arabian Peninsula and Jordan to quick action and to bloody revolution. Death to the enemies of God and of the people.'

"This comes as the official voice of the ruler whom the Western World and the United States in particular have repeatedly saved from extinction. The United States saved him at the time of the Suez crisis. Since that time we have poured in hundreds of millions of dollars to help him, presumably to rehabilitate Egypt's economy, but in effect, finance his wars. He went into the Yemen some 9 months ago, sending in first 18,000 men, and then 20,000, and now, I am reliably informed, 28,000 troops by daily airlifts in Russian-supplied planes. That war is costing Nasser, at the very least, $500,000 a day. It has continued for 9 months. It has cost him more than $100 million to date. While we are pouring in money on the one hand to aid him in domestic rehabilitation he is pouring it out in warfare on the other.

"What kind of policy is that for people of the United States who are dedicated to promoting peace in the world?

"At the same time Nasser is receiving military aid from Soviet Russia, he has a great many ex-Nazis working to provide the modern weapons of destruction for his purpose to carry on the war against Jordan and

Israel. In a recent book entitled 'Behind the Egyptian Sphinx,' which was called to our attention by our American military in Egypt, are listed a number of ex-Nazis who are wanted in Germany for their manifest crimes, who are not merely safely ensconced in the United Arab Republic but are employed to help Nasser in his sinister purpose to destroy his peaceful neighbors.

"I read the name of a few:

"SS Col. Otto Skorzeny, son-in-law of Dr. Hjalmar Schacht, who is recruiting former Nazi, and is an importer—arranges for arms shipments into Egypt.

"SS General Dirlewanger, known as the 'Butcher of Warsaw' a Nasser military adviser on guerrilla warfare.

"SS Sturmführer Baumann, alias Ali ben Khader, who is with the Algerian rebel government in Cairo, and was involved in the Warsaw massacre.

"Willi Berner, alias Ben Kashir, who is with the Algerian rebel government in Cairo, and was an SA führer and guard at Mauthausen concentration camp.

"Karl Luder, alias Abdel Kader, who is with the Algerian rebel government in Cairo, and was a Hitler youth leader in Danzig.

"Dr. Erich Alten, alias Ali Bella, who is with the Algerian rebel government in Cairo, who played a major role in the assassination of Prof. Theodor Lessing at Carlsbad in 1934, and who was Gestapo "Commissar for Jews" in Galicia.

"Leopold Gleim, alias Lieutenant Colonel Al-Nasher, who is in charge of Nasser's state security cadre, modeled after Hitler's SS corps, and was a chief of Hitler's personal guard, and a Gestapo security chief in Poland.

"Joachim Daemling, who is an adviser on special activities—concentration camps in Egypt—a former chief of the Gestapo in Düsseldorf.

"Dr. Hans Eisele, who is a cochief of medical program at concentration camps; who is a former chief physician at Buchenwald.

"SS Haupstarzt Heinrich Willermann, alias Lt. Col. Naim Fahum, who is a cochief of medical program at concentration camps and the former medical director at Dachau.

"SS Führer Bernhardt Bender, alias Col. Ben Salem, who is in charge of Nasser's security police which runs the prisons, and was chief of intelligence service of Wehrmacht security division in Ukraine.

"SS Gruppenführer Moser, alias Col. Hassan Suleiman, who is in charge of youth training.

"SS Gruppenführer Buble, alias Lieutenant Colonel Amman, who is assistant to Moser.

"Johann von Leers, alias Omon Amin von Leers, who is in charge of propaganda work for Nasser, and was formerly in the Berlin Foreign Ministry.

"Louis Heiden, alias Louis al-Hadsch, former chief of Deutsche Press Agenter; works with Leers—distributes Arabic translation of "Mein Kampf."

"Daniel Perrit-Gentil, former SS führer, worked for Wehrmacht Intelligence Service in France during war—sentenced to death by France but expelled. Now is French program director of Radio Cairo.

"Georges Dieudonné, alias Georges Oltramare, former leader of Swiss Nazi Party. Works on anti-Semitic and anti-Israel propaganda with von Leers."

"And so forth. What possible justification can there be for the United States to be pouring in its dollars, not only to support, but to encourage, a regime of this kind, which has drawn to itself all the elements which are antithetic to the professed purposes of the United States, in order to carry on a warfare which Nasser has never ceased to preach and for his objective to conquer and destroy.

"Unless the United States reverses its program promptly, and does more than merely study, review, and view with alarm, unless we act definitely, there is going to be a destructive war to the death in the Middle East in which thousands of people will be killed and in which we will inevitably be involved.

"I may have more to say on this subject at a future time, but I think I should again pay tribute to and commend the fine statement of the Senator from New York and say that in my view he is absolutely correct. We have been led down a false trail in the Middle East.

"It is about time that we supported and prevented the destruction of the one free nation in that area, the one that has worked for the rehabilitation of its own and other people, the one that has manifested only peaceful intentions, that is trying merely to exist and do its work to advance civilization at home and abroad.

"If the United Arab States, under Nasser would, instead of planning to go to war, emulate Israel, work to educate their people, to sanitate their countries, irrigate their deserts, and make a contribution to peace, we would have peace in the Middle East and all its countries would progress and prosper.

"It is a notable fact that of the many nations in the Middle East which have received our foreign aid, none was more conspicuous in the effective utilization of foreign aid than was Israel. None showed more public appreciation of this aid. It is somewhat depressing to note in many countries which we have helped to lift up from dire destitution, to see how little they have shown their appreciation. That has not been the case with Israel. Not only did we see signs on highways proclaiming that the roads were built as a result of joint efforts by the United States and Israel, but Israel has, at its own expense, issued a very beautiful documentary film in color, going into detail giving an historic account of what U.S. aid has done to help the people of Israel rehabilitate themselves.

"I think it is time that we realized that this is one country that honestly is for peace and civilization, that is firm in its democratic faith, whose people enjoy all the freedoms, a little country which has no aggressive designs, that merely wants to live and let live, but which is actually also doing something for backward countries by sending its own scientists there and that we ought to affirm the policy which we should long ago have stood for; namely, that we will not countenance invasion and destruction of Israel. We will not permit our funds to be used to finance an aggressive war in the Middle East, which, unless we adopt such a policy, is bound to come."

Previously, however, concerned about the worsening situation, I addressed the following two letters to the President:

APRIL 10, 1963.

MY DEAR MR. PRESIDENT: I recently returned from the Middle East on an official trip for the Senate Committee on Government Operations.

What I saw there disturbed me greatly and, after talking to Mike Feldman, I thought I would pass on to you my observations even ahead of my official report, which will, in the main, deal with our AID program in the countries visited.

I visited Turkey, Iran, Syria, Lebanon, Jordan, Israel, Greece, Tunisia, Libya, and Egypt.

It is my firm conviction that U.S. foreign policy in the Middle East is set on a disaster course just as surely as it was when we thought we could appease Hitler.

I fervently hope that no future historian will be able to write a book concerning this period of U.S. activity in the Middle East entitled "While America Slept."

We propped Nasser up at the time of the Suez crisis—in fact saved him from extinction—and have been his mainstay since. Nasser's prestige in the Middle East declined with the Syria breakaway and continued to slide downward until, when his armies were bogged down in Yemen, we came to his rescue again and recognized the revolutionary government in Yemen. I have no doubt that the revolution in Yemen was Nasser-inspired and Nasser-instigated. The speed and the manner in which Egyptian troops were rushed to Yemen on Russian planes demonstrate that we are dealing with a new Egyptian military force and confirm the reports that it has been completely revamped with the aid of Russian technicians and former German Nazis.

What is hurting U.S. prestige in the other nations in the Middle East and what is hurting the administration's posture here at home with a sizable segment of our population is that Nasser is carrying on this war in Yemen for personal aggrandizement with U.S. money.

It is conservatively estimated that the Yemen adventure is costing Nasser $500,000 per day. At that rate, since the Yemen revolution on September 26, 1962, Nasser has spent over $100 million in waging his war in Yemen. Thus, in 6 months he has spent the equivalent of our economic aid to Egypt for a whole year. Of course, a portion of this is in Public Law 480 grains—but without those grains he would soon realize the futility of his present predicament and might listen to reason. On the other hand, part of our economic aid is in the form of U.S. dollars for the purchase of goods here in the United States which Nasser needs.

The implications of our early recognition of Yemen—that it was a boost for Nasser and Nasserism—were forcibly called to our attention by officials in many of the countries visited. Officials in Turkey, Jordan, Iran, Syria (former regime), and Lebanon were especially vehement. I do not believe that the precipitate manner in which we recognized Yemen (especially before such a recognition by the United Kingdom) has helped our prestige in this area or served to strengthen the Jordanian or Iranian Governments. Had I written to you earlier, I would have added the Syrian Government to this list, but events have overtaken my report.

One important point concerning the effectiveness of our Foreign Service that strikes one in this area is the fact that very few of our representatives abroad (or, for that matter, working on the Near East desks in Washington in the Department of State) have ever been to Israel. Such a situation is completely unintelligible to me. Our so-called Near East hands are thus representing the interests of the United States in this area without adequate appraisal of the facts. Is it any wonder that after all these years we are no nearer a peaceful solution of the problems of this area?

And finally, Mr. President, Israel itself should hold a special place in U.S. efforts in the Middle East. As the only true democracy in that area, as the one nation which has made determined and successful efforts to raise its economic level, as the one nation in the area that freely and publicly acknowledges that it has received and benefited from U.S. aid, we cannot afford—from the standpoint of our own security—to continue a policy which builds up a Frankenstein monster in that area that, openly, frankly, and persistently announces the order of its next victims—Jordan, Saudi Arabia, and Israel—and whose official radio voices continue to preach assassination of the officials of these countries.

The oft repeated excuses that the Nasser line on this point is "softer" than it was a year ago are not borne out by the facts. In this connection I must point out that when Hitler published widely his plans in "Mein Kampf" people likewise refused to heed.

We are doing the same thing with Nasser.

Will we again wait too long—until grown strong with our help and independent of that

help, he turns and swallows up country after country, including Israel?

One thing which will, I believe, relieve the pressures in this area is for the United States promptly to guarantee the borders of Israel in the same manner in which the borders of Saudi Arabia were guaranteed. We have backed and filled so often in the past with Nasser that we must give him no chance at misunderstanding our purpose and intent. A public guarantee of the borders of Israel by the United States would do much to assuage the fears of Israel—which today, with Nasser's increased trained military force, has much more to fear than ever before—and might also serve Nasser with an excuse to desist from his threats.

I would be glad to come up to talk to you at any time convenient to you.

With all best wishes, I am,

Sincerely yours,

ERNEST GRUENING,
U.S. Senator.

APRIL 12, 1963.

MY DEAR MR. PRESIDENT: This is to supplement my letter to you of April 10, 1963, after my conversation with Mike Feldman, concerning U.S. policy in the Middle East.

In that letter I did not underscore strongly enough the thought that we are supporting an arms race in the Middle East just as surely as though American dollars were used directly to pay for the arms purchased.

Under Public Law 480 we are supplying a vital part of the food needs of the Egyptian people. As a consequence, Nasser is left free to exchange his cotton for Russia's missiles. Because Nasser has missiles, Israel must purchase the Hawk from us, at an expense upward of $25 million and an increase in the size of her standing army trained to use these modern, sophisticated weapons. The $25 million could be spent to a much better purpose on the economic development of Israel just as the $100 million spent so far by Egypt on Nasser's war in Yemen could have been better spent on the economic development of Egypt. Similar comparisons could be made with respect to the other countries aided by us in the Middle East such as Jordan and Iran which feel compelled to step up their own defense budgets.

I make these comments to you with a full awareness of the historical and political background of the tensions in the Middle East. But the time has surely come for the United States to take a firm stand and declare that it will no longer permit its aid dollars to be used for an arms race or for aggressive adventures beyond a nation's own borders. We cannot continue to aid—directly or indirectly—in maintaining or increasing the tensions in the Middle East. As Nasser subverts one country after another, his high-powered radios—also indirectly supported by the United States—blare across the Middle East preaching violence against Jordan, Saudi Arabia, and Israel and actual assassination of their rulers. About 3 weeks ago Nasser's radio was predicting: "But the day will come when those who sought shelter with Husayn [Hussein, King of Jordan] will lament their fate, when they watch the people dragging Husayns in the streets."

I earnestly believe that at least one way to lessen the tension in the Middle East would be through a U.S. declaration that we will guarantee the borders of Israel and Jordan just as we have made similar declarations recently with respect to Saudi Arabia's borders. We should of course not continue to subsidize Nasser's costly military adventures beyond his borders.

But it is essential that our intent to safeguard the borders of Israel, Jordan, and Saudi Arabia is made crystal clear, publicly, not only to Nasser but to the entire world.

With all best wishes, I am,

Cordially yours,

ERNEST GRUENING,
U.S. Senator.

I have now received the following letter from Assistant Secretary of State Fred Dutton:

DEPARTMENT OF STATE,
Washington, July 25, 1963.

DEAR SENATOR GRUENING: The President has asked the Department of State to comment further on matters raised in your letters regarding U.S. policy in the Near East. The Department is pleased to have this opportunity to review with you some of the elements of this policy.

The Department believes that the principal questions which you have raised concerning our policies in the Near East do not arise from any failure of our policies with respect to the free world confrontation with communism in that area. It should be remembered that free world interests in the Near East were at their greatest peril in the mid and late fifties, when we had no aid program to the United Arab Republic, and that our policies of recent years have been paralleled by a material but gradual reversal of that dangerous situation. Today Soviet presence, prestige, and influence in the Near East have diminished to the lowest point in many years. At the same time, the capacity of the United States to exert a constructive influence on a wide variety of issues important to the free world, while still limited, is far greater now than at any time in the past, and the United States is listened to with respect in every capital in the area.

The Department agrees, of course, that tension and danger are inherent in many of the specific points you list. The Department is very much aware of this situation and is determined that these tensions and dangers not be excited by a U.S. posture governed by impatience and hastiness rather than planning and perseverance.

The President's statement of May 8, in which he reiterated this Government's opposition to the use or threat of force in the Near East, relates directly to the principal recommendation of both your letters. The President emphasized not only that the United States would support appropriate measures in the United Nations and adopt other courses of action, but also that it supports the security of both Israel and her neighbors.

As the President pointed out, the balance of military power in the area has not been changed by recent developments. This does not, however, mean lack of concern with the Near East arms race and the dangers it carries for the future. The United States is unalterably opposed to the introduction of nuclear weapons of any kind into the area and considers the acquisition of sophisticated offensive weapons to be a luxury which neither side can afford. The United States does not condone the diversion of the scarce resources of the area to the arms race or to such tragic events as the Yemen strife. It has avoided contributing to the arms race and continues to work to reduce the tensions which foster it. In the case of Yemen, as you know, the United States has exerted efforts to arrange a disengagement of the United Arab Republic and Saudi Arabia.

The Department appreciates the concern expressed in your letters that U.S. assistance might make it possible for the United Arab Republic to acquire arms thus presenting an increasing threat to Israel and other countries, to engage in radio propaganda, and to become involved in the internal affairs of other Arab countries such as Yemen. It has accordingly kept the program under stringent review to assure against such possibility. Again it is worth noting what the situation was in 1957 and 1958 when there was no U.S. program of assistance to the United Arab Republic. During those years, Arab-Israel hostility was most intense, Syria and Egypt merged to form the United Arab Republic, Yemen and Egypt affiliated themselves, the pro-Western Government of Iraq was overthrown, the United Arab Republic carried out the greatest expansion of its armed forces and, as noted above, Communist influence soared.

In determining its policy toward the United Arab Republic, the United States has done so only after thorough consideration of all factors in the light of its national interests. Assistance to the United Arab Republic, as noted above, continues to be designed as carefully as possible to assure its use for internal development purposes. Over three-fourths of U.S. assistance to the United Arab Republic has been in the form of surplus agricultural commodities mainly sold for local currency, part of which is used to meet U.S. expenses and the balance of which is used for economic development purposes.

As in the case of many countries seeking to meet national security requirements, military programs of countries in the Near East inevitably absorb resources which might otherwise contribute to development. But U.S. interests, the Department believes will not be served by ignoring or rejecting legitimate requests for assistance to facilitate economic progress or, for that matter, for food itself. It would only increase the tensions without curbing priorities which are given to military preparedness. The absence of the oft-alleged correlation between U.S. economic assistance and United Arab Republic arms acquisition is well illustrated by the fact that the United Arab Republic's most intensive procurement of arms occurred while the United States suspended aid in the post-Suez period. This procurement was financed then, as now, primarily through surplus United Arab Republic cotton not disposable in Western markets at reasonable prices. On the other hand, the United Arab Republic's more than threefold increase in its economic development budget has occurred after U.S. economic assistance was resumed. The $700 million increase in the United Arab Republic's annual development accounts is some four times larger than the amount of U.S. aid.

Of course, our program of assistance to the United Arab Republic has been paralleled by development assistance to other countries in the Near East which has contributed substantially to their growth and stability. During the period fiscal years 1949–62, for example, we provided Israel and Jordan with over $400 and $190 per capita respectively, while providing $26 per capita to the United Arab Republic.

With reference to your concern that officers dealing with Near Eastern affairs either at our posts in the area or in Washington may not have visited Israel, the Department wishes to assure you that many of our Foreign Service officers in the Near East have visited Israel and are encouraged to do so. Most of the Department's Near Eastern specialists have visited Israel, some of them a number of times.

In closing, the Department would like to assure you that it is not and cannot be indifferent to the dangers of the Near Eastern situation. The Department has taken and is taking steps designed to reduce or eliminate the tensions underlying the Arab-Israel dispute and to keep to a minimum the flow of arms to the area. The Department seeks to conduct these policies and actions so that they will not of themselves precipitate an adverse chain of events which would be difficult if not impossible to contain and be welcome only to the Soviet Union.

It has been amply demonstrated in the Near East that the use of an assistance program in this area as a bludgeon to force solutions will not work where deep-seated beliefs and longstanding grievances are held. Experience also has shown that the American interest in denying the Communists a position dangerous to us in the Near East and our interest in easing the tensions of the area to permit increasing stability is best served by maintaining and multiplying ties with the countries of the Near East.

If I can be of further assistance, please do not hesitate to call on me.

Sincerely yours,

FREDERICK G. DUTTON,
Assistant Secretary.

III. ECONOMY

A. Agriculture

The majority of Egypt's population is engaged in agriculture and derive their livelihood from it. Per capita income is approximately $118 per annum. The most important single crop is cotton. It is also the largest export commodity; it accounts for 70 percent of annual exports. One-fifth of the total cropped area is used for cotton growing. Cotton, however, has unfortunately been subject to wide price fluctuations in world markets.

Other cultivated crops are corn (or maize), wheat, rice, "Berseam" (clover-fodder), sugarcane, fruit, and vegetables. The total cultivable area is roughly 10 million acres.

Perennial irrigation is necessary over most of this land. The need to bring more land under cultivation points to the importance of the Aswan Dam project. It is the cornerstone of Egypt's plans for future development. It is expected to make available 2 million acres of land for cultivation and bring about approximately a 33-percent increase in the national income. The first stage of the dam is due to be completed in 1965 and the second stage by 1970.

Besides increasing the land area under cultivation, improved methods of agriculture and cooperative organization (to provide seeds, fertilizer, equipment, and advice) are being applied to increase crop yields, especially of long staple cotton. Land reform which was started in 1952 was revised and intensified in July 1961. Individual landholdings were reduced from 200 to 100 feddans. Excess holdings were to be redistributed among landless peasants with a maximum of 5 feddans for each. A total of over 800,000 feddans (or acres approximately) will thus eventually be distributed among 250,000 rural families.

B. Mining

Egypt has no large mineral resources. Some oil is produced—approximately 3,350,000 tons—mostly in the Sinai Peninsula and west of the Gulf of Suez. A continuing search is underway for new oilfields in the western desert. Crude oil is imported for domestic use and refined in the oil refineries at Suez and Alexandria. The state-owned General Petroleum Co. which exploits and refines most of the oil is controlled by the newly created General Petroleum Authority. Iron deposits found in the Aswan region are mined and the ore is smelted at the new Helwan iron and steel plant. Deposits of manganese, phosphate, salt, and gold are also mined.

C. Industry and manufacturing

Approximately 1 million workers were employed in industry in 1961. Many new industrial concerns have been established in Egypt within the last 5 to 7 years. These produce radios, steel rails, diesel engines, motor vehicles, railway wagons, textiles, cement, fertilizer, electricity (generating plants), and electric bulbs. The Government has sought to expand the industrial sector, and especially heavy industry, in order to reduce the country's dependence on agriculture and especially cotton. Approximately 30 percent of development funds are being devoted to industrial expansion under the second 5-year plan. It is also hoped that this sector will provide employment to approximately 200,000 more workers between 1960–65.

The state has acquired ownership or control over most of the important industries, manufacturing, financial, and commercial concerns—approximately 80 percent of all business. This increased state control was effected under the laws promulgated in July 1961. A National Investment Fund was also established with E£200,000 (E£1=$2.30) initial resources. It was hoped that this would encourage small savers to invest in industry. Exchange controls and import restrictions were put into effect 1½ years ago and a state monopoly was created over all cotton exports. In part this was a reaction to the alarming decrease in trade and foreign exchange earnings from the Western countries.

The Suez Canal has become an important source of foreign exchange earnings yielding approximately $150 million per year. A loan of $56.5 million was approved by the World Bank in December 1959 to widen and deepen the canal. The United States voted to approve this loan despite the fact that, contrary to United Nations action, Egypt was still barring Israeli shipping from the use of the canal and barring ships of other nations, including the United States, carrying goods to and from Israel.

D. Economic development plans

A National Planning Institute was established and given responsibility to formulate and oversee development plans. The second 5-year plan was officially started in July 1960. It envisaged a total expenditure of E£1,697 million—E£392 million on irrigation and the Aswan High Dam, E£434 million for industry, E£145 million for electricity generation, and the rest on transportation, housing, education, health, and welfare. It was hoped that by the end of this 5-year plan per capita income would increase from $118 to $140, and that employment in industry alone would increase by 200,000. The rate of population growth, however, may not allow per capita income to rise significantly.

Under a decree issued in July 1961 at least 25 percent of profits of all industrial or manufacturing concerns were to be distributed among workers, and their representatives were to be included on the board of directors. A ceiling was set on individual salaries of executives. Numerous cooperatives for industrial as well as agricultural workers have been set up to benefit the working classes and to provide them with consumer goods at controlled prices.

The Soviet Union had committed $920 million in aid to Egypt up to mid-1962, one-third of it in the form of military assistance. A large share of Soviet aid has been devoted to the construction of the Aswan Dam and the rest to smaller industrial projects, including oil refineries, and technical assistance. Soviet aid is likely to continue as long as it desires to maintain a foothold in the Middle East. Czechoslovakia has also been an important source of aid, especially military aid, to Egypt. Egypt secured aid from the Communist-bloc countries under barter agreements, trading cotton for military and industrial equipment and technical assistance. As a result of this arrangement the Soviet Union and Czechoslovakia became Egypt's most important trading partners. The resulting shortage of essential Western currencies and the sad experience with reexport of Egyptian cotton to Western European markets by Czechoslovakia caused Egypt to ponder over its economic ties with the Communist bloc.

E. U.S. economic assistance program

According to AID figures (exhibit III–J–B) in the 11 years since 1952 we have loaned or granted Egypt $862.8 million. To this must be added the $30 million, three-fourths of 1 percent, 40-year loan made to Egypt this last February, making the total $892.8 million.[2]

[2] Through the years Egypt has received a total of $72.3 million from:

	Millions
International Bank for Reconstruction and Development	$56.5
United Nations technical assistance program	7.3
United Nations Special Fund	8.5

EXHIBIT III–J–B

U.S. assistance to the United Arab Republic

[In millions of dollars]

	Fiscal year 1952	Fiscal year 1953	Fiscal year 1954	Fiscal year 1955	Fiscal year 1956	Fiscal year 1957	Fiscal year 1958	Fiscal year 1959	Fiscal year 1960	Fiscal year 1961	Fiscal year 1962	Fiscal year 1963	Total
I. Technical assistance:													
Agricultural and natural resources	-------	1.528	0.992	0.658	0.312	0.100	0.003	-------	0.419	0.109	0.489	-------	4.610
Industry and mining	-------	.241	.366	.088	.094	.029	-------	-------	.033	.421	.380	-------	1.652
Transportation and communications	-------	.029	.007	.052	.063	.008	-------	0.291	.217	.181	.444	-------	1.292
Health and sanitation	-------	.153	.472	.235	.216	.035	-------	-------	-------	-------	-------	-------	1.111
Education	-------	.270	.471	.250	.321	.085	.001	-------	-------	-------	-------	-------	1.398
Public administration	-------	.008	.023	.286	.054	-------	-------	.021	.002	.018	.185	-------	.604
Community development and housing	-------	10.109	.061	.198	.198	.046	-------	.104	.119	.120	.097	-------	11.052
Technical support	0.376	.313	-------	.301	.185	.214	-------	.021	.132	.202	.231	-------	1.975
Special participant program	-------	-------	-------	-------	-------	-------	-------	-------	.548	.394	.201	-------	1.143
Total	.376	12.651	2,392	2.068	1.443	.517	.004	.437	1.470	1.452	2.027	1.769	26.606
II. Special assistance:													
Agricultural and natural resources	-------	-------	-------	-------	-------	-------	-------	-------	.250	.410	-------	-------	.660
Transportation	-------	-------	-------	16.439	-------	-------	-------	2.550	.981	.130	-------	-------	20.100
Health and sanitation	-------	-------	-------	6,262	-------	-------	-------	-------	-------	-------	-------	-------	6.262
Public administration	-------	-------	-------	-------	-------	-------	-------	-------	.250	-------	-------	-------	.250
General miscellaneous	-------	-------	-------	1.408	-------	-------	-------	-------	-------	-------	-------	-------	1.408
Commodity imports	-------	-------	-------	7.639	-------	-------	-------	7.218	2.200	-------	-------	-------	17.057
Total	-------	-------	-------	31.748	-------	-------	-------	9.768	3.681	.540	-------	(1)	45.737

See footnotes at end of table.

EXHIBIT III–J–B—Continued

U.S. assistance to the United Arab Republic—Continued

[In millions of dollars]

	Fiscal year 1952	Fiscal year 1953	Fiscal year 1954	Fiscal year 1955	Fiscal year 1956	Fiscal year 1957	Fiscal year 1958	Fiscal year 1959	Fiscal year 1960	Fiscal year 1961	Fiscal year 1962	Fiscal year 1963	Total
III. Food for Peace (Public Law 480):													
Title I					19,600			48,300	72.700	79.800	165.800	104.000	496.740
Title II											29.100		29.100
Title III	.808		.744	23.544	17.514	.455	2.080	9.587	8.299	23.550	27.300	35.582	149.463
Total	.808		.744	23.544	37.114	.455	2.080	57.887	80.999	103.350	222.240	239.582	675.303
IV. Export-Import Bank:													
Suez fertilizer plant				[2] 7.500				5.000					12.500
Diesel locomotives									12.000	22.500			34.500
Total				7.500				5.000	12.000	22.500		[1]	47.000
V. Development loans:													
Edfina								.200					.200
Bagasse plant									6.700				6.700
Industrial bank									7.000				7.000
Telecommunications										1.300			1.300
Misrayon											3.00		3.000
Grain handling											[3] 17.000		17.000
Commodity imports											20.000	10.000	30.000
Total								.200	13.700	1300	40.000	10.000	65.200
VI. Fulbright program	.415	.335	.279	.206	.186	.056	.002	.003	[4]				1.482
VII. Exchange of persons program (Public Law 402)					.151	.151	.151	.198	.284	.400	.171		1.506
Grand total	1.599	12.986	3.415	65.066	38.894	1.179	2.237	73.493	112.134	129.542	264.438	151.351	862,834

[1] Total for fiscal year not as yet determined.
[2] Loan has been repaid.
[3] E£7,520,000 will also be granted by United States to support this activity.
[4] United Arab Republic and United States agreed that E£404,798 in U.S.-owned foreign currency would be used for the ensuing fiscal years.

Jan. 23, 1963.

Broken down, this assistance went for the following purposes:

	Millions
Technical assistance	$26.6
Special assistance	45.7
Food for peace	675.3
Export-Import Bank	47.0
Development loans	95.2
Fulbright program	1.4
Exchange of persons	1.6
Total	892.8

The major portion of our assistance to Egypt has therefore gone for sales of food and fiber.

Our technical assistance program has been relatively small. Thus we were involved in the following projects according to an AID report:

263–A–12AA—Groundwater investigations in the western desert

(a) Brief description and justification of each project:

One of the most pressing problems facing the United Arab Republic is the necessity for finding means of feeding its 27 million people who are increasing at the rate of about 2.5 percent per year. The pressure on the available land supply is exemplified by the fact that 96 percent of the people live on 4 percent of the land and the arable land supply is only about one-fourth of an acre per person.

There are two main aspects to the problem of increasing agriculture production:

(1) Increasing production on existing land by more intensive cultivation, i.e., use of more fertilizer, better seeds, double cropping, etc.

(2) Increasing the supply of arable land. This can be done in two principal ways:

(a) Application of water to areas not now receiving water.

(b) Reclaiming land which has gone out of production through salinity, waterlogging, etc.

The High Dam project will attack the problem on both fronts. It will enable the Government to double or triple the cropping on some 700,000 acres which now grow a single crop. It will also enable the use of approximately 1 million acres not now receiving water. However, the dam will take up to 10 years in construction and it is estimated that the population increase in the interim will probably absorb most of the increase in production. Prospects exist for increasing production by raising yields (intensification) notwithstanding the fact that yields are relatively high. They still are below averages obtained on irrigated lands.

The Western Desert comprises an area of 250,000 square kilometers and supports a population of only 45,000. It is believed much additional land could be cultivated if adequate water can be located and there is sufficient recharge to support significant resettlement.

The water program is divided into two segments:

1. Research and Investigation through June 1964.

2. Development and Utilization (10 to 15 years).

The United States is assisting with the completion of the first stage by providing the services of six technicians including geologists, well drillers as well as a mechanic. An extensive aerial and magnetometer survey has been completed covering 86,000 square miles of the desert area. This has been under contract with the Aero Service Corp. of Philadelphia, Pa. Photomosaics have been made and the necessary mapping for the project will be done by the Egyptian Government. These maps will serve as a basis for soil classification, minerals locations, additional potential water sources, etc., which will all contribute to the possible future development of the area. The investigation itself is being carried out largely by professional personnel of the Egyptian General Desert Development Organization with technical assistance and training from American hydrologists, geologists, and other specialists.

(b) Total cost of project: U.S. dollars plus equivalent U.S. dollars $5,199,000

(c) U.S. contribution:
U.S. dollar funds $2,252,000
U.S.-owned local currency (in equivalent U.S. dollars) $242,000

(d) Local government contribution—
(i) From country budget (in equivalent U.S. dollars) $2,388,000
(ii) From counterpart funds (in equivalent U.S. dollars) $317,000

(e) Percent U.S. contribution to total cost 48

(f) Estimated completion date: Fiscal year 1964.

263–A–11AB—Agricultural education and extension

(a) Brief description and justification of the project:

Agriculture is the backbone of the United Arab Republic economy and affects the income of most of her people. Consequently, the Government has embarked upon a broad-scale agriculture program and in this connection recognizes the importance of conveying to the farmer the latest results of field trials, applied research and demonstrations. The Ministry of Agriculture and, in particular the Agricultural Extension Department, has experienced considerable difficulty in securing trained personnel to meet its expanding requirements. The Ministries' present plans are (1) to upgrade the 67 agricultural centers already established; (2) to establish up to 58 additional centers within the next 6 years; (3) to provide inservice training for extension personnel; and (4) to train additional specialists and other extension workers.

(b) Total cost of project: U.S. dollars plus equivalent U.S. dollars $10,965,000

(c) U.S. contribution:
U.S. dollar funds $2,918,000
U.S.-owned local currency (in equivalent U.S. dollars) $600,000

(d) Local government contribution—
(i) From country budget (in equivalent U.S. dollars) $7,447,000
(ii) From counterpart funds (in equivalent U.S. dollars) .....

(e) Percent U.S. contribution to total cost 32

(f) Estimated completion date: Fiscal year 1969.

263–A–11–AC—Development of hydraulic research and experiment station

(a) Brief description and justification of the project:

The principal long-term objective of this project is to develop a modern hydraulic experiment station capable of carrying out research essential to the coordinated and efficient development of the United Arab Republic's water resources. The project includes fundamental research in river hydraulics, open channel flow, sedimentation, transportation, design and maintenance of irrigation works, the study of river training problems by the use of models and the experimental design of hydraulic structures. The significance of solving the problems outlined above can hardly be overemphasized since the United Arab Republic is so heavily dependent upon the Nile for development.

(b) Total cost of project: U.S. dollars plus equivalent U.S. dollars) $541,000

(c) U.S. contribution:
U.S. dollar funds $125,000
U.S.-owned local currency (in equivalent U.S. dollars) ... $135,000

(d) Local government contribution—
(i) From country budget (in equivalent U.S. dollars) $273,000
(ii) From counterpart funds (in equivalent U.S. dollars) $8,000

(e) Percent U.S. contribution to total cost 48

(f) Estimated completion date: Fiscal year 1964.

263–A–15AE—Grain handling facilities

(a) Brief description and justification of the project:

This project provides a system of storage facilities at 49 locations serving all of the United Arab Republic. Included will be three new port facilities located at Alexandria, Port Said, and Safaga on the Red Sea. There will be 10 terminal silos and 36 distribution silos located throughout the country. The 54 silos, with associated facilities, will have a combined storage capacity of 837,000 metric tons. The total cost of the project is estimated to be about $66 million of which about $32 million represent foreign currency requirements.

Construction of this modern storage system is expected to save the United Arab Republic Government millions of pounds annually incurred through losses due to spoilage, insect infestation, etc.

(b) Total cost of project: U.S. dollars plus equivalent U.S. dollars $66,000,000

(c) U.S. contribution:
U.S. dollar funds ..... ---
U.S. owned local currency (in equivalent U.S. dollars) $16,920,000

(d) Local government contribution—
(i) From country budget ..... [1] $49,080,000
(ii) From counterpart funds (in equivalent U.S. dollars) ..... ---

(e) Percent U.S. contribution to total cost 25.6

[1] Includes the $32 million U.S. loan which represents the foreign currency requirements for this project.

(f) Estimated completion date: Fiscal year 1965.

263–A–12AF—Egyptian-American Service for Rural Improvement (EARIS)

(a) Brief description and justification of project:

One of the major approaches in the drive to increase agricultural production, in addition to increasing intensive production on present lands (other than double cropping planned through the application of the high dam water), is the utilization of new lands. There are two aspects to this approach: (1) discovery of underground water which can be applied to potentially arable but presently desert land, and (2) reclamation of presently unusable lands because of salinity or waterlogging.

This project is directed to the reclamation aspect of the problem and the resettlement of landless farm families.

This project was initiated in 1953 and is the only activity which has continued since that time. However, as U.S. participation was reactivated, the project emphasis was reoriented. The present approach is directed to reorganizing the administration in such a way that by 1964 the entire activity and certain principles evolved therein can be totally integrated within the overall framework of the program to be carried out through all of the Egyptian region by the United Arab Republic Ministry of Agriculture and Agrarian Reform.

The project is under Egyptian and American codirection and the joint fund is controlled by the two codirectors.

The present goals are to—

1. Reclaim approximately 40,000 acres of land in 3 areas, the largest consisting of 32,000 acres located just south of the city of Alexandria.
2. Construct irrigation and drainage canals.
3. Leach land and prepare it for production.
4. Construct approximately 8,000 houses.
5. Resettle approximately 8,000 farm families on 5-acre plots.
6. Develop a pattern of community life and village administration consistent with local conditions and in accord with the regulations of the Agrarian Reform Cooperative.

At Abis, the largest of the three projects included in EARIS, approximately 13,300 of the 30,800 acres in the area have been reclaimed and 11,393 acres have been distributed to farmers. An additional 6,700 acres is ready for distribution. Three complete villages of nearly 4,000 houses have been constructed complete with schools, shops, mosque, hospitals, clinics, and administrative buildings

The families selected for settlement had to demonstrate they had little or no land holdings, were experienced farmers, could manage 5 acres, have relatively good health, and a previous good community record. As a result of the careful screening, the present settlers have been over 99 percent successful. Over 1,000 additional houses are presently under construction. This project is included in the present economic development program, and it is planned that this project will serve as a model for the total reclamation and development effort which envisages the resettlement of one-fourth to one-half million farmers.

(b) Total cost of project: U.S. dollars plus equivalent U.S. dollars $50,093,000

(c) U.S. contribution:
U.S. dollar funds $10,982,000
U.S.-owned local currency (in equivalent U.S. dollars) $3,286,000

(d) Local government contribution—
(i) From country budget (in equivalent U.S. dollars) $35,695,000
(ii) From counterpart funds (in equivalent U.S. dollars) $130,000

(e) Percent U.S. contribution to total cost ..... [1] 28.4

[1] The U.S. contribution is related to the total cost of the project. Additional U.S. contribution of local currency may be required. However, it is not contemplated that the U.S. contribution will exceed 40 percent of the total cost of the project.

(f) Estimated completion date: Fiscal year 1965.

263–W–19AA—Agricultural training project

(a) Brief description and justification of the project:

The United Arab Republic is in need of qualified personnel to plan and carry out the activities included in its economics development plan which calls for a significant expansion in agricultural production. The objective of this project is to train a small number of selected officials of the Ministry of Agriculture and Ministry of Land Reform and Reclamation in methods of improved crop and livestock production, soils irrigation, farm management, and farm machinery maintenance and operation.

(b) Total cost of project: U.S. dollars plus equivalent U.S. dollars $56,000

(c) U.S. contribution:
U.S. dollar funds $42,000
U.S.-owned local currency (in equivalent U.S. dollars) ... ---

(d) Local government contribution—
(i) From country budget $14,000
(ii) From counterpart funds (in equivalent U.S. dollars) ..... ---

(e) Percent U.S. contribution to total cost 75

(f) Estimated completion date: Fiscal year 1962.

263–31–169—Highway development project

(a) Brief description and justification of the project:

Motor vehicle transportation is an extremely important element of Egypt's internal transportation. Approximately 16,000 motortrucks are registered and the quantity is constantly increasing. These trucks transport over 2 million ton-miles of cargo per year and no less than 75 percent of all cotton products and half of the petroleum products. Buses carry approximately 50 million passengers a year. During the period from 1956 to 1961, inclusive, the United Arab Republic Government spent about $52 million on road construction and has made good progress in improving the highway system. It is a vital element in the United Arab Republic development program.

The United States has provided assistance through a contract with Charles M. Upham Associates, Inc., in the establishment of a training center for the training of highway department personnel in the operation, care, and maintenance of highway equipment and in the techniques of efficient low-cost road construction. They also developed a general specification manual for construction standardization.

(b) Total cost of project: U.S. dollars plus equivalent U.S. dollars $28,052,000

(c) U.S. contribution:
U.S. dollar funds $2,326,000
U.S.-owned local currency (in equivalent U.S. dollars) $5,221,000

(d) Local government contribution—
(i) From country budget (in equivalent U.S. dollars) $18,213,000
(ii) From counterpart funds (in equivalent U.S. dollars) $2,292,000

(e) Percent U.S. contribution to total cost 26.9

(f) Project completed fiscal year 1961.

263–W–37AC—Civil aviation development

(a) Brief description and justification of project:

Egypt is an important traffic-generating point in the Middle East. Cairo is on the main Southern East-West trunk route from Europe through the Middle East to the Far East and a main trunk route from Europe to Africa.

An improved airways system will greatly enhance economic development and increase revenues through greater utilization and traffic-handling capacity of its airports.

At present the Cairo International Airport handles 800 total operations per week (350 flights) but it is conservatively estimated that the traffic potential is 1,200 operations per week within 5 years. The project system when completed will enable handling of approximately 1,500 operations per week.

The project is designed to assist the United Arab Republic Government in the establishment of a modern airway system which can efficiently cope with the requirements of both domestic and international aircraft operations and in particular to the operation of jet aircraft.

U.S. assistance is being provided by a team of seven technicians from the Federal Aviation Administration (FAA) to advise and assist in the planning, engineering, and installation of airways facilities and in the local training of personnel to operate and maintain the system.

Supervisory personnel are being sent to the United States for advanced training. Equipment is being provided from Special Assistance funds to meet the needs of the system.

(b) Total cost of project: U.S. dollars plus equivalent U.S. dollars	$11,143,200
(c) U.S. contribution:	
U.S. dollar funds	$1,988,300
U.S.-owned local currency (in equivalent U.S. dollars)	$952,900
(d) Local government contribution—	
(i) From country budget (in equivalent U.S. dollars)	$9,142,000
(ii) From counterpart funds (in equivalent U.S. dollars)	$60,000
(e) Percent U.S. contribution to total cost	26.4

(f) Estimated completion date: fiscal year 1964.

263–G–22–AA—Telecommunications Training Center

(a) Brief description and justification of project:

Since 1955 the United Arab Republic Government's Telecommunication organization has been engaged in carrying out a planned three-phase 15-year Telecommuications program to expand facilities which is estimated to cost $170 million. Illustrative of some of the projects involved which have recently been completed under the plan are: installation of a coaxial cable network in the Delta area to connect Cairo, Alexandria, and the main cities, with a total length of about 275 miles; and establishment of automatic exchanges in Cairo, Alexandria, and 5 other cities with a total of 44,000 lines.

The U.S. Government has been requested to provide assistance to the Telecommunications Organization toward establishment and operation of a Telecommunications Training and Research Institute in Cairo. As a first step in implementing this project two RCA consultants spent 6 weeks in Cairo reviewing conditions and prepared a report outlining an organization and curriculum for the Institute calling for a team of eight technicians. It is estimated that after 5 years of U.S. assistance the Institute, consisting of a technical school, a maintenance and installation school, a traffic school, an administrative school, a research laboratory, and an advanced studies school, will function entirely under local direction and management.

Graduates from these schools will fill the need for increasing numbers of trained personnel to administer and operate the rapidly expanding telecommunications system.

(b) Total cost of project: U.S. dollars plus equivalent U.S. dollars	$4,417,000
(c) U.S. contribution:	
U.S. dollar funds	$1,953,000
U.S.-owned local currency (in equivalent U.S. dollars)	
(d) Local government contribution—	
(i) From country budget (in equivalent U.S. dollars)	$2,464,000
(ii) From counterpart funds (in equivalent U.S. dollars)	
(e) Percent U.S. contribution to total cost	44

(f) Estimated completion date: Fiscal year 1968.

263–J–29–AA—Technical advice to the 5-year plan organization

(a) Brief description and justification of the project:

This is a new project to provide technical assistance and advice to the General Organization for Executing the Five Year Industrial Plan (GOEFYIP) of the United Arab Republic Government Ministry of Industry, on the economic and technical planning aspects of the United Arab Republic industrial development program. Comprehensive long-range industrial development programs are in the process of planning and implementation throughout the Nation. As the industrialization program progresses, increasing attention must be given to the economic and technical analyses of industrial development objectives and to the economic and technical feasibility determinations for industrial projects comprising the program in order to insure optimum productive results. While United Arab Republic technical competence levels are relatively high and many qualified engineers and technicians are available to carry out the industrial program it is imperative that GOEFYIP reinforce its own staff resources with competent outside consultants to assist in the study of these complex industrial planning problems. Technical advice and assistance will be provided under this project by a team of full-time consultants supplemented by short-term specialists to help GOEFYIP establish and develop this major staff facility and to develop and train technical staff to meet the rapidly expanding demands of their organization.

(b) Total cost of project: U.S. dollars plus equivalent U.S. dollars	$1,107,000
(c) U.S. contribution:	
U.S. dollar funds	$784,000
U.S. owned local currency (in equivalent U.S. dollars)	
(d) Local government contribution—	
(i) From country budget (in equivalent U.S. dollars)	$323,000
(ii) From counterpart funds (in equivalent U.S. dollars)	
(e) Percent U.S. contribution to total cost	71

(f) Estimated compeltion date: Fiscal year 1966.

263–J–28–AC—Industrial technical training

(a) Brief description and justification of the project:

Egypt's industrial development program including establishment of new industries and expanding and modernizing those already existing is seriously hampered by the shortage of trained subprofessional technical personnel. In order to assess this problem objectively and to recommend the fields in which U.S. assistance should be provided, the services of a three-man Industrial Technical Training survey team (Sept.–Dec. 1962) have been obtained. Upon completion of their survey the team will report on means of improving manpower development programs and specifically determine the nature and extent of training facilities needed to meet required manpower skills. Lack of these skills represents a critical bottleneck and prevents effective communication between graduate engineers and skilled and semiskilled workers. Following the survey team it is planned to expand this project and contract for a group of qualified technicians, whose specialities and periods of assignment are to be based on findings in the survey report. This group will organize, staff, define objectives, and establish standards of the technical training institution(s) selected to address this problem.

The basic objective of this project is to alleviate the shortage of subprofessional personnel which is a problem of prime importance in accelerating the rate of Egypt's industrial development.

(b) Total estimated cost of project: U.S. dollars plus equivalent U.S. dollars	$3,485,000
(c) U.S. contribution:	
U.S. dollar funds	$1,230,000
U.S.-owned local currency (in equivalent U.S. dollars)	$675,000
(d) Local government contribution—	
(i) From country budget (in equivalent U.S. dollars)	$1,580,000
(ii) From counterpart funds (in equivalent U.S. dollars)	
(e) Percent U.S. contribution to total cost	54.7

(f) Estimated completion: Fiscal year 1967.

263–27–250—Iron and steel industry development

(a) Brief description and justification of the project:

An iron and steel plant of 225,000 tons annual capacity has been erected at Helwan to utilize the iron ore deposits at Aswan.

In 1960 the U.S. AID was requested to provide assistance to the industry as production was far short of rated capacity and quality was defective.

Following its usual custom, U.S. AID procured the services of two short-term, highly specialized consultants to advise as to the requirements of the situation and to ascertain what, if anything, could be done to assist. The conclusion reached by the consultants suggested improvement of marketing methods, many improvements in quality control and related items. The Government of the United Arab Republic decided that its interests was in increasing production per se and not in other activities. U.S. AID then decided that any further activities in this area would not be feasible.

(b) Total cost of project: U.S. dollars plus equivalent U.S. dollars	$9,000
(c) U.S. contribution:	
U.S. dollar funds	$8,000
U.S.-owned local currency (in equivalent U.S. dollars)	

(d) Local government contribution—
(i) From country budget (in equivalent U.S. dollars) ------
(ii) From counterpart funds (in equivalent U.S. dollars) ---------- $1,000
(e) Percent U.S. contribution to total cost ---------- 88.9

(f) Percent terminated: Fiscal year 1960.

263–J66–AG—Engineering education, University of Assiout

(a) Brief description and justification of project:

Assiout University is the youngest and most modern university in the United Arab Republic. It was opened in 1957 and graduated its first class in 1961. Organized on departmental lines, the university is more comparable to an American institution of higher learning than any other non-American sponsored university in the Arab world. The university is currently very short of staff. Many members of the faculty are drawn from other universities in Egypt and commute to Assiout for 1 or 2 days per week. Eighty-seven members of the engineering staff alone are commuters.

The University has approached the U.S. AID for assistance in the development of its department of engineering with emphasis on mechanical, electrical, and civil engineering departments. This mission has requested the services of a survey team to conduct a survey of the university and its needs for faculty and curriculum development.

(b) Total cost of project: U.S. dollars plus equivalent U.S. dollars ---------- $9,958,000
(c) U.S. contribution:
U.S. dollar funds ---------- $2,250,000
U.S.-owned local currency (in equivalent U.S. dollars) ---------- ----------
(d) Local government contribution—
(i) From country budget (in equivalent U.S. dollars) ---------- $7,708,000
(ii) From counterpart funds (in equivalent U.S. dollars) ---------- ----------
(e) Percent U.S. contribution to total cost ---------- 22.6

(f) Estimated completion date: Fiscal year 1967.

263–W–69–AG—Special participant program

(a) Brief description and justification of project:

The objective of this project is to improve the technical abilities of the United Arab Republic Government officers in areas related to economic development in the United Arab Republic.

This project originated in fiscal year 1960 when AID sponsored 98 participants, USIS sponsored 40 participants and the American Friends of the Middle East sponsored 50 participants. The AID-sponsored participants were selected from a variety of fields including agriculture, industry, mining, chemistry, and nuclear engineering.

Some of the AID-sponsored participants have already completed their training and a number of the participants presently receiving training in the United States will complete their program this year. As of September 30, 41 participants were still in the United States receiving training under this program.

The Government of the United Arab Republic has assured that each returning participant will be employed by the Ministry which can best utilize his training.

This project has been closely coordinated with USIS and the American Friends of the Middle East.

(b) Total cost of project: U.S. dollars plus equivalent U.S. dollars ---------- $366,000
(c) U.S. contribution:
U.S. dollar funds ---------- $239,000
U.S.-owned local currency (in equivalent U.S. dollars) ---------- --------
(d) Local government contribution:
(i) From country budget (in equivalent U.S. dollars) -- $122,000
(ii) From counterpart funds (in equivalent U.S. dollars) ---------- $5,000
(e) Percent U.S. contribution to total cost ---------- 68.8

(f) Project completed fiscal year 1962.

(b) Total cost of project: U.S. dollars plus equivalent U.S. dollars ---------- $1,231,000
(c) U.S. contribution:
U.S. dollar funds ---------- $1,176,000
U.S.-owned local currency (in equivalent U.S. dollars) ---------- ----------
(d) Local government contribution—
(i) From country budget (in equivalent U.S. dollars) ---------- $19,000
(ii) From counterpart funds (in equivalent U.S. dollars) ---------- $36,000
(e) Percent U.S. contribution to total cost ---------- 95.5 percent

(f) Estimated completion date: Fiscal year 1963.

263–W–78–AH—Population census

(a) Brief description and justification of project:

The United Arab Republic Department of Statistics and USAID/United Arab Republic cooperated in a population census project. Under this project, the USAID provided funds for the rental of statistical equipment and the purchase of necessary cards and paper for the machines. Prior to the negotiation of the agreement obligating funds for this project, the USAID provided the services of a short-term consultant to assist the United Arab Republic Department of Statistics in planning for the use of the machines and equipment ("A Report on the 1960 Population Census of the United Arab Republic," by Lawrence A. Marzetti) and, under the fiscal year 1959 program, the USAID provided training in the United States for six United Arab Republic statisticians in census operations and population analysis. The participants completed their training and returned to the United Arab Republic to participate in the preparation of the data collected during 1960 prior to actual machine punching and tabulation.

The first census was carried out in the Egyptian region in 1882 and the second was in 1887. Thereafter, it was carried out every 10 years up until 1957. The eighth census was to be carried out in 1957 but was delayed until 1960. One important defect in past censuses was that the information collected was seldom published before the lapse of about 5 years, a fact which defeated the purpose of such an operation. For this reason it was hoped that all necessary information concerning the 1960 census would be published 1 year after its collection. Therefore, training in the use of the most up-to-date electronic equipment and the subsequent rental of such equipment was needed for processing the information obtained in the shortest possible time.

The population census in the United Arab Republic was carried out in 1960, and the project was completed in March 1962.

(b) Total cost of project: U.S. dollars plus equivalent U.S. dollars ---------- $32,000
(c) U.S. contribution:
U.S. dollars funds ---------- $24,000
U.S.-owned local currency (in equivalent U.S. dollars) --- -------
(d) Local government contribution:
(i) From country budget (in equivalent U.S. dollars) ---------- $6,000
(ii) From counterpart funds (in equivalent U.S. dollars) ---------- $2,000
(e) Percent U.S. contribution to total cost ---------- 75

(f) Project terminated fiscal year 1961.

263–R–79–AA—National economic planning

(a) Brief description and justification of project:

Under this project high-level technical assistance in national planning and management is provided by the United States to the Institute of National Planning and other governmental departments concerned with national planning. The institute was established in 1960 as an independent public agency attached to the Presidency of the Republic. The institute among other things encourages national planning research and studies related to the formulation and execution of the national development plan; and conducts, supervises, and direct studies, and research in fields of planning, economy, statistics, technology, and social services. The program of assistance developed with the institute encompasses exploration of techniques of national planning and management from a technical, theoretical, and philosophical viewpoints.

(b) Total cost of project: U.S. dollars plus equivalent U.S. dollars ---------- $2,153,000
(c) U.S. contribution:
U.S. dollar funds ---------- $758,000
U.S.-owned local currency (in equivalent U.S. dollars) ---------- ----------
(d) Local government contribution:
(i) From country budget (in equivalent U.S. dollars) ---------- $1,314,000
(ii) From counterpart funds (in equivalent U.S. dollars) ---------- $81,000
(e) Percent U.S. contribution to total cost ---------- 35.2

(f) Estimated completion date: Fiscal year 1966.

263–98–260—Atomic energy training

(a) Brief description and justification of project:

The Government of the United Arab Republic, through the Egyptian Atomic Energy Commission, has established a reactor and nuclear center at Inshass Village, which is about 40 miles from Cairo, where a light water reactor has been built. A nuclear physics laboratory comprising a Van De Graff two-man unit and an isotope production plant was planned to be constructed at Inshass. This nuclear reactor project and isotope center was planned to employ around 250 to 350 technicians and other personnel. During fiscal year 1961 the United States provided training for one participant under this project.

The present light water reactor at the nuclear center at Inshass is only an experimental type for further development and it is anticipated that different kinds of reactors such as heavy water and power reactors might be developed in the future.

263–Z–99AA—Technical support

(a) Brief description and justification of project:

This project supports technician costs, commodities, rents, utilities, vehicles, local travel, house furnishings not chargeable to a single project or field of activity.

(b) Total cost of project: U.S. dollars plus equivalent U.S. dollars	[1] $2,482,000
(c) U.S. contribution:	
U.S. dollar funds	$1,878,000
U.S.-owned local currency (in equivalent U.S. dollars)	----------
(d) Local government contribution:	
(i) From country budget (in equivalent U.S. dollars)	----------
(ii) From counterpart funds (in equivalent U.S. dollars)	$404,000
(e) Percent U.S. contribution to total cost	75.7

[1] Cost through fiscal year 1962 (estimate) only—future years costs are not determinable due to unpredictable changes in projects and cost elements.

(f) Estimated completion date: Unknown.

LOANS

(a) Loan Agency: DLF (No. 115).

Project: Edfina Canning and Freezing Plant.

Borrower: Edfina Canning and Freezing Plant.

Borrower: Edfina Pour L'Exporation et La Fabrication des produits Agricoles (SAE).

Amount: $200,000.

Date: October 7, 1960.

Terms: 5¾ percent interest; repayable over 10-year period in Egyptian currency.

Purpose of loan: To assist the borrower in carrying out a project of expansion and diversification of their canning and freezing facilities.

(b) Loan agency: DLF (No. 116).[1]

Project: Bagasse mill.

Borrower: Al Nasr Co. for bagasse pulp industries.

Amount: $6.7 million.

Date: November 1, 1960 and November 22, 1960.[1]

Terms: 5¾ percent; repayable within 13 years in Egyptian currency.

Purpose of loan: To establish a bagasse pulpmill in conjunction with the Edfu sugar mill to process pulp from sugarcane bagasse, which is then used in the production of various kinds of paper and paper products.

Comments: Project underwritten initially by Government of the United Arab Republic. Stock to be offered for general public.

(c) Loan agency: DLF (No. 123).

Project: Industrial Bank.

Borrower: Industrial Bank, SAE, Cairo, Egypt, United Arab Republic.

Amount: $7 million.

Date: August 31, 1960.

Terms: 5 percent interest; repayable over 10-period in Egyptian currency.

Purpose of loan: To assist the borrower in carrying out a program of making intermediate and long-term loans for development projects to private industrial enterprises in the Egyptian region of the United Arab Republic falling in industrial categories acceptable to DLF.

Comment: Loan guaranteed by Government of the United Arab Republic.

(d) Loan agency: DLF (No. 142).

Project: Telecommunications scatter system.

Borrower: Telecommunications Organization, Government of the United Arab Republic.

Amount: $1.3 million.

Date: January 19, 1961.

Terms: 3½ percent interest; repayable over 15-year period in Egyptian currency.

Purpose of loan: To assist the borrower in carrying out a project for the establishment of a 24-channel telephone and telegraph tropospheric scatter system link from Damietta in the Egyptian region to Saroukhia in the Syrian region of the United Arab Republic, a line-of-eight ultrahigh frequency link from the scatter terminal at Saroukhia to Damascus and a line-of-eight ultrahigh frequency link from Damietta to Mansoura, and related facilities.

Comments: Loan to be guaranteed by Government of the United Arab Republic. Implementation of this loan has been suspended since the withdrawal of Syria from the United Arab Republic.

(e) Loan Agency: IBRO.

Project: Suez Canal Improvement.

Borrower: Suez Canal Authority.

Amount: $56.5 million.

Date: December 22, 1959.

Terms: 6 percent interest; repayable over 12-year period beginning March 15, 1962, with final payment September 15, 1974, in U.S. dollars.

Purpose of Loan: To deepen Port Said; enlarge entrance to canal; deepen and widen the canal by removing 100 million cubic meters of sand; build quays and other port-handling facilities; purchase tugs, dredges, and other equipment.

Comment: Guaranteed by Government of the United Arab Republic.

(f) Loan Agency: ICA.

Project: Railway Improvement.

Borrower: Egyptian State Railways.[2]

Amount: $7.5 million.

Date: February 7, 1955.

Terms: 4 percent interest if repaid in Egyptian pounds, 3 percent if repaid in U.S. dollars; repayable over period of 40 years—first interest payment September 30, 1958; first principal payment March 31, 1959.

Purpose of Loan: To purchase machine tools, railroad ties, locomotives, and coaches.

Comments: Originally ICA grant in the total amount of $15,583,175.04 of which $7.5 million made available on basis of a U.S.-dollar loan.

(g) Loan Agency: Ex-Im Bank.

Project: Diesel Electric Locomotives.

Borrower: Egyptian State Railways.[2]

Amount: $12 million.[3]

Date: Fiscal year 1960.

Terms: 5¾ percent interest.

Purpose of Loan: To purchase 16—1,000 horsepower units; 42—1,900 units.

Comments: Guaranteed by Government of the United Arab Republic.

(h) Loan Agency: Ex-Im Bank.

Project: Diesel Electric Locomotives.

Borrower: Egyptian State Railways.

Amount: $22.5 million.[4]

Date: September 1960.

Terms: 5½ percent interest; delayed payoff system of 5 percent first 2 years; 10 percent next 3 years; 20 percent remaining 3 years; repayable over 8-year period in U.S. dollars, commencing May 1962.

Purpose of Loan: To purchase 100 diesel locomotives from General Motors.

Comments: Guaranteed by Government of the United Arab Republic. Along with the orders from Henschel of West Germany and Hatchi of Japan, the Egyptian State Railways probably will be able to completely dieselize mainline passenger and freight traffic. The majority of these units have been received and it is expected that all deliveries will be completed by 1963.

(i) Loan Agency: Ex-Im Bank.

Project: Nitrogenous Fertilizer Plant.

Borrower: Societe Egyptienne d'Engrais et d'Industries Chimiques, SAE.

Amount: $5 million.

Date: September 1958.

Terms: 5 percent interest repayable over 5-year period in 10 equal installments; repayable in U.S. dollars.

Purpose of Loan: For expansion of ammonia plant; construction of sulfur plant and ammonia sulfate plant and procurement of necessary equipment in connection therewith.

(j) Loan agency: AID-Loan No. 18.

Project: Grain-handling facilities.

Borrower: General Organization for Storage Affairs (agency of United Arab Republic Government).

Amount: $17 million.

Date: April 26, 1962.

Terms: Currency of repayment—U.S. dollars.

Interest rate: Three-fourths of 1 percent per annum, payable semiannually, first payment due no later than 6 months after the first disbursement.

Amortization: Grace period 10 years. Loan payable in equal semiannual installments over a period of 30 years.

Purpose of loan: To finance purchase and installment of a system of grain storage and distribution facilities planned to serve all of Egypt.

Comment: To finance the local currency costs of this project the U.S. Government is making a grant of 7.52 million Egyptian pounds from funds available under Public Law 480, section 104(e).

(k) Loan Agency: AID-Loan No. 17.

Project: Misrayon cellophane plant.

Borrower: Societé Misr pour La Rayonne.

Amount: $3 million.

Dates: April 26, 1962 (loan agreement), and June 27, 1962 (amendatory agreement).

Terms: Currency of repayment—U.S. dollars.

Interest rate: Three-fourths of 1 percent per annum, payable semiannually, first payment due no later than 6 months after the first disbursement.

Amortization: Grace period of 2½ years. Loan payable in equal semiannual installments over a period of 9 years.

Purpose of loan: Assist the borrower expand its production of viscose slurry and cellophane at Kafr-El-Dawar, Egypt.

Comment: The Government of the United Arab Republic is the guarantor.

(l) Loan Agency: AID-Loan No. 17.

Project: Economic Stabilization Loan.

Borrower: Government of the United Arab Republic.

Amount: $20 million.

Date: June 1, 1962.

Terms: Currency of repayment—U.S. dollars.

Interest rate: 2½ percent per annum, payable semiannually, first payment due no later than 6 months after the first disbursement.

Amortization: Grace period 2½ years. Loan payable in equal semiannual installments over a period of 7 years.

Purpose of loan: To provide the borrower with foreign exchange for the acquisition and importation into the United Arab Republic of commodities in certain categories as approved by AID.

(m) Loan Agency: AID.

Description: A portion of Egyptian pounds, generated as a result of U.S. agricultural commodity sale under title I of Public Law 480, section 104(e), are made

[1] Signed in United Arab Republic, Nov. 1; in Washington, Nov. 22.

[2] Semiautonomous government agency.

[3] An additional $3,000,000 or ⅓ of the total is financed by General Motors.

[4] An additional $5,000,000 is financed by General Motors.

available as "Cooley Loan" funds for (a) loans to U.S. firms or their branches, subsidiaries, or affiliates for business development and trade expansion in the United Arab Republic or (b) either U.S. firms or firms of the United Arab Republic for expanding markets for, and consumption of, U.S. agricultural products abroad.

Two loans as described below have been negotiated under this arrangement:

1. Borrower: Pfizer, Egypt, SAE.

Guarantor: Charles Pfizer Co., Inc., United States.

Amount: E£107,400 (equivalent to $242,372).

Date: August 17, 1962.

Terms: Currency of repayment—Egyptian pounds.

Credit fee: 5½ percent per annum on the unpaid principal payable semiannually, first payment due 6 months after disbursement to the borrower.

Amortization: Grace period of 1 year. Principal repayable in 20 installments over a period of 9½ years.

Purpose of loan: To finance the local currency cost of a new pharmaceutical manufacturing plant.

2. Borrower: National Bottling Co. of Egypt, SAE.

Guarantor: Pepsi-Cola Co., United States.

Amount: E£350,000 (equivalent to $789,854).

Date: January 7, 1961.

Terms: Currency of repayment—Egyptian pounds.

Credit fee: 5½ per annum on disbursements under credit agreement.

Amortization: Grace period of 1½ years from date of the loan agreement. Principal repayable in 10 approximately equal semiannual installments over a 4½-year period commencing June 15, 1962.

Purpose of loan: To assist the borrower in financing of local currency expenditures in the United Arab Republic in connection with the reorganization and expansion of its plant in the United Arab Republic and repayment of any outstanding debts to banks operating in the United Arab Republic.

Comment: At the time this loan was negotiated funds generated by Public Law No. 480 were handled by the Export-Import Bank of Washington but have since been placed under auspices of the Agency for International Development.

PUBLIC LAW 480.—*Local currency*

GRANTS

Fiscal year	Amount (Egyptian pounds)	Brief description
1962	100,000	Funds provided for construction costs of buildings, access roads, and power connections for installation of air navigation equipment provided under special assistance.
1963	7,520,000	Local construction cost of grain silo project for which foreign exchange obtained under development loan (fiscal year 1962).
	228,000	Additional funds required for construction costs of buildings, access roads, and power connections for installation of air navigation equipment provided under special assistance.

LOANS

[All loans to date at 4 percent for 30 years]

Fiscal year	Amount (Egyptian pounds)	Brief description
1960	4,500,000	Equivalent to total cost of (1) TV network in Egypt and Syria, (2) electronic equipment assembly and manufacturing plant in Egypt (equipment supplied by U.S. firm), and (3) TV receiver sets for assembly.
	15,000,000	Production (development) budget support for investment.
1961	15,000,000	Production (development) budget support for investment under 5-year plan.
1962	22,000,000	Do.
1963	[1] 30,000,000	Unified budget support for investment under the 5-year plan.
	[1] 4,166,784	Local costs of civil works for Cairo west power station (dollar cost provided as development loan).
	[1] 4,000,000	Local currency cost of housing construction in urban and rural areas (excludes cost of land).

[1] Planned.

Special note should be made of project No. 263–A–15AE for the construction of grain-handling facilities. According to the project description, the 54 silos to be constructed at a cost of $66 million will have a combined capacity, with associated facilities, of 837,000 metric tons. This should be compared with Egypt's consumption of:

Egypt's consumption of main grains and quantities received from the United States, 1959–62

[1,000 metric tons]

Commodity	Year	Total consumption	Quantity received from the United States
Corn	1959	1,801	50
	1960	1,612	62
	1961	1,730	103
	1962	1,982	390
Wheat flour	1959	450	244
	1960	483	408
	1961	402	401
	1962	517	497
Wheat	1959	1,932	368
	1960	2,185	608
	1961	2,122	496
	1962	2,681	825

Source: U.S. Department of Commerce, Bureau of Census—U.S. Trade Data. Consumption data—attaché reports and Egyptian food balance sheets.

The grain facilities being built with U.S. AID funds will permit Egypt to store more than 75 percent of its 1962 receipts of Public Law 480 corn and wheat from the United States.

As a result of our economic assistance, where does Egypt stand now economically?

As Arnold Hottinger has written in the article before cited:

"Definite accomplishments are present in the not very extensive agrarian reform, the beginnings of industrialization; the expansion of education and of rural welfare; the improvement of the lot of certain groups of the working classes; the abolition of privileges for the rich and for foreigners and the increase of the average Egyptian's self-consciousness. Opposed to these achievements are the crippling of private initiative; the emergence of a new class of governing officers and bureaucrats; creeping inflation; an inflated, inefficient civil service machinery; a decline of educational standards in schools and universities; the chronic misery of 20 million slum dwellers, destruction of all the beginnings of a parliamentary system of government, of freedom of opinion, and of the independence of judges; a police state system; a privileged and expensive professional army and a mentality of unrealistic self-conceit."

Carl Leiden in his previously cited article in the National Review, sums up the situation as follows:

"What Nasser has done is to gamble his place in history and the future of Egypt on the assumption that Titoist communism—call it Arab socialism—will dissolve the effects of extreme poverty, and overgenerous birthrate, and a cultural backwardness. He is a man of action * * * and so it is action only that counts. * * * It has not been an intelligent gamble. He has destroyed every source of indigenous capital * * * and has created an atmosphere in which foreign capital is well advised to stay away. He has compromised his reservoir of talent. * * * The tragedy is that there is no turning back. Millions of Egyptians have lived like animals for centuries. Once aroused, they will continue to demand those things that will prolong the contemporary political and economic chaos. Until the ravages of overpopulation are met, literally nothing can be done that will solve the basic economic problems of Egypt. Nasser's socialism left to itself is rather inexorably doomed to failure. But he has made his task much greater by ruthlessly extinguishing what drives, energies, and abilities the old Egypt had. Neither he nor his followers realize that he has already failed, as they play out the game that can lead only to disaster."

There is grave danger to the free world in this situation. Much has been made of the great hope for agriculture in the completion of the Aswan Dam. However, most experts agree that, because of the great population increase in Egypt, the completion of the Aswan Dam will enable Egypt only to remain even. It is when this realization strikes the people—and Nasser—that the world must guard against another irresponsible action such as Nasser took in 1956.

The cost of Nasser's misadventure in Yemen with its 28,000 Egyptian troops there has been estimated to cost him $500,000 per day. He has been engaged in that misadventure since September 26, 1962. It would be safe to say, therefore, that his Yemen project has cost him over $150 million. There is no accurate estimate as to what Nasser's missile adventure has cost him, although estimates place it as high as $1 billion. The United States cannot afford to continue to support Egypt to the tune of over $200 million a year while he fritters it away in an arms race and in wars of conquest.

On July 30, 1963, the distinguished senior Senator from Iowa, Mr. HICKENLOOPER, the

ranking minority member on the Senate Foreign Relations Committee, on the floor of the Senate, expressed his concern about the situation in Yemen. At that time he said in part:

"Seven months have gone by. The Egyptians have not withdrawn their forces. If anything, they have stepped up their activities in the Yemen against the tribesmen, against the former government.

"Saudi Arabia and Jordan have in substantial degree done exactly what they said they would do. They have withdrawn their participation with the former government. Egypt has failed in every detail to keep its agreements and understandings, upon which recognition was based.

"I have been considerably concerned about this matter because I had some firsthand exposure to it late last fall at the time of recognition, in the countries of Egypt and Saudi Arabia."

"On July 16 I wrote a letter to the Secretary of State. I shall not read the letter in full, but I shall ask unanimous consent to have it printed in the RECORD at the conclusion of my remarks.

"Briefly, in the letter I recited the events, and I said that the Egyptians had not carried out their commitments. I said that, among other things, they had stepped up their military activities and had increased their use of napalm bombs.

"I quote one sentence from the letter:

" 'From all available reports there is strong evidence that the Egyptian forces have enlarged the area of attack and have used increasing patterns of aerial bombardment with napalm bombs and other weapons and have on occasions used gas with poisonous and lethal capability.'

"These things have been established. In other words, the situation is growing worse rather than better.

"I suggest to the Secretary of State and to the administration that, unless the situation is corrected immediately and the Egyptian troops withdrawn according to the agreement, we should seriously consider withdrawing the recognition which we granted to that Government in December.

"I go further and say that, so far as I am personally concerned, unless we do something to correct the operation, which, up to now, has been a mistaken operation, I shall consider the advisability of submitting a resolution for consideration by the Senate, which would state that it is the sense of the Senate that the United States should withdraw recognition."

Egypt's aggressive attitude continues to keep the already troubled Middle East in a constant turmoil, as witness his warlike speech on August 11, 1963, reported by Jay Walz in the New York Times as follows:

"NASSER CHARGES ISRAEL IS THREAT—HE TELLS TROOPS HOME FROM YEMEN TO PREPARE FOR ACTION IN PALESTINE

"(By Jay Walz)

"ALEXANDRIA, UNITED ARAB REPUBLIC, August 11.—President Gamal Abdel Nasser greeted troops returning from Yemen today as a fighting force ready and able 'to defend Arab nationalist principles.'

"The United Arab Republic's President said there could be no disarmament in the Middle East until the rights of the 'Palestinian people' had been restored in Israel. The armed forces must stand as a 'national shield' against Israel, he declared.

" 'We must prepare ourselves to face Israel and the imperialists,' President Nasser said. 'So long as the situation in Israel exists, any call for disarmament in the Middle East would be a bluff.

" 'The entire Arab nation thanks you for what you have done,' the United Arab Republic President told the veterans.

"Signed test ban treaty

" 'We work for peace and we have signed the treaty to ban nuclear tests,' he declared, 'but we cannot reduce our army as long as we are threatened by Israeli attack.

" 'The Arab peoples feel safer because of you.'

"Two transports, carrying 3,000 soldiers and officers, were escorted into Alexandria's new marine terminal by naval units and the harbor's commercial and fishing craft, all with whistles open.

"The returning troops were not the first contingent to come back from Yemen, but they were the first to be received at Alexandria and the authorities took every measure to make it a noisy welcome.

"In his 45-minute address, President Nasser made only oblique references to the military and civil situation in Yemen. He congratulated the troops on 'bringing triumph to the revolution in Yemen' but did not disclose plans for withdrawing the armed forces still there.

"United Arab Republic forces numbering up to 28,000 men have been in Yemen for most of the last year, supporting the revolutionary government of Abdullah al-Salal. The United Nations is now trying to disengage the United Arab Republic on one side and Saudi Arabia on the other. The Saudi Arabians have been supplying arms and ammunition to tribesmen fighting to restore Imam Mohamad al-Badr to his throne.

"Last Wednesday Field Marshall Abdul Hakim Amer, deputy commander of Cairo's armed forces, reported, 'Military operations in Yemen are over.'

"President Nasser said several times that his forces had fought in Yemen for all Arabs.

" 'Our responsibility was to the entire Arab world, not just to the artificial borders of one country,' he declared. 'Our forces were created to defend the whole Arab world. When we cheer for Arab unity, we mean what we say. You have offered your blood and your lives to back up our slogans. Ours is a free nationalist army that wants to liberate Arabs.'

"President Nasser rejected any suggestion that Egypt might join the Baath Party leaders, who now control Syria and Iraq, in Arab unity.

" 'We wanted unity with the Syrian and Iraqi people,' he said, 'not with the Baath Party, which rules through blood and Fascism.' "

Nasser's charges on their face are unbelievable when the area and population of Israel and the Arab League are compared:

	Area in square miles	Population
Arab League:		
Algeria	852,600	10,200,000
Iraq	172,000	6,590,000
Jordan	37,500	1,690,000
Lebanon	4,000	1,626,000
Morocco	172,104	11,600,000
Saudi Arabia	870,000	6,500,000
Sudan	967,500	11,928,000
Syria	72,234	4,657,000
Tunisia	48,313	3,783,000
United Arab Republic (Egypt)	386,198	26,065,000
Yemen	75,000	4,500,000
Total, Arab League	3,657,449	89,139,000
Israel	7,993	2,106,000

On August 7, 1963, Nasser pledged $30 million for the Inter-African Bank. If the U.S. AID funds are to be diverted by Nasser to the Inter-African Bank, then it does seem to me that the United States should make the payment directly so that the people of Africa can give credit where credit is due. I cannot understand why we should permit Nasser to make political capital in Africa with our money.

"[From the New York Times, Aug. 8, 1963]

"CAIRO PLEDGES $30 MILLION FOR INTER-AFRICAN BANK—WILL BE BIGGEST CONTRIBUTOR TO PROJECT PLANNED BY 32 INDEPENDENT COUNTRIES

"Special to the New York Times

"CAIRO, August 7.—The United Arab Republic committed itself today to make the largest contribution to the capitalization of the projected African Development Bank.

"Ahmed Zendo, Minister of Economy, said the Government was prepared to buy $30 million in shares. He said Algeria would be the second largest backer with an investment of $24 million.

"A total capitalization of $250 million is planned.

"Mr. Zendo made the statement on his return from Khartoum, the Sudan, where 32 independent African States signed an agreement yesterday establishing the bank. Economy ministers met to discuss the economic and social development of emerging African countries.

"If the agreement is carried out, the bank will be the first product of Organization for African Unity formed at the conference of African heads of State in Addis Ababa, Ethiopia, last May.

"The bank is designed to promote development by making loans to individual countries and guaranteeing projects undertaken by regional groups of countries.

"Mr. Zendo said that the conference had unanimously accepted an Egyptian proposal to set the capitalization at $250 million instead of the projected $200 million so that countries becoming independent soon might participate. Shares valued at $10,000 each are to be made available to participants.

"The aggregate capital will be divided into two equal parts—subscribed capital and capital to be made available on request.

"Terms of the Khartoum agreement stipulate that 5 percent of each member's share should be paid before ratification documents are submitted. The remainder will be paid in five installments beginning with one of 35 percent, followed by four of 15 percent each.

"Mr. Zendo spoke of the bank's capitalization in dollar terms. It was not made clear immediately what local currencies, if any, would be acceptable.

"All independent African countries, including the United Arab Republic, are hard pressed for dollars and other convertible foreign currencies to finance their own development programs.

"Mr. Zendo said that the bank would elect a council of governors when ratification procedures are completed and that the governors would choose the site of the bank's headquarters."

IV. FINDINGS AND RECOMMENDATIONS

Findings

While professing to be genuinely devoted to the economic development of his country, President Nasser of Egypt has involved his country in a costly war in Yemen at a time when his own country faced no threat at all from events taking place in Yemen. Egypt committed approximately 28,000 troops to that war in Yemen in September 1962 at an estimated annual cost of $150 million. Our AID program for fiscal year 1962 was $224.1 million. The United States is pouring its dollars into Egypt to help its economy while Egypt is pouring it out in foreign war.

In addition, Egypt is spending untold millions in preaching, through all possible propaganda media, the violent overthrow of the Governments of Jordan and Saudi Arabia.

In addition, Egypt is spending additional untold millions on arms, including the development of missiles, for the publicly avowed purpose of waging an aggressive war

against Israel, which has made no such threats but which, because of the Egyptian arms buildup, has been forced to divert much needed resources from its own economic development.

It can rightly be said that U.S. dollars are enabling Egypt to wage war in Yemen, to foment trouble in Jordan and Saudi Arabia, and to arm to attack Israel just as surely as though they were spent directly for that purpose.

In addition, U.S. AID dollars are being used to build a police state with the Government owning and operating everything through nationalization of industries and businesses. U.S. AID dollars are therefore being used to prove that such totally Socialist type of police state can work economically. (See ch. III–J.)

It is therefore recommended that the continuance of the U.S. financial aid program to Egypt be conditioned upon—

1. Egypt's prompt compliance with the terms of the United Nations settlement of the Yemen dispute; and

2. Egypt's reversal of policy so as to cease production of missiles, warplanes, submarines, and other implements of war clearly designed for aggressive purposes.

EXHIBIT 2

[From the Reporter magazine, Oct. 24, 1963]

OUR YEMEN POLICY: PURSUIT OF A MIRAGE

(By Philip Horton)

On the night of September 26, 1962, a palace coup took place in the remote city of Sana, the capital of the kingdom of Yemen. The royal Government of Iman al-Badr was ousted in favor of a junta headed by Brigadier Abdullah Sallal, former chief of the palace guard. With the immediate arrival in Yemen of Egyptian troops and Soviet-provided equipment, the implications were clear enough to most of our friends and allies in the Middle East. The Iranian view, for instance, conveyed to the State Department as early as October 9, was that President Nasser's ultimate objective was to gain control of Saudi oil in order to establish his independence of the United States and be free to collaborate with the Soviet Union.

Yet on December 19, after 2½ months of hesitation and uncertainty, Washington recognized the Nasserite republican government. Since then, what had seemingly begun as a peripheral civil war has become a war by proxy between Egypt and Saudi Arabia, which in turn has threatened the security of the Arabian Peninsula and the West's strategic lifelines to the Indian Ocean, brought Soviet combat missions into play against our major Arab ally in the area, and, finally, raised serious doubts about the good faith of our Government.

In recent months sharp and angry questions about the failure of our policy have been raised on the floor of Congress, but the answers supplied by administration officials were more notable for muddled rationalization than for clear and persuasive reasoning. One Congressman who had tried to get some light on our Yemen policy in the course of the House hearings on foreign aid said, "I have never heard so much doubletalk in all my life."

The simple fact is that doubletalk has been the order of the day in Washington ever since the State Department recognized Sallal's republican regime. Why, then, was recognition granted when it was, and over the strong opposition of almost every U.S. ally in the Middle East and Europe? Why did the State Department feel that it was in the interests of the United States to support Nasser's Pan-Arab imperialism, particularly since this aspect of Nasser's policy has always been sedulously encouraged by the Soviet Union? Why—and this is the question most often asked by critics of our Yemen policy both within and without the administration—did the administration feel that it had to make a decision to recognize instead of watching and waiting to see just which way the struggle in Yemen was going?

Among the first answers given was that, of course, it was the fault of Chester Bowles. This accusation was given wide circulation, and a number of papers carried a report blaming Bowles (who was charged with similar mistakes in other appointments) for having named John Badeau, an eminent supporter of Nasser's Pan-Arabism, as U.S. Ambassador in Cairo.

There can be no question about Ambassador Badeau's sympathetic attitude toward Nasser and Arab nationalism. As former president of the American University in Cairo and later of the Near East Foundation, he had developed a deep attachment to the cause of Egypt's betterment. "Egypt," he wrote in 1959 in his introduction to Nasser's "The Philosophy of the Revolution," "has rapidly emerged as the dominant influence in the Arab world, and its revolution has spilled over the Nile Valley to become the 'wave of the future' in adjacent lands." Within a few days after the Yemen coup and before Washington had even had a chance to sort out just what was happening, Ambassador Badeau received the foreign minister of the new revolutionary government, Mohsin al-Aini, in Cairo. Thereafter, he continued to argue vigorously for recognition of the new regime, backed up throughout by the reports of Robert W. Stookey, the U.S. chargé d'affaires in Yemen.

In Washington, apart from the general support of the National Estimates Board of CIA and the Policy Planning Council at the State Department, the Yemen policy was thought to be largely the handiwork of Robert C. Strong, then Director of the Office of Near Eastern Affairs under Assistant Secretary of State Phillips Talbot, and of Robert Komer, a New Frontiersman of CIA background who handles Middle East problems on Presidential Assistant McGeorge Bundy's staff. In recent months, however, a kind of reverse competition has set in, with everyone remotely involved struggling for a lower place on the totem pole of responsibility. As Bundy put it, with a smile, to an inquiring critic: "When the news from the Yemen is good, it's Komer's war; when it's bad, it's Talbot's." From now on, however—war, peace, or stalemate—the troubles in Yemen are the responsibility of the U.N.; as has happened before with Washington policies that have misfired, the U.N. was persuaded to pick up the pieces.

BREAKING WITH BRITAIN

Most critics of the Yemen policy inside or outside the administration are convinced that the most basic mistake was the underlying assumption that the republican coup represented a revolution against "the notoriously despotic" rule of the Imams and a "yearning for Arab unity" and social reform. This in turn led the policymakers to overlook or at least badly underrate the most important single fact about Yemen—its physical location.

The map tells much of the story. Situated near the southwestern corner of the Arabian Peninsula, Yemen to the north and east borders on the great desert reaches of Saudi Arabia. To the south it faces on the South Arab Federation and the Aden Protectorate, both British-controlled, as well as Aden Colony, which, next to Singapore, is now the most important outpost of British power, sheltering both the world's greatest bunkering port and the headquarters of the British Middle East Command. Yemen, in short, is a natural back door to the Arabian Peninsula, itself a prize of incalculable value, which since 1945 has produced for the West 1,000 billion barrels of oil, contributed a billion dollars of revenue to Great Britain and the United States last year alone, and provides, via the Dhahran and Aden bases, indispensable defense links by air and sea to the Indian Ocean and southeast Asia.

To define the peninsula's strategic and economic value to the West is a fortiori to describe Nasser's ambition to take it over, not to mention Moscow's desire to help him do so. What makes Yemen a logical starting point for Nasser is the fact that of all the countries of the peninsula it is the only one not under some form of British or United States protection. Since the Second World War, in fact, Anglo-American hegemony has sealed the peninsula off from the disorders that have beset the rest of the Middle East and provided the one element of relative stability in the area. One would think it would be a cardinal objective of U.S. policy to keep it that way. "You will see," said one Middle East diplomat; "by parting ways with the British over your Yemen policy and backing Nasser's adventure there, you have pried the lid off Pandora's box. The big question now is—will you ever be able to clamp it back on again?"

The British, remembering Nasser's frequent promises to drive "the forces of reaction and imperialism" out of the peninsula, stuck to their decision to withhold recognition of the Yemeni republicans, despite reportedly heavy pressure from Washington. Most of the Middle Eastern governments, fearful of any new Nasserite aggression, were also deeply troubled by the appearance in Yemen of Soviet combat personnel early last October and by evidence of close coordination between Moscow and Cairo in the stepped-up delivery of TU–16 bombers, which were immediately pressed into service in the fighting. The strongest opposition, however, came naturally enough from Saudi Arabia's Prince Faisal, who had been summoned home from New York where as Foreign Minister he headed the Saudi U.N. delegation, to take over the reins of government in Riyadh. In a series of meetings in Washington in the first weeks of October, including a private lunch with the President, Faisal agreed to initiate badly needed reforms in his own country. In return, he warned his listeners against the great dangers of Nasser's military adventures in Yemen and urged them to persuade Nasser to cease his aggressions against Saudi Arabia.

On his return to New York and on the eve of his departure, Faisal was dismayed to learn from an old American friend that the State Department had the impression from these talks that Faisal had agreed to seek a détente with Nasser in the interest of securing the safety of his country and his régime. This, he said, was impossible: "It would be like giving someone a sleeping pill when a murderer was after his life." Furthermore, he could not consider cutting off support of the Yemeni royalists, who were the legitimate government in Yemen and with whom he had treaty ties.

The policymakers stuck stubbornly to their course. Their line of argument, however, seemed at times to suggest that they were taking their cue from Nasser himself, who in the January 1955 issue of Foreign Affairs had written: "There would not be any Communist infiltration in any part of the Middle East and Africa if the United States could develop a courageous policy—and the only morally correct one—of supporting those who are anxious to get rid of foreign domination and exploitation."

These ideas had won Nasser a limited hearing in the early years of the Eisenhower administration, but it was not until the arrival of the New Frontier that he had a

real chance to sell his "philosophy" to Washington. According to reliable diplomatic sources in the capital, Nasser's Ambassador to Washington, Mostafa Kamel, on one of his first visits to the White House suggested to President Kennedy that Nasser would greatly welcome a direct exchange of views, an initiative that led to an extensive personal correspondence between the two leaders. The first exchange took place in the early spring of 1961, before the President undertook, in a series of letters to the heads of all the Middle East governments, to convey the substance of the policies he intended to pursue in that part of the world. Though couched in the most general terms, the import of these letters seemed fairly clear to those on the receiving end: U.S. support for broad social reform, for movements toward Arab unity, and for the untrammeled independence of the Arab nations. As one senior Arab diplomat recently put it, perhaps with the benefit of hindsight, "The heart of Washington's Middle East policy to us seemed to be that in return for recognizing the absolute U.S. commitment to the security of Israel, Nasser was given more or less a free hand to pursue his ambitions in the Arab world."

Thereafter President Kennedy continued to take a direct personal interest in the problems of the area and, after last September, in the Yemen war in particular, which clearly threatened to expose his Middle East policy to an embarrassing test. Toward the end of November, after the Egyptians had already indicated an interest in reaching some kind of settlement in Yemen that would secure their interests, the President dispatched personal messages to the leaders involved—Prince Faisal, King Hussein of Jordan, Nasser, and Sallal. The texts of the messages were never released, but, according to the New York Times, they "proposed as a first step that Egyptian troops withdraw from the republican side in Yemen and that Saudi Arabia and Jordan halt material support of the royalist cause." The implication was that U.S. recognition of the republican régime would then be in order.

RECOGNIZING THE PUPPET

By mid-December the State Department had two further reasons to rush through recognition of the new Yemeni government. One was to secure and increase the American presence in the country in order to counter the growing number of Soviet personnel, many of whom were already serving as crew members in the Egyptian bombing raids against Saudi and royalist bases. The other consideration, more important by far, was the mounting evidence that the war in Yemen was not going well for Nasser. A long dispatch in the London Times of December 21, for instance, written by a British M.P. who had just returned from a fortnight in Yemen, noted a "universal hatred of the Egyptians" and concluded that without Egyptian aid, "Sallal would not survive more than a few days against the forces of the Imam."

The fear in Washington was that further progress by the royalists would bring a still heavier build-up of Egyption forces in Yemen, with the possibility that if things continued to go badly, Nasser might, in a desperate effort to save face, plunge into an all-out war against Saudi Arabia and thus present the White House with a painful dilemma: To turn against Nasser or to betray our commitments to the Saudis. The solution put forward by Washington, as foreshadowed by the President's November letters, was U.S. mediation or, more accurately, a swap: U.S. recognition of Nasser's puppet régime in return not for an accomplished and verified withdrawal of Egyptian forces from Yemen, as Prince Faisal finally urged, but simply for Nasser's promise to withdraw under conditions he has been amending and reinterpreting ever since. This left the State Department with the sticky task of proving that the Sallal government qualified for recognition.

The internationally accepted criteria that had to be met before recognition could be granted to the new republican government were that it be in effective control of the country and the machinery of state; that it have the general support of the people; and that it demonstrate its willingness to honor its international obligations—most particularly to live at peace with its neighbors.

By mid-December, on the eve of recognition, there was ample reason to doubt that the republican government could meet any of these criteria. Most of the leaders of the new government had come out of the free Yemen group that Nasser has supported in Cairo in recent years. One of the first to arrive, the very day after the coup, was Abdul Rahman al-Baidani, who on becoming vice president broadcast an announcement to the tribal leaders that if Sallal could be called the Naguib of the revolution, he himself, in effect, was its Nasser. Baidani, who was born in Cairo of an Egyptian mother and an Indian father and who has at various periods held both Egyptian and Yemeni citizenship, played his role to the hilt. Apart from persuading Sallal to reinforce key Yemeni garrisons with Egyptian forces in greatly superior numbers, he also succeeded in purging from the new cabinet the three or four officers known to be nationalists, including the defense minister, Mahmoud el-Jaifi, who was sent off to Cairo as ambassador. With Baidani running short of further targets, Sallal soon found it prudent to get rid of him, and in January 1963 he relieved him of his portfolios and sent him packing back to Cairo under military escort. By late summer Baidani showed up in Aden, where he seemed to be playing a different kind of game which led the Sallal government to revoke his Yemeni citizenship on August 29 and denounce him as "an imperialist stooge * * * an impostor * * * and a dangerous spy." By late September, according to the New York Times, he was back in Cairo, this time in jail for interrogation.

As for effective control of the country, the size of the Egyptian force provided a kind of answer. By mid-November these forces in Yemen reportedly numbered at least 6,000; by mid-December, on the eve of U.S. recognition, 12,000 to 14,000; and by late spring—and despite the Egyptian promise of withdrawal that recognition was supposed to secure—reached a peak strength of 28,000 men. Their Soviet-made armament was impressive, and included medium and heavy tanks, infantry carriers, some Ilyushin-28 bombers, two squadrons of Mig-21's, and two squadrons of TU-16 medium bombers. Altogether it was the largest military operation in the Middle East since Suez and, according to testimony by Senator JACOB JAVITS before the Senate Foreign Relations Committee, was costing Nasser upward of $500,000 a day.

Its sheer weight and size, in a small and sparsely settled country, made it look more like an army of occupation than an expeditionary force, especially since in the early weeks of the fighting there were no comparable enemy forces in sight. According to the best military intelligence available, neither Jordan nor Saudi Arabia ever had more than a hundred or so officers and advisers assigned to the royalists, while the tribes under the Imam at that time were still scattered and badly organized. More significant, however, is the fact that at no time since the coup has the republican Yemeni Army numbered more than 3,500 combat soldiers.

Early in November the first open attacks on Saudi territory were launched, culminating on November 5 in a 14-hour bombardment by sea and air of the Saudi port of Muwassan on the Red Sea. From the Saudi capital of Riyadh, Prince Faisal, noting that the attacking units "were Egyptian because Yemen has neither aircraft nor a navy," broke off relations with Cairo.

Washington's response was the hasty dispatch to Riyadh of a number of F-100's described as a "good will" mission and the arrival of a U.S. destroyer in the port of Jiddah. As a reminder to Nasser of U.S. commitments to Saudi Arabia, the gesture fell short of the mark. In a letter of December 18 an oil executive, with excellent sources of information in the Middle East, summed up the situation on the eve of recognition as follows: "The Egyptians apparently have decided to accept phased withdrawal of some kind. Yemen, however, has refused to give guarantees to respect its international obligations to stop attacking Saudi Arabia—and to stop threatening the position of Aden Colony and the protectorates. Just recently Sallal has even been throwing up roadblocks to the American plan for recognition. He has just made a speech giving the Americans 'one' last chance' to extend the recognition he wants on his own terms."

In the same speech, Sallal declared: "We celebrate the birth of the greater Arab Republic which will inevitably be brought about and emerge and follow the Yemeni revolution * * *. We are celebrating the birth of the Republic which will sweep away his [Saud's] kingdom * * * and furthermore annihilate the royal Saudi family."

The speech was delivered on December 14 and broadcast over the Sana radio. Five days later the State Department announced that it had recognized the republican government, noting that Sallal had undertaken "to honor all treaties concluded by previous Yemeni governments." According to the New York Times of December 20, the Department said that "recognition had become possible because of two developments in the last 24 hours." The first was the declaration by the Sallal government that it would honor its international obligations—which as a matter of record included treaties of amity and nonaggression with the Aden Protectorate and Saudi governments. The second was Nasser's last-minute assurance that he "would withdraw the 12,000 Egyptian troops now serving the republican cause in the Yemen."

SALLAL SHOWS HIS HAND

Through the winter months and on into the spring and summer, the State Department continued to argue that recognition of the Sallal regime had been a sound decision. In late July, in reply to an angry letter from Senator BOURKE HICKENLOOPER charging failure of the recognition policy, Assistant Secretary Talbot declared: "We realized that only by recognizing the regime could we play a useful role in preventing an escalation of the Yemen conflict causing even more foreign interference and placing in serious jeopardy major U.S. economic and security interests in the Arabian Peninsula."

Almost the very opposite was true. In the months following recognition the total Egyptian forces in Yemen rose from 16,000 to an estimated 28,000, while Soviet and Soviet-bloc personnel increased from less than 100 just before the coup (under the old Imam, who died just a few days before the Sallal coup, their number had reached a peak of 500 to 600 and then declined) to something upward of 1,500 by latest estimates. The American presence, of such deep concern to the State Department as a counter to growing Soviet influence, has remained less than 100 persons.

The U.S. decision also sharply reduced the leverage Washington could have exercised on Nasser through its aid program, which provides a third of Egypt's food. It eliminated the possibility of any official U.S. negotiations with the royalist government to seek

a peaceful compromise between the two factions. Finally, on the international scale, recognition was widely interpreted in Middle Eastern countries, Arab and non-Arab alike, as a U.S. acknowledgment of Nasser's right to pursue his ambitions and his "philosophy of revolution" by sending a large expeditionary force into a neighboring country.

The most embarrassing evidence of just how bad a bargain Washington had made began to appear in the days immediately following recognition. On December 20 Sallal gave an interview in Sana to a correspondent of Pravda in which, far from expressing any gratitude for U.S. recognition, he attacked Washington for supporting Saudi and Jordanian attempts to put down his revolution. "I advise the American people," he declared, "to demand an account from their leaders * * * for their reckless policy, which is followed by the rest of the Western World on every point." On December 23, by way of counterpoint, Nasser delivered a speech at Port Said declaring that his troops were engaged in a "sacred battle" in Yemen and that "Saud and Hussein will have their Sallals just as the Imam did." For good measure he went on to denounce Great Britain and promised to liberate Aden and the protectorate. Then it was Sallal's turn once more. On December 27 he boasted that he now had modern rockets which he was prepared to use against Saudi Arabia and Jordan. Addressing himself to the Arab monarchs, he went on to declare that his regime was "building an army strong enough to liberate the entire Arabian Peninsula."

These words were quickly followed by action. For 3 days, beginning December 30, Ilyushin-28 bombers carried out heavy raids into Saudi territory directed against Najran, the major transit area for Saudi arms and supplies for the Yemeni royalist forces. Sharp protests from Riyadh and Washington had no effect, and a week later, on January 7, Najran suffered another bomber attack that lasted throughout the day.

This time Prince Faisal did not wait for Washington's reaction. Deeply angered not only by Egypt's latest aggression but also by Washington's failure to take a more vigorous stand, Faisal decided to release to the world the text of President Kennedy's letter to him of October 25 assuring him of "full U.S. support for the maintenance of Saudi Arabia's integrity," together with his own reply. The first broadcast of the letter went out over the Mecca radio in the late afternoon on January 7. There was little the White House could do but follow suit. The following day the President, without referring to Faisal's move, also made the letter public. The Washington Post headlined its report, "Kennedy Reveals Support of Faisal."

Given the timing of the release, one passage of the letter in particular must have made curious reading to the Arab world. "I am fully aware," wrote the President, "that in order to accomplish your goals [of modernization and reform] you must have the requisite tranquillity—an atmosphere devoid of recriminations 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."

With its left hand, it seemed, Washington had committed itself to defending Saudi Arabia against aggression. With its right hand it had just indorsed a government and a program of conspiracy clearly directed against the stability and security of the Arabian Peninsula.

Just one day later, on January 9, in a major speech at Aswan, Nasser declared, "We had to back the Yemeni revolution from the first day and the first moment," and launched into his usual threats against the Saudi Government. But this time he also has some embarrassing and humiliating words for Washington. "Last December," he stated, "we said that we were willing to withdraw our forces from the Yemen under conditions * * *. Of course some people now forget the conditions and say the United Arab Republic had said it would withdraw when the United States extends recognition. We said we were willing to withdraw our forces by stages when the Saudis and Jordanians withdraw from the border regions which they use as bases for aggression, when outside aggression has also ended and when aid is stopped to the deposed royal family and also when outside interference from Bayhan [in the British protectorate] stops." In short, he was demanding that the Saudis evacuate their own territory. The proposition was in the best Nasser style.

PASSING THE BUCK

The U.S. proposal for disengagement, as originally put forward in the President's letters of late November, clearly called for the U.N. to play a supporting role, if and when necessary. Although the U.N., which had recognized the republican government one day after the United States had, was not markedly eager to take over the burden, pressure from Washington prevailed. In the closing days of February, Dr. Ralph Bunche, Under Secretary for Special Political Affairs in the Secretariat, was dispatched to the Middle East on a factfinding mission.

At about the same time, Washington was mounting a parallel drive to expedite the U.N. intervention. In early March it assigned the task to Ellsworth Bunker, a former Ambassador to India who had also performed a similar service for the administration in maneuvering the Dutch New Guinea crisis into the hands of the U.N. As special envoy of the President, Bunker, after 2 or 3 weeks of secret and separate talks with Nasser, Faisal, and Sallal but not with the Yemeni royalists, obtained their agreement to a plan for phased Egyptian withdrawal tied to cessation of Saudi aid to the royalists. This set of proposals he quickly brought to U Thant at the U.N. According to Newsweek, in the course of his talks he told Faisal: "We have no policy to deal with Nasser or any other leader in the Near East as a chosen instrument of U.S. policy. We do not think Nasser is the wave of the future * * *. I may say also that the President is aware of and intends to block Nasser's adventures." From Nasser he won a pledge to refrain from making further "inflammatory speeches" and from both parties a promise to cooperate with any effort the U.N. might make to check on the progress of disengagement.

On April 8, accordingly, a draft of the agreement was initialed at the U.N. by the contracting parties. On April 29, in a report to the Security Council, U Thant formally announced the disengagement agreement, carefully underlining the role of the Bunker mission, from which "emerged the agreed terms of disengagement." At the close of his report U Thant also declared his intention to send a U.N. observer team to Yemen to keep tabs on how well the contracting parties were keeping their promises.

Neither Washington nor the U.N. was particularly pleased by their joint handiwork. One high U.N. official, unwilling to criticize his own organization, nonetheless made his point by remarking that the Bunker agreement was completely "weasel-worded" and full of holes. Indeed, the heavy pressure Washington now brought on U Thant to get his observer mission into Yemen as quickly as possible was a tacit recognition of how little confidence the State Department had in the agreement.

In the earliest days of May, President Nasser started to withdraw his forces, it is true. But the ships and planes that ferried the battle-worn troops back to Egypt invariably returned in systematic rotation to Yemen loaded with fresh replacements. He had not, it appeared, in any way changed his objective. On May 20, in a speech to honor some of the returning veterans, he declared that his troops would remain in Yemen until the hour of victory. A few days later Gen. Anwar Qadi, commander of the Egyptian expeditionary force, declared that Egypt's task in Yemen might take 5 years and would consist "first, of securing the revolution completely and, second, of working on creating a sound Yemeni national army." Both the fact and the rationale of rotation were in clear violation of the spirit, if not the letter, of the U.N. agreement; but in the opinion of administration officials who were queried by the press there was nothing to be done about it—except, of course, to protest to Cairo and appeal to the U.N. to hasten the dispatch of its observer mission. Meanwhile they continued to hope for the best. On April 29, the very day U Thant announced the disengagement agreement, James Grant, Assistant Secretary Talbot's deputy, had assured the House Foreign Affairs Committee that "we expect the Egyptian Army to start its withdrawal in a matter of a relatively few days." A month later, Secretary Rusk declared he expected the disengagement to "become fully effected * * * in the very few next days." By the end of July, Talbot seemed less certain about the matter: "We are satisfied that the Saudis have terminated their assistance * * * and are hopeful the United Arab Republic will fulfill its part of the agreement."

Of all those concerned, perhaps only Nasser was really pleased by the disengagement agreement. For one thing, it laid down no deadlines for withdrawal. This omission, coupled with the fact, as U Thant put it in a later report to the Security Council, "that fulfillment by one side is contingent on fulfillment by the other," provided a self-renewing invitation to delay and evasion. Another feature of the agreement that worked to Nasser's advantage, at least for a time, is that it was never agreed to or signed by the royalists. This omission, which reflected Washington's long-standing conviction that the royalist forces were of no account and that the real danger lay in all-out war between the United Arab Republic and Saudi Arabia, has had several important consequences. It meant that the second largest fighting force in Yemen remains free to do as it pleases. So long as Nasser wants to remain in Yemen, it provides him with an ideal excuse: the right of self-defense against attacking forces that are not bound by the disengagement agreement. In trying to deal with this sticky aspect of the problem in his reply to Senator HICKENLOOPER's angry letter, Talbot was once more forced to resort to dubious rationalization. "The United Arab Republic," he wrote, "is not prohibited by the disengagement agreement from fighting tribes who continue to operate against the Central Government. However, the agreement does prohibit punitive attacks against tribes on the basis of resistance mounted before the agreement went fully into effect." (He was referring, of course, to the forces which U.N. documents designate as "Royalists.") In a later passage, by way of clarification he added: "In other words, the United Arab Republic wants to withdraw its troops from Yemen. Its delay in doing so appears to result, therefore, not from any lack of desire. Rather it seems to flow from the continuance of tribal guerrilla warfare in the Yemen highlands and perhaps also from the multiplicity of problems facing the new government."

Neglect of the royalists also posed embarrassing problems for the U.N. Important sectors of the proposed U.N. buffer zone along the Saudi-Yemeni border, from which all military forces and equipment were to be

excluded, had been under royalist control from the earliest days of the fighting. How, then, could Gen. Carl von Horn, the Swedish chief of the U.N. observer mission, send his men into these areas? He had no mandate to back him. Rather, it appeared, the contrary. In late August he resigned his U.N. post in anger and frustration, with sweeping charges of gross incompetence and moral cowardice against U.N. headquarters. At the same time, he also declared to a correspondent of the London Observer that he had been "expressly forbidden to make contact with the royalists or even to acknowledge receipt of their letters."

In the report U Thant was obliged to make to the Security Council on September 4 at the end of the mission's first 2-month tour of duty, he freely admitted the failure of the mission: "It cannot be said at this stage that encouraging progress has been made toward effective implementation of the disengagement agreement. * * * No plan for phased withdrawal of United Arab Republic troops has been received." Nevertheless he asked for and received permission to continue the observer mission for another 2 months; i.e., until November 4, with the United Arab Republic and Saudi Arabia once more agreeing to pay the costs.

THE TRAINING MISSION GAMBIT

By the end of September, with the disengagement agreement largely discredited, other solutions came up for speculation, including the possibility of extending the U.N. role to a peacemaking mission and even the chance that the two Yemeni factions will reach a compromise.

Although Washington policymakers are keeping an eye on these alternatives, publicly they still cling to their original scheme; in some way to salvage the republican government. It is hard to imagine just how this could be achieved unless some means could be found for getting Nasser out of Yemen while keeping him in. For some months there have been passing references in the press to plans for an Egyptian training mission which, after Nasser had fulfilled his pledge to withdraw his forces, would help create a strong republican army in Yemen. Although no such training mission is provided for by the U.N. agreement, it was, said a White House official, "part of the Bunker agreement. Bunker discussed it with both Nasser and Faisal. He made it clear that the United States naturally did not expect the United Arab Republic to cease all support to the republicans after its withdrawal. It was only reasonable that Nasser would want to give them a certain amount of financial and technical assistance—and of course a training mission to help build up their army." In private discussions, State Department estimates of the size of the training mission have ranged from 2,000 to at least one mention of 5,000 men. At the maximum figure, this would mean that Egyptian forces in Yemen would outnumber the present republican army by almost half.

In what is probably the only mention of the training mission in official documents of public record, the ill-starred Talbot letter to Senator HICKENLOOPER, there is this passing reference: "In view of the sustained Communist interest and activity in Yemen, the most probable alternative to a republican régime beset by tribal anarchy and without United Arab Republic help at least in the form of a military training mission would be one with a Communist coloration heavily dependent on Soviet support."

The State Department is, in effect, proposing for Yemen a kind of U.S. "presence" by proxy. The Egyptian proxy, however, is known to be wholly dependent in turn on Soviet arms, with all that means in terms of potential leverage from Moscow, and furthermore is itself being trained by the Russians. The important question would seem to be just who is training whom and for what purpose.

To be sure, the State Department and Pentagon are also considering a U.S. training mission for Yemen. If and when approved, it would consist of three to five republican Yemeni officers who would be brought to the United States for language courses, general orientation, and some military training. The total cost of the mission would not exceed $15,000.

The State Department has repeatedly declared that the United States has three "essential concerns" in Yemen: first, to protect Egypt's neighbors, in particular Saudi Arabia, from the dangers of a spreading conflict—which is to say from Egypt's ambitions beyond Yemen; second, to prevent the Soviet bloc from developing "a predominant position" in Yemen; and third, to encourage "a relatively stable and independent" Yemen. As the record shows, the administration's policy has gone a long way toward securing the reverse of these objectives.

In a dispatch from the Yemini capital on September 12, Dana Adams Schmidt, Middle East correspondent for the New York Times, wrote: "Departure of the Egyptians from Yemen seems remote. Cairo's burden of maintaining soldiers and planes in Yemen is heavy, but it is not unbearable so long as Western and Soviet-bloc aid to the United Arab Republic continues." Thus the fundamental question arises, as it does in other sectors of U.S. foreign policy, whether in Yemen and the United Arab Republic we are competing with the Soviet Union or working with it against ourselves.

EXHIBIT 3

[From Prevent World War III, summer 1962]

UNMASKING GERMAN PLANS IN EGYPT

In the previous issue of Prevent World War III (No. 61) we published a study (German-Egyptian rocketry) dealing with the activities of German rocket scientists and technicians in Egypt. The subject has now become a front page story and its repercussions have been felt from Cairo and Tel-Aviv to Bonn and Washington.

Many people were surprised to learn that Egypt was harboring Germans with the scientific know-how for the development of weapons of mass destruction. However, to readers of Prevent World War III this should come as no surprise at all. Ten years ago, Prevent World War III published a detailed exposé concerning German penetration in the Middle East, entitled "Berlin-Baghdad Again." For those who may not recall this analysis or who are unfamiliar with its contents, we should like to recapitulate some of its essential points.

BACKGROUND FACTS

The article was written a few months following the overthrow of King Farouk in Egypt. In that connection Newsweek (August 25, 1952) reported that General Naguib who was the nominal leader of the coup, was being guided by German military brass. This is what Newsweek said: "There is no evidence that the Germans initiated the coup. It is however known that the young officers who did the actual planning consulted the German advisers as to 'tactics.' The Cairo reports attribute the smoothness of the operation to German advice. Also, the young officers are reported to have chosen General Naguib as their leader on German advice. Later, Naguib publicly praised the work of the German advisory group, thus giving it an official stamp."

The leading adviser to Naguib was the German, Gen. Wilhelm Fahrmbacher. General Fahrmbacher had been corps commander in the Nazi army during World War II and had, at one time, been held by the French as a war criminal. Among his associates was Maj. Gen. Oscar Munzel who was considered a great favorite in the German officer caste. Another member of the German military who played an important role in the Egyptian army, was Gerhard Mertins. He was a veteran of the Nazi air invasion of Crete. In 1945, Mertins served as a battalion commander during the Nazi offensive in Western Europe. His assignment in Egypt was to teach specially selected Egyptian units the art of parachute jumping and attack.

The article pointed out that, while the number of German military officers was a closely guarded secret, "it is known that the Egyptians had set up an office in Germany to recruit German specialists who served under Field Marshal Gen. Erwin Rommel in the North African campaign of World War II." It was also indicated that Naguib's German military advisers possessed valid West German passports and traveled freely between Egypt and Germany.

The article noted that the German military influence in Cairo was followed by an influx of important German industrialists. Thus, Albert Degener became responsible for the operations of the German-Egyptian Chamber of Commerce in Cairo. Degener had headed a similar organization in the United States up to the outbreak of war between Nazi Germany and our country. While in the United States, Degener proved to be an active propagandist and apologist for Nazi Germany. As late as May 16, 1940, he worked assiduously to organize German war relief among German-Americans while the Nazis were attacking France and Great Britain. Walter Rohland, another influential German industrialist, helped to direct the building of a German steel plant in Egypt. As one of Germany's industrial war lords, Rohland was a key figure in the German steel industry which had profited greatly from Hitler's wars of aggression.

Besides military and economic penetration, the Germans mounted a cultural offensive. The aim was to inculcate among the Egyptians appreciation for German cultural works. German professors were brought to the University of Alexandria, and it was proposed that the German language should be made compulsory in Egyptian schools.

MORE FACTS

Three years after we had carried this initial article, Prevent World War III published another piece on the same subject, entitled "Middle East Caldron." Additional data was supplied concerning the large numbers of German militarists and war criminals who had gained key posts in the Egyptian military setup. It was brought out that there were at least 600 German technicians working in various fields, particularly in the military. In this connection reference was made to Dr. Wilhelm Voss who had once been a prominent leader in the war economy of Hitler's Third Reich. On the recommendation of the West German Government in February 1951, Voss was appointed by the Egyptian Government as head of the central planning board. In that capacity he served as the chief advisor to the War Ministry in Egypt. The reliable German weekly Der Spiegel (October 26, 1955) reported that under Voss' command "were employed more than 50 German military and armament experts." Der Spiegel revealed that Dr. Voss maintained intimate contacts not only with Chancellor Adenauer's chief diplomatic aids Blankenhorn and Hallstein "but also with the highest officers in * * * the Bonn War Ministry."

One year later, Prevent World War III (No. 49) carried an article which examined the nature of Egyptian propaganda. It was brought out that "Prof. Johann van Leers, a former top Nazi propagandist, was * * * masterminding Egypt's propaganda campaign." Van Leers, this article observed, was head of a "corps of Nazis reputedly numbering 200 in the service of President Nasser."

In his youth, van Leers was a member of the notorious Freicorps, one of the precurors of the Nazi movement. As early as 1929, he joined the Nazi Party. He was also an official of the German foreign office. In 1936, he was accepted as a member of the German general staff with the rank of major. Van Leers' main talent lay in the field of propaganda. Thus, he served Goebbels and was the chief editor of Goebbels' journal Wille und Weg (The Will and the Way).

In the No. 50 issue of Prevent World War III we continued to examine the Nazi influence in Egyptian propaganda. We published an article showing how Hitler's "Mein Kampf" had become a best seller among Egyptian officers. Another article in this same issue revealed how former German Nazis had taken control of Nasser's punitive forces. This element was responsible for the ruthless elimination of all opposition to Nasser and for the setting up of concentration camps.

In the next issue of Prevent World War III (No. 51), we ran a full length article dealing with the role played by Nasser and his associates in working for the German general staff during World War II. This information was called from a book written by one of President Nasser's closest colleagues, Col. Anwar el Sadat. In his book, "Revolt on the Nile," Sadat recounts the story of how Nasser and a group of young Egyptian officers collaborated with the forces of the Rome-Berlin-Tokyo Axis against the Allied Powers. With regard to the services rendered to the Fascist Axis by Nasser and his friends, Colonel Sadat wrote: "We made contact with the German headquarters in Libya and we acted in complete harmony with them."

Sadat is candid enough to tell us that Nasser and his cohorts were resolved "to fight side by side with the Axis." Even after the war Sadat expressed his sympathies for the Axis. Thus, when asked in 1951 by an Egyptian magazine how he would appraise Hitler's activities 8 years after his death and what advice he would give the Fuehrer, should he appear again, Sadat replied: "Dear Hitler, I welcome you back with all my heart. You have been defeated, but in fact one should regard you as the real victor: There will be no peace in the world until Germany again takes first place. Your main mistake was in opening too many fronts, but everything has been forgiven, for you are a shining example of belief in one's fatherland and people. You are eternal, and we shall not be surprised if we see you again, or a second Hitler, back in Germany." This is the man who is one of the foremost figures in the Egyptian Government today.

GERMAN AID

This brief review of what Prevent World War III wrote in the past, provides the background for what is now occurring in Egypt. It is not by chance that German technicians and scientists are working for the Egyptian military establishment. Actually, this cooperation is the result of official agreements between the West German Government and Egypt. Indeed, one of these agreements reached in 1960, provided that the Germans would "help the UAR in the development of its atomic research for nuclear development."

(Baltimore Sun, March 26, 1963): "Bonn has known for years that Cairo was a haven for former Nazis; it has been aware of the financial rewards available there to scientists; it could not have been blind to the manufacture in Germany of precision parts destined for Egypt * * *.

"The Cairo research allows German scientists to operate with considerably more freedom than on German soil. A Germany suddenly disenchanted with the West could recall these men to the service of the Fatherland. In Germany's present respectability, the prospect is no threat, but it is a shadow on the horizon of history, perhaps no longer than a man's hand, but disturbing all the same."

However, this is only one facet of the collaboration which has been going on for a number of years. Thus, during the last 4 years, it has been reliably reported, that West German economic aid to Egypt has been larger than either Soviet or American assistance. Since 1959, the Germans have set up 76 plants in Egypt whereas the Russians have built 53 and the United States 28. The number of German scientists and technicians runs into the thousands. It is difficult to arrive at a firm figure because many of these Germans have taken on Arabic names and have married Egyptian women. Nevertheless, it is estimated that of these thousands there are at least 300 German scientists and technicians who are specialists in nuclear armaments. Some of these Germans have boasted that part of the program of German-Egyptian collaboration is financed by the hundreds of millions of dollars given to the Nasser government by the Soviet Union and the United States. While these Germans work assiduously in Egypt, scores of Egyptian students have been sent to the West, particularly to West Germany where they are trained.

The building up of the Egyptian air force, according to the noted British correspondent Sefton Delmer, is now under the direction of "Hitler's ace designer, Prof. Willy Messerschmidt" (Sunday Telegraph, Mar. 31, 1963). Shortly after the end of the war, Messerschmidt showed up in Spain where, under the benevolent protection of Franco, he worked on new designs for fighter aircraft. Having completed his "tour of duty" in Spain, Messerschmidt moved to Cairo to take over direction of the 300 German aircraft technicians working there.

Messerschmidt told Delmer that these German experts were building a powerful jet fighter for President Nasser "in two vast factory complexes on the Nile." This aircraft, Delmer reports, "is designed as a powerful weapon of attack." Messerschmidt informed Delmer that as much as £100 million (approximately $300 million) have gone into the project so far. The funds, Delmer reports, come from the revenues which Nasser obtains from the Suez Canal. Here is another source of aid for Nasser's military buildup which comes primarily from the West.

ALARM AND RESPONSE

It is, of course, understandable that the Government of Israel is deeply alarmed over this situation. Israel's Foreign Minister, Mrs. Golda Meir, made it clear that the West German Government could not claim that it had no responsibility for this situation. Following her speech, the Parliament of Israel unanimously adopted a resolution declaring that it was "the duty" of the German Government to put "an immediate end to this dangerous activity of its citizens * * *" The resolution also stated that "the German people cannot exempt themselves of the responsibility for the continuation of this vile work."

The initial reaction of the West German Government to these charges was evasive. Anonymous spokesmen for the West German Government declared that Bonn had no legal means to prevent German scientists from working in Egypt. Another unnamed Government source declared that legislative action to control the movement of West German citizens abroad or to limit their activities "was out of the question." The Federal Republic, according to his view "is a nation of law" and the freedom of movement of its citizens is guaranteed (New York Times, Mar. 22, 1963). Guenther von Hase, the official spokesman for the German Government, told reporters that there was no proof that the Germans in Egypt were actually working on "aggressive" weapons. Apparently, Von Hase did not check with the West German Foreign Ministry whose spokesman had admitted that "a maximum of 11 German experts are working in Egyptian rocket production" (Reuters, Mar. 22, 1963).

However, these alibis and denials failed to dissipate the mounting alarm expressed in many circles in Europe and in the United States. Consequently, on March 25, 1963, a West German Government spokesman announced that "there are a number of measures that might be taken." Chancellor Adenauer, who was vacationing in Italy, ordered that a report be sent to him concerning the investigations which the Germans would conduct on this matter. Two days later, Von Hase said that the problem was complex and that it was difficult to say when legislation could be drawn up to remedy the situation. In an exchange with one reporter at a press conference, Von Hase agreed with his interrogator who alleged that there was no work in West Germany for missile scientists and that is why they go abroad. Von Hase immediately took the cue and replied, "This just goes to prove our loyalty to international agreements."

THE TRUTH COMES OUT

While the West German authorities thought up all sorts of excuses and pretended that they were in the dark and would investigate the real situation obtaining in Egypt, the German scientists in Cairo were not so silent. Ferdinand Brandner, a top German technician, a former Nazi storm trooper, and now a key adviser to Nasser, boasted: "We have obtained all the equipment and material for laboratories, workshops, and test stands from West Germany, Austria, Switzerland, and the United States" (London Daily Express, Apr. 8, 1963). This same Brandner charged that the attacks against the German scientists in Egypt were "intended to defame us and force the German Government to take measures against our activity" (Christian Science Monitor, Apr. 3, 1963). In this connection, another German technician complained: "We are worried about the Jewish terror * * * but why doesn't our Government in Bonn give us support? They know why we are here and what we are doing" (London Daily Express, Apr. 8, 1963).

The reports concerning the activities of the German scientists in Egypt indicate that they have been working not only on missiles capable of carrying nuclear warheads, but they are also experimenting on poison gas as well as on radiological and bacteriological weapons. The German Government has denied all of this. Inspired reports appeared in the press declaring that it would be illogical for the Germans to use Egypt as a secret development ground for new weapons since they were receiving far more sophisticated weapons directly from the United States. But this line falls flat in the face of a letter written to a correspondent by Adolph Karch, the lawyer for one of the top German scientists, Eugen Saenger. In that letter Karch made the sensational admission that "the Egyptian Government undertook to put at the full disposal of the German Federal Republic all the results of the [rocket] development works, and, as the occasion arises, they also put at German disposal the Egyptian ground installations and launching pads for such German experiments as could not be carried out in the Federal Republic."

Here is the key to the whole deal. It creates much doubt as to the official assurances issued by the West German Government that the world has no cause for concern. The so-called investigations which the West German Government promised to undertake can go on indefinitely unless world public opinion insists on prompt results. There is no question but that our Government, if it wishes, can do much in this matter. After

all, the United States is not only involved through treaties with West Germany relating to the development of weapons for mass destruction, but we have also provided ample opportunities for the West German Government, its scientists and technicians, to acquire vital information in the field of rocket technology and atomic arms. Indeed, U.S. help has been decisive in the continuing buildup of West Germany's military power. We cannot wash our hands of that responsibility. Yet the response of our Government to the protests concerning the German scientists in Egypt, has been most disappointing, to say the least.

New York Post, April 2, 1963: "The specter of German science enlisted in the service of those who would destroy Israel is an intolerable sequel to the Nazi nightmare.

"But this is not only a German responsibility. This is an area that urgently calls for regional disarmament, starting if necessary with an arms freeze.

"All that is required is for the great powers who are the suppliers of the more sinister weapons littering the region to agree on a cutoff. Why not? It should be clear by now that arms purchase no lasting friendship in the *Middle East* for either East or West."

EVASION

When the story first broke, the State Department said it was contemplating what steps it might take, if any, with regard to the charges that the Germans were working on bacteriological and chemical warheads in Egypt (New York Post, Mar. 26, 1963). The snowballing protests, however, had to be answered more directly and this was undertaken by Under Secretary for Political Affairs, Averell Harriman in a reply to Congressman LEONARD FARBSTEIN. In a leading editorial, the Washington Post (Apr. 13, 1963) described Mr. Harriman's letter as curious and that, instead of coming to grips with the issues involved, it retreated into lifeless platitudes.

What were the essential points in Mr. Harriman's reply? After assuring Congressman FARBSTEIN of the State Department's continued interest in the security of all Middle East states, he expressed the view that, if these German scientists were recalled, they might be replaced by Soviet bloc personnel equally qualified in such work, again forcing the UAR into greater reliance on the U.S.S.R. To this argument the Washington Post retorted: "This comes close to arguing that we should be grateful for the Soviet forces in Cuba because otherwise there might be a Chinese army in the Carribean." With a touch of sarcasm the Post editorial noted that "it is of small comfort to Israel that these may be good, non-Communist missiles developed with the help of Germans so thoroughly anti-Russian that some of them worked for Hitler."

The Post editorial made mincemeat of Mr. Harriman's arguments. Nevertheless, it is of the greatest importance to challenge Mr. Harriman's implication that the German activities in Egypt are of an episodic character. Actually, as had already been shown in this article, the German role in the Middle East in general and in Egypt specifically, has deep roots, going back to more than 10 years at least. German scientists and technicians did not appear in Cairo all of a sudden. Nor is there any intention that they will leave all of a sudden. In short, the German move in Egypt has basically nothing to do with the question of Soviet activities in that country.

POSTWAR STRATEGY

The Germans were in Egypt years before the Russians came in 1955. As the world knows, the Soviets, since 1955, have provided Nasser's armies with vast amounts of military hardware while the United States has given hundreds of millions of dollars which enables the Egyptian economy to sustain this vast military buildup. During this entire period and before, the German scientists and technicians continued their work.

Mr. Harriman's reply also reflects how devastatingly effective Nasser's blackmail policies have been and continue to be. The idea that, if the West does not provide Nasser with weapons of mass destruction, the Soviets will, is part and parcel of the same argument which has obliged us to continue to underwrite Nasser's imperialistic moves.

One other major implication in the Harriman note which must be challenged, is the notion that the matter of German scientists in Egypt is part of the continued conflict between Israel and Cairo and that this is a local affair of no direct concern to the United States. This attitude, if we may say so, smacks of the same approach that certain statesmen in Britain took when Hitler claimed his pound of flesh from Austria and later Czechoslovakia. If this is indeed the State Department's view, then the irresponsibility of our policymakers is greater than we had first thought.

The society wishes to go on record in stating that this is not a local matter but one which directly touches on the national interests of the United States and world security. We also wish to go on record in charging that the German presence in Egypt is an intrinsic element in the postwar plans of the German general staff to rebuild Germany's war potential by evading and violating the obligations she assumed following her surrender.

The society has published a number of articles dealing with the German general staff's postwar plans. We now charge that here in Egypt as well as in Spain, the Germans, shortly after the end of the war, were able to continue and to expand their work in all military spheres for the day when they could once again confront the world with an ultimatum. To some of our readers this may sound unduly alarmist and melodramatic. In that case, let them ponder the following statement: "Nazi party members, German industrialists and the German military, realizing that victory can no longer be attained, are now developing postwar commercial projects, are endeavoring to renew and cement friendships in foreign commercial circles and are planning for renewals of prewar cartel agreements * * *. German technicians, cultural experts, and undercover agents have well-laid plans to infiltrate foreign countries with the object of developing economic, cultural and political ties. German technicians and scientific research experts will be made available at low cost to industrial firms and technical schools in foreign countries. German capital and plans for the construction of ultramodern technical schools and research laboratories will be offered at extremely favorable terms since they will afford the Germans an excellent opportunity to design and perfect new weapons. This Government is now in possession of photostatic copies of several volumes of German plans on this subject." This statement is excerpted from a State Department declaration dated March 30, 1945.

The society solemnly declares that it is the duty of our Government together with our Allies to conduct a full scale investigation of all of the ramifications in connection with the German presence in Egypt and present its findings to the world. To equivocate or to pretend that this matter has been unduly inflated is to literally gamble with the security of the United States and our Allies.

DANGEROUS MEN

Daily Express, London, March 25, 1963: "'Today Germany, tomorrow the world' was a slogan of the Nazis. With more and more German rocket experts working for Nasser, the slogan may become: 'Today Egypt, tomorrow Germany.'

"For these German scientists who are helping Nasser to build a modern military machine could one day use their knowledge and experience to build an even better machine—for Germany.

"The Western Powers can require Nasser to give up his rocket program simply by threatening to cut off financial aid. They can prevent West Germany from ever embarking on a missile program simply by imposing their will as Germany's conquerors.

"Britain and America should act swiftly and decisively against the German rocketeers."

EXHIBIT 4

[From Prevent World War III, No. 61]

GERMAN-EGYPTIAN ROCKETRY

The decision of our Government to make available certain defense weapons to Israel has unleashed a torrent of abuse from Egypt. President Kennedy himself has come under attack by the Cairo Government's controlled radio and press. A cartoon in one of the leading Egyptian newspapers, Al Ahram, depicted the President in the role of the notorious gangster Al Capone. A prominent Egyptian commentator, Tawfiq Hasan, told Egyptian radio listeners that the United States held "contempt for the United Nations" and was pursuing a policy of "aggression against the Arabs" (Oct. 2, 1962). Another broadcast over Cairo Radio (Oct. 5, 1962) described the United States as "the commander of the * * * imperialist camp." Parenthetically, American taxpayers ought to bear in mind that Egypt has received over $700 million in U.S. aid and expects an additional $500 million from Uncle Sam in the next few years.

That Egypt should let loose this wild fury reveals at least two significant things: (1) The professions of Egypt's friendship for the United States which some of our policymakers are trying to convince the American people as being genuine, turns out to be a thin veneer concealing a profound contempt and animosity toward our country; (2) in view of the fact that the Hawk missile which the Israeli Government intends to purchase, is designed solely to oppose invading aircraft, why should the Egyptian Government complain unless it contemplates some dangerous adventures?

CAIRO'S BOAST

The story of missiles in the Middle East has serious implications and deserves careful thought by all security-minded Americans. We may be able to understand what is involved if we examine the problem by retracing some of its background. On the occasion of the 10th anniversary of Nasser's seizure of power Radio Cairo (July 21, 1962) broadcast to its listeners the following: "Rise of Sun of our Arab Nation, illuminate the world and tell everyone we shall always be glorious and triumphant * * *. The United Arab Republic has successfully launched a missile." President Nasser himself was at the scene when four missiles were fired and he boasted in a speech that their missiles were in "large-scale production." Press reports indicate that all of Cairo's propaganda guns made the most of the occasion. Cairo Radio devoted 2 hours to martial music. It was, indeed, a gala event.

The missiles were given specific names as though each of them possessed super heroic qualities. For example, one of the missiles, having a range of 400 miles, was called the Conqueror. When reporters asked President Nasser to explain the military significance of this rocket, he replied that it should be regarded in terms of the range that it can reach. Pressed still more for a specific answer, Nasser blithely replied that the exact range was "a little south of Beirut." On the map the target is obvious; namely, Lebanon's southern neighbor, Israel.

It is interesting to note that military experts have declared that Egypt's rockets are of minimal value without nuclear warheads. In this connection, the London Economist (July 28, 1962) wrote the following: "Presi-

dent Nasser gave a nightmare glimpse into the far distance when he casually answered the Pravda correspondent's question about nuclear warheads with: 'We have not reached that yet.'"

As for the cost of this ambitious program, Cairo has been very coy. The Egyptian Government has not published any figures but in the latest budget allocations for the armed forces there is a substantial increase over the previous year's total. The increase, according to the London Times (July 23, 1962), is about 12 percent of the state budget. Thus, while President Nasser continues to promise his people all of the good things of life and even boasts that "we manufacture everything from sewing needles to rockets," the statistics show that the Egyptians will have to continue to forgo better living standards for the greater glory of Nasser's rockets. Indeed, Nasser has attached a sacredness to these rockets. The day before they were displayed he declared that "God willing, you (the Egyptian people) will be able to see these rockets." In that same declaration he boasts that "we have war factories" and he assured his listeners that "the will of the people is bound to triumph."

BONN AND CAIRO

When Cairo's entry into the missile age became front-page news, stories began to pop up about a mysterious group of German scientists and technicians who were said to have contributed to the development of Nasser's rocket arsenal. When the Cairo government was asked to comment, it remained silent. On the other hand, the New York Times (August 5, 1962) reported that the Bonn government "denied this week that any German company or individuals officially were known to have participated in Cairo's rocket effort." The formulation of this denial, as reported by the Times, is fascinating. Please note the word "officially." This is the key to the denial for, in effect, the West German Government is telling the world that it knows all about the rocket deals with Cairo, but not officially. In the same issue of the Times a report from Vienna reveals that Dr. Eduard Lenzo, Economics Minister of Baden-Württemberg, said that a West Germany company had been established to export rocket parts to Egypt.

Let us examine the relations of Bonn to Cairo on this sensitive question a bit more closely. Apparently, these relations seem to have a comparatively long history. As far back as December 8, 1960, the official bulletin of the West German Government announced that a meeting of German officials connected with atomic energy had exchanged ideas with Egyptian authorities in West Germany on "nuclear scientific and nuclear technical questions." The communique further declared that, after both sides had explained their mutual atomic programs, "different possibilities for collaboration between the two states were discussed." The leading German representative in these negotiations further said that his government was "basically ready to help the United Arab Republic in the development of its atomic research for nuclear development." Other reliable reports revealed that the West Germans had agreed to furnish "a stream of nuclear scientists and technicians" to the United Arab Republic. These same reports said that the University of Göttingen would supply scientific personnel to aid in the implementation of the agreement. It is noteworthy that the Science Division of the Göttingen University and scientific circles in Egypt "have had close relations over the years." Hence, we can see that the Germans had made official agreements, some of them still secret, with Egypt on the development of that country's nuclear power.

SAENGER AND "COMPANY"

The key German scientist in this operation is Dr. Eugen Saenger, a man who is comparatively young. His background is interesting. Saenger opened a rocket research institute for the Nazi Air Ministry as early as 1936. He worked on a number of developments which were designed to improve the Nazi's striking power. One of his pet projects was the development of a long-distance bomber capable of attacking New York. After the war, Saenger became director of the Stuttgart Institute for Jet Propulsion Physics.

New York Herald Tribune, November 6, 1962: "When the Arabs resume their exercises in oratorical scurrility while the refugee debate is on, it becomes all the more easy to understand the Israelis' reluctance to accept the return of refugees except as a part of a larger peace settlement. But proof to support this view is difficult to adduce, and Israel's reluctance to accept it on faith is certainly comprehensible. Furthermore, the repeated denunciations of Israel accompanied by promises of extermination, which are standard fare not only for Arab broadcasters but for Arab UN delegates, are hardly likely to produce a frame of mind among the refugees which would make them useful and peaceful Israeli citizens."

Last year Saenger was dismissed from his post in Stuttgart when his tieup with Cairo was publicly exposed. However, this did not faze him at all since he, together with a couple of his German colleagues, were paid a yearly salary of about $500,000 for services rendered to the Egyptian Government. Saenger was also given Egyptian funds to buy in West Germany all of the equipment and the materials needed for Nasser's missiles. On this point the Associated Press (July 23, 1962) reported that the German newspaper, Abendzeitung, revealed that about 250 West German rocket experts and technicians were working secretly in the United Arab Republic. It also stated that the four rockets which had been fired on the occasion of the Egyptian Government's 10th anniversary, "were bought earlier from the United States and worked on by German experts." This same German newspaper also reported that these German scientists and technicians were employed through Swiss concerns in Zürich "which act as camouflage for their activities."

Associated with Dr. Saenger in this work are the German scientists Brandner and Pilz. According to European press reports, West German officials gave them their passports, made sure that their pensions were in good standing and "treated them as honored citizens." Brandner, while ostensibly a prisoner in Russia after the war, helped to perfect Russian bomber planes capable of carrying nuclear weapons. Pilz, who had worked with Wernher von Braun, now an American citizen, on Hitler's V–1 and V–2 projects at Peenemünde, worked for the French after the war on that country's rocket projects. In short, these scientists made sure that Germany's military defeat would not interrupt the march of German science. As for Bonn's involvement, C. L. Sulzberger wrote in the New York Times that "Bonn has been aware for many months of this special German role in the Middle East arms race" (New York Times, Aug. 6, 1962). In short, all of the evidence concerning the sinister activities of these German scientists leads directly to the authorities in Bonn.

"EXPERIMENTING" ABROAD

Since the story broke, there have been new reports concerning these scientists. We are now told that some of them have disappeared—allegedly kidnaped. While the Egyptians have pointed an accusing finger at Israel, it seems clear that these scientists are in Cairo. Apparently, these German scientists who have embarrassed their Allied partners, have quietly moved on to Egypt where they can continue their work without the glare of publicity. The revelations which we have outlined in brief, must have shocked a number of policymakers in Washington and London who have been advocating a greater exchange of nuclear know-how with Bonn. It must have been quite vexing for them to observe how the Germans were able to leap into the field of atomic weapons development through the activities of such scientists as Herr Saenger in Cairo. Bonn, of course, was quite embarrassed too and, according to press reports, German officials expressed their chagrin over what these German scientists were doing. Nevertheless, they claimed that they were helpless to rectify this situation. After all, so the official explanation goes, these scientists do not work for the Bonn government. Therefore, they are free agents. Moreover, since West Germany is a free country, how can these scientists be stopped from earning their bread and butter in Egypt?

This sounds like a plausible predicament and may convince those who are unaware of German techniques. Let us be specific. After World War I, leading members of the German General Staff managed to become key advisers to the Chinese military establishment. The head of this mission was Col. Walter Bauer, one of General von Ludendorf's chief assistants and a friend of Adolf Hitler. The Bauer mission turned out to be an embarrassment to the Weimar government. When certain Chinese leaders publicly revealed that great quantities of war material were being shipped into China in violation of the Versailles Treaty, the Weimar government was in a tough spot. It sought to absolve itself of the responsibility by pretending that this was not an official mission and had nothing to do with the government. Obviously, this denial was made to forestall any Allied probe.

Under Weimar the German military practiced their profession in other lands; i.e., Russia, Holland, Spain, Sweden, and even in South America. The aim was twofold: (1) to help the German industrial war lords to grab some of the armament business and (2) to preserve and improve Germany's military know-how in the face of the restrictions laid down by the Versailles Treaty. In both instances German objectives were accomplished in the main and it is doubtful that Hitler would have been able to confront the world with such a powerful war machine in so short a time, had it not been for the extracurricular activities practiced by the German military while German officials looked the other way.

German activities in this field since the end of World War II have a startling similarity with the past. In places far removed from each other, politically and even geographically, like Spain and Soviet Russia, German scientists have been peddling their wares. They have been welcomed in the United States, too, and they seem to be doing a good job for President Nasser. As one French newspaper remarked, the Saengers and other German scientists have become the foot soldiers of science. They work in France, in the East, in Italy, in Egypt (Carrefour, Sept. 26, 1962). Let it not be forgotten that above all they work for the fatherland.

A REAL SOLUTION WANTED

This article would not be complete without an evaluation of our Government's wise decision to permit Israel to acquire defensive rockets. Given the accelerated arms buildup in Egypt and Nasser's expressed determination to launch war when the time becomes opportune, our Government showed farsightedness in terms of our own national interests.

When a house is about to be set on fire and threatens to spread, there is little time for making long-range plans to fireproof the house. The immediate need is firemen but one should not mistake the firemen's task for the real job that needs to be done.

The Middle East is a tinderbox of boiling hatreds. The arms race there is spurred on

by Soviet machinations and by the stubborn, almost fanatical warlike policies of the Nasserites. Yet, one must plan for the future, for the delivery of arms to counter this danger is no real solution. Much more needs to be done. Certainly, the United States in its own national interest as well as in the interest of world peace and security, must actively seek ways and means of breaking the vicious circle of arms buildup. Of one thing we are certain. It cannot be brought about by appeasing the aggressive forces in the Middle East nor by merely maintaining the fragile balance of military power among the states involved. Constructive and positive action is imperative. In the search for a genuine program for world disarmament, the possibilities of initiating such a project via the Middle East deserves the closest attention and thought of U.S. policymakers.

EXHIBIT 5

[From the New York (N.Y.) Times, Oct. 29, 1963]

ARMAMENTS RACE BY EAST AND WEST IN AFRICA FEARED—DIPLOMATS BELIEVE RED AID TO ALGIERS MAY SPUR RABAT PLEA TO UNITED STATES AND FRANCE—CAIRO ALSO IS INVOLVED—CEASE-FIRE TALKS ARE BEGUN IN MALI—MEDIATORS CONFER WITH BEN BELLA AND HASSAN

(By Peter Grose)

RABAT, MOROCCO, October 29.—Western diplomats here are facing the prospect of an East-West arms race in north Africa. This result of the border conflict between Algeria and Morocco may go on for months after the present crisis has died down.

The West still seeks to isolate the conflict, if possible, but fears are being expressed that it has already gone too far, that the arrival in Algeria of Soviet and Egyptian war material and manpower has tipped the strategic balance.

No country is known to have supplied Morocco with emergency military aid since the border conflict started October 8.

(Cease-fire talks began in Mali, with mediators conferring separately with President Ahmed Ben Bella, of Algeria, and King Hassan II, of Morocco, the Associated Press reported.)

CUBAN SHIPMENTS REPORTED

Up to now analysts thought that a kind of equilibrium existed between Algeria's and Morocco's military strengths. Algeria's army was bigger, but poorly equipped; Morocco's was better trained and led.

Intelligence sources here accept reports that three ships from Cuba arrived at the Algerian port of Oran last week, bearing Soviet-made tanks, planes, and artillery. They also say 1,000 Egyptian soldiers were transported to Algeria.

The United Arab Republic has long had a military assistance program in Algeria, as has the United States in Morocco, but up to now the Egyptian personnel have been technical specialists rather than field officers.

If this buildup upsets the equilibrium—and some diplomats believe it already has—Western countries are going to find it difficult to refuse Moroccan requests for equivalent military support.

DIPLOMATS CONCERNED

France and the United States are the two Western countries most directly affected, since both have had close military ties with the Moroccans. Diplomats of the two countries made no attempt to conceal their concern.

Any new American military support would have to be decided by the National Security Council.

The situation of France is particularly difficult, since she also has military agreements with Algeria. An official statement in Paris yesterday confirmed France's neutrality in the Saharan border conflict.

Similarly the United States has tried to keep from choosing sides, but it is not clear how long either country can remain outside the arms buildup.

Sources believed to be reliable reported that the first of the Cuban ships, identified as the *Aracelio Iglesias* arrived in Oran on October 21.

The cargo was reported to consist of 22 Soviet T–34 light tanks, 5 armored reconnaissance vehicles, 4 crated MIG jet fighters, 25 Zil trucks, 3 field radio transmitter-receivers, 800 tons of miscellaneous parts and ammunition, and 61 pieces of artillery, including antiaircraft guns, mortars, and antitank guns.

This equipment, the sources said, was moved by road and rail on October 23 and 24 to the vicinity of Tlemcen, 30 miles from the Moroccan frontier.

Two other ships were reported to have arrived by the weekend, bringing the number of T–34 tanks to over 40, as well as increases in the other material.

Diplomats noted that even if the present talks between Algeria and Morocco, in the Mali capital of Bamako, produced a cease-fire, Algeria's military capability would still be great enough to cause concern in Rabat.

The U.S. military mission in Morocco is being phased out, under the agreement of December 22, 1959. This agreement, reached during President Dwight D. Eisenhower's visit to Casablanca, provided for complete withdrawal of U.S. forces by December 31, 1963.

THREE AIR BASES SHUT DOWN

Operations of three U.S. air bases of the Strategic Air Command were closed down last July, and remaining troops are to be out of Morocco by the end of the year.

A separate American training mission, however, will remain in Morocco. This consists of about 10 Air Force pilots training Moroccans to fly C–47 and C–119 transport planes supplied to the Moroccan Government by the United States.

French bases were closed in Morocco last year, though France maintains a pilot school at Marrakesh. This summer France was reported to have sent 200 military technicians to assist the Moroccan Army's supply corps.

[From the New York (N.Y.) Times, Oct. 29, 1963]

MOROCCO SAID TO ASK ARMS

MADRID, October 29.—Morocco is pressing Western countries for arms, a Spanish source said today.

The informant said the United States, France, and Spain were "cooperating closely" to prevent flow of military materials into North Africa that would aggravate the clash between Algeria and Morocco and create a potentially dangerous international problem.

France's full collaboration with other Western governments in efforts to contain the conflict was underlined. The important role of Spain, closest geographically to North Africa of all Western nations, also was emphasized.

Informed Spaniards voiced concern about what they called substantial military assistance to Algeria by Cuba and the United Arab Republic. This aid, they said, includes weapons and other material manufactured in the Soviet Union and Czechoslovakia.

Spanish newspapers said Algeria had received Soviet-made tanks and jet fighters in the last few days. The press declared the Algerian armed forces lacked trained personnel and expressed suspicion that the material had been accompanied by Soviet "instructors," if not by Soviet crews.

In view of foreign military assistance to Algeria, it was said here, Morocco is asking Spain and other Western nations for "every kind of arms." Morocco will want to increase her preparedness regardless of the meeting in Mali on the Algerian-Moroccan conflict, it was suggested here.

Officials said that conversations between Spain and Morocco on their territorial dispute in North Africa were continuing.

Repercussions in Europe of the North African conflict are expected to be a topic when William R. Tyler, U.S. Assistant Secretary of State for European Affairs, visits here over the weekend. He will talk with the Foreign Minister, Fernando María Castella y Maiz.

[From the New York (N.Y.) Times, Oct. 29, 1963]

CUBAN ARMS SENT TO ALGERIA

WASHINGTON, October 29.—The administration has evidence that two shiploads of military equipment originating in Cuba were sent to Algeria in the wake of the outbreak of the border war with Morocco.

Havana has also announced it plans to make technicians and doctors available to the "fraternal Socialist republic" of President Ahmed Ben Bella.

For international and domestic reasons the State Department has been described as reluctant to acknowledge publicly Cuba's intervention in the North African dispute.

The Department especially wants to keep any new irritants from interfering with cease-fire negotiations that began today in Mali.

There is also some concern that public recognition of Premier Fidel Castro's action may revive Republican demands for a naval blockade against Cuba.

ADDED STRAIN FEARED

Finally, officials fear that congressional debate on the matter could add new strains to the relations between Washington and Algiers. They believe, for example, that some legislators may ask sanctions against the Ben Bella regime because of its close ties to Cuba.

President Kennedy has said he would take stern action against any Cuban attempt to export arms to other parts of Latin America. But administration sources acknowledge that no policy had been formulated toward any extracontinental ventures by the Castro regime.

The administration asserts it has established beyond any doubt that two freighters from Cuba arrived in Algeria last weekend with substantial military equipment, including light tanks and jeeps. Most of the equipment was believed to have been received by Cuba from the Soviet Union and Czechoslovakia.

Officials said the Algerians confirmed the vessels' arrival, but declared they were loaded with sugar.

EXHIBIT 6

[From the Washington (D.C.) Post, Oct. 29, 1963]

MOROCCANS CLAIM NEW SAHARA GAIN ON EVE OF PARLEY

Morocco said yesterday its troops have moved into the Algerian-held Sahara to within 8 miles of the large Tindouf Oasis, where Algeria has an army garrison and the French have an air base.

Tindouf is outside the area of fighting to date and is about 270 miles southeast of Marrakech, Morocco. It is near the world's largest iron ore deposits and near Mauritania and Spanish West Africa, both of which put their troops on alert.

It was felt that Moroccan King Hassan II ordered the thrust to strengthen his hand in peace talks with Algerian President Ahmend Ben Bella in Mali today.

Ben Bella, who had planned to leave for Mali yesterday, delayed his departure to get firsthand reports on the border clash with

Morocco. Also at the meeting will be Emperor Haile Selassie of Ethiopia and President Modibo Keita of Mali. Ben Bella said he viewed the conference "very optimistically."

He said he hoped it "would succeed in showing that we were not to blame for this regrettable conflict."

Ben Bella also said his government's conflict with Algeria's Kabylia rebels had been "resolved." He did not elaborate.

In New York, M'Hammed Yazid, Ben Bella's special envoy to the United Nations, said yesterday that Morocco is creating a build-up for U.S. intervention in the border fighting. Yazid was replying to a Moroccan charge that Soviet weapons had arrived in Algeria.

Diplomatic sources in Algiers said they had found no support for the Moroccan charge. But newspapers reported the arrival of two ships bringing cargoes of sugar from Russia and Cuba.

In a radio speech yesterday King Hassan warned that the crisis is dangerous and said, "We are persuaded that direct talks are the best method of settling the litigation and liquidating the problem."

He made it clear, however, that the Moroccans intend to press their claims to a large portion of the Sahara which they say was artificially attached to Algeria by France.

He called on the Algerians to avoid seeking an ideological conflict that could "plunge peaceful North Africa into the abyss of convulsions and instability."

U.S. Ambassador John Ferguson was among those received by the King in his Marrakech winter palace. The American diplomat expressed the U.S. Government's hope that a cease-fire will be speedily imposed.

Morocco has long claimed the Tindouf area as its territory, saying it was attached to Algeria by France when both Morocco and Algeria were under French domination.

Morocco Information Minister Abdel Hadi Boutaleb said his country did not intend to seize Tindouf by arms but "through negotiations."

At the same time, Boutaleb said fighting flared up around another Sahara outpost identified as Oum-El-Achar, presumably somewhere near Tindouf.

At the Bamako, Mali, conference today, Hassan and Ben Bella will be urged to agree to an immediate cease-fire followed by a period of negotiation.

[From the Washington (D.C.) Post, Oct. 29, 1963]

YEMEN TROOP PULLOUT REJECTED BY NASSER

(By Patrick Seale)

BEIRUT, LEBANON, October 28.—Egyptian President Nasser has rejected as hazardous and unworkable any rapid disengagement of his forces supporting the republican regime in Yemen.

This new attitude has become clear over the past 6 weeks. It is reflected in recent speeches and stems from a reappraisal of his Yemen policy after Yemeni President Abdullah Sallal returned to Sanaa in August after receiving medical treatment in Cairo.

It is now highly probable that the U.N. observer corps whose mandate expires on Novermber 4, will have no alternative but to report the failure of its 4-month mission. Its task was to observe the implementation of a disengagement agreement reached this summer by Egypt, Saudi Arabia, and Yemen. Saudi Arabia has been supporting the Yemeni royalist faction in its bid to regain power.

(The Herald Tribune News Service reports that U.N. Secretary-General U Thant will announce Tuesday a 1-month extension of the mission's stay. Thant will point out, the service says, that Egypt and Saudi Arabia have agreed to share the costs of the extension.)

Addressing Egyptian troops on their return on October 22, Nasser revealed that half the 12,000 troops so far repatriated had been replaced by others.

"We maintain a force in Yemen capable of imposing peace," he declared. Egyptian forces there still number over 20,000 men.

There is little doubt that Nasser genuinely intended to keep his word when he signed the disengagement agreement negotiated this summer by President Kennedy's special envoy, Ellsworth Bunker.

Egypt's economy was beginning to feel the strain. Many of his advisers made no secret of their view that the war was not in Egypt's national interest.

There were powerful pressures on him to cut his losses and pull out—provided that a face-saving political formula could be found. It was in this spirit that he agreed to pay half the cost of the U.N. force.

Persistent rumors then arose that a compromise settlement might be reached in which both Sallal and the ousted Yemeni ruler, Imam Badr might agree to give way to a new president chosen by tribal consent under U.N. or Arab League auspices.

But these speculations have foundered on the simple truth that an Egyptian withdrawal—under whatever political settlement—is almost bound to be followed by the emergence of a regime hostile to Egypt.

After the Egyptian sacrifices of the past year, Nasser could not tolerate such an outcome. Indeed, he is thought to fear not a restoration of the monarchy—now highly improbable—but a possible takeover by a group of young Yemeni "intellectuals" on friendly terms with the Syrian and Iraqui Baath Party, with whom Nasser is now locked in mortal combat.

This is the background of Nasser's decision—arrived at reluctantly and in the face of grave American disapproval—to continue to maintain an army in Yemen.

In justifying his decision to remain in Yemen, Nasser is believed to have reminded his advisers of the original strategic reasons for his intervention there.

These were to make a bid to bring Saudi Arabia and its rich oilfields under his control.

The potential long-term threat to Saudi Arabia by the Baath Party—now Nasser's principal Arab rival—makes it all the more essential for him to hold on to acquired positions of strength, even if this means an indefinite commitment in Yemen.

[From the Washington (D.C.) Post, Oct. 29, 1963]

LEBANESE POLICE STONED BY 2,000

BEIRUT, LEBANON, October 28.—About 2,000 pro-Nasser demonstrators stoned police today in a protest against recent Syrian incursions into Lebanon.

At least 1 person was injured and 30 persons were arrested before the demonstrators were dispersed. The demonstration lasted 1 hour, occurring mainly in Beirut's Moslem quarter.

The demonstration was organized by the pro-Nasserite Arab Nationalist Movement, which is opposed to the Baathist Party regimes in Syria and Iraq.

EXHIBIT 7

[From the New York (N.Y.) Herald Tribune, Oct. 30, 1963]

FAILURE IN YEMEN—U.N. TO PULL OUT FORCE

(By Darius S. Jhabvala)

UNITED NATIONS.—United Nations Secretary General U Thant has admitted failure of U.N. efforts to resolve the year-old civil war in Yemen.

In a brief report expected to be submitted today, Mr. Thant will inform the Security Council that the 200-man observation mission sent to the troubled nation 4 months ago will be withdrawn November 4.

Without directly pinning the blame for the failure on any one, Mr. Thant's report clearly gives the impression that Egypt's unwillingness to withdraw its troops from Yemen was the major cause of the U.N. unit's lack of success.

Saudi Arabia, the other outside nation involved in the dispute, has removed its military forces from the area, the report states, but the Saudi Government is unwilling to continue its financial support for the U.N. mission unless Egypt agrees to a time schedule for removal of its troops.

Such an Egyptian decision is unlikely, because President Nasser feels a complete pullout would leave the way clear for deposed royalist forces to topple the republican regime of Gen. Abdullah Al-Sallal.

There were reports at the U.N. yesterday that Saudi Arabia might reconsider and provide financial assistance for the U.N. mission to continue for another month.

But in any event, Mr. Thant is openly pessimistic about the mission's future.

The Secretary General says in the report that the U.N. group's "mandate" in the situation is "so limited and restrictive as to make it virtually impossible * * * to play a really helpful and constructive role."

Mr. Thant states that in his opinion the entire Yemen crisis "is political and will require a political solution." Thus, although he suggests a symbolic continuation of the U.N. force through the establishment of a "civilian presence" in the area, he sees "little prospect" for a meaningful U.N. mission.

A WAR MIRED IN POLITICS

Mr. Thant's report apparently marks the end of an effort to obtain peace in Yemen that began last March, when a special American negotiator, Ellsworth Bunker, was sent to the scene by the U.S. State Department in an effort to resolve the tangled crisis.

After talking with all parties, Mr. Bunker arrived at a disengagement plan, that called for withdrawal of Egyptian troops, which were bolstering the new republican regime, and an end to Saudi Arabian aid to deposed royalists fighting to return to power.

Under the Bunker plan, a small U.N. mission was to supervise the disengagement. This force was sent to Yemen for a 2-month period in early July, and then ordered to stay for 2 more months in early September. Egypt and Arabia agreed to share the cost of the mission.

But even before the U.N. force began its work, it was evident there was little hope of success. Egyptian President Nasser appeared determined to maintain a strong force—at one time believed to be close to 30,000 men—in Yemen until the royalist threat was ended.

The royalists, backed by Saudi arms, began guerrilla warfare after Imam Mohammed al-Badr was toppled by a military coup led by President Al-Sallal on September 27, 1962. The new regime has been unable to wipe out the royalists.

Mr. Thant's report notes that "fighting appears to have died down in recent weeks," but it also observes that there has been "no withdrawal from field activities by Egyptian forces."

At the same time, the report finds "no signs of Saudi Arabian military assistance" in areas visited by the U.N. team.

The report does not spell out the total number of Egyptian troops in the area, but it does say that between July 4 and October 22, 12,000 officers and men had left Yemen, of which half had been replaced by fresh troops. According to Egyptian sources, another 5,000 troops will leave by the end of December.

The Egyptian position, as stated in the report, is that "whatever may be the present situation with regard to assistance to the royalists, the armaments and supplies previously sent or that would be available to them

subsequent to Egyptian withdrawal, permit and encourage them to continue operating in Yemen."

Mr. MORSE. Mr. President, will the Senator yield?

Mr. GRUENING. I yield with pleasure to the distinguished Senator from Oregon.

Mr. MORSE. I commend the Senator from Alaska for the speech. I am only sorry that more in the Senate did not hear it, but it is for them to decide what their senatorial responsibilities are.

I am satisfied that information about the Senator's speech will seep through the country; and I am satisfied that, once the American people come to understand it, Senators who did not hear the speech will come to realize that the American people generally agree with the principle of the speech and agree that this Government, in the field of foreign policy, ought to return to the principles that it professes.

I think it is important that we take up the various amendments the Senator has proposed, including this amendment. I hope, before the debate is over, there can be at least some tentative agreement among many of us who are opposed to the bill in its present form to give some consideration to a schedule of priority in the consideration of these amendments.

It is my present recommendation to the group, when it meets—and because I shall be using the floor for a part of the remainder of the afternoon, I am telling this to the Senator from Alaska now so he can relate it to our coconferees—that probably we had better give consideration to the calling up first of the motion to recommit the bill to the committee, with instructions. I realize that there are some Senators who feel that we ought to rewrite the bill on the floor of the Senate, and prefer that course to the adoption of a motion to recommit. As a member of the Foreign Relations Committee, I would prefer that the bill be recommitted, for a great deal of consideration has been given to this bill since it was taken from the calendar, both within the Senate and outside the Senate, at the other end of Pennsylvania Avenue. It may very well be that a recommitment of the bill would give the time necessary for an adjustment of differences. Both the executive branch and the Members of the Senate know that deep differences of opinion exist with regard to the bill in its present form.

We are all seeking a common objective. We have some differences of opinion about the bill, but the interesting thing is that the proponents and the opponents have a common objective, and that is to do what they think will be best for the national interest of the Nation.

As I said in my speech on the day before yesterday, the proponents of the bill are just as dedicated, sincere, patriotic, and loyal to the best interests of our country as those of us who are opposed to the bill. However, in view of the fact that we find ourselves with such a wide chasm between us, the opportunity ought to be provided for trying to build some bridges across it. I believe they can be built. I believe they can be built better within the confines of the Foreign Relations Committee room, in executive session, with the Secretary of State and other executive officers who are spokesmen for the President conferring with us, than on the floor of the Senate.

I shall abide by the majority opinion of the group that will be conferring later this afternoon. However, my present recommendation is that we first proceed to consider, so far as our side is concerned, calling up the motion to recommit the bill to the Committee on Foreign Relations with instructions.

Mr. JAVITS. Mr. President, I am a supporter of the amendment of which the Senator from Alaska [Mr. GRUENING] is the principal sponsor. The practical effect of the amendment would be, as he so eloquently has stated, to prohibit the use of our resources in the foreign aid program so that other countries could use their own resources for aggressive purposes, and thus defeat the very purpose of our aid.

This is evidence of the fact that those of us who are in favor of the bill—and this goes back many years, to the time when this matter first came up in the other body, beginning in 1947, with the Greek-Turkish aid program—can be just as hard-headed as those who are against it. One of the hard-headed assumptions is that the right hand should know what the left hand is doing. That is exactly the situation the amendment seeks to make sure of.

It is interesting to me that events within the past few days, almost up to this morning, bear out the objective of the amendment of which the Senator from Alaska is the sponsor, with myself and others of similar views.

We call attention to the Yemen situation, which is now breaking down, with the United Nations pulling out its peace mission, and placing the blame for its failure on the United Arab Republic. It is clearly a situation in which the United States has been frustrated by the very man, President Nasser, who is propped up by our aid so that he may utilize his own resources to send large bodies of Egyptian troops into the Yemen.

There is a similar threat with regard to Algeria, the struggle between Algeria and Morocco, in which President Nasser is providing military aid to Algeria. It is claimed that the amendment may get in the way of our situation with regard to India and Pakistan, and perhaps with Indonesia also. That is the difficulty which we face. If we do not adopt a basic principle, no one will know where we stand, no one will know how our aid will be used, and no one will be put to any sacrifice if the aid is misused. That is the important point involved in this debate.

I believe that events have borne out the insistence that this matter must be dealt with frontally in the way that the amendment suggests.

I ask unanimous consent to have printed in the RECORD at this point a report to the Washington Post, October 30; an editorial entitled "The Syria-Iraq Union," in the New York Times, October 30; and excerpts from a radio broadcast by Radio Rabat, Morocco, October 23, in connection with my remarks in support of the Gruening-Javits amendment.

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

[From the Washington (D.C.) Post, Oct. 30, 1963]

THANT ADMITS U.N. PEACE MISSION FAILED IN YEMEN—U.A.R. BLAMED

(By Parius S. Jhabvala)

UNITED NATIONS, October 29.—Secretary General U Thant today admitted failure of U.N. efforts to resolve the year-old civil war in Yemen.

In a lucid and brief report, Thant told the Security Council that the 200-man U.N. observation mission in Yemen would be withdrawn by November 4. He added that "it is my intention to maintain a civilian U.N. presence, in the area, given, of course, the necessary agreement of the parties directly concerned."

Thant clearly conveyed the impression that the United Arab Republic was largely responsible for the failure of the mission.

On September 27, 1962, Yemeni Republican forces under the command of Abdullah Sallal overthrew Iman (King) Badr and installed Sallal as head of a republican regime. The deposed Iman and a band of royalists fled to the neighboring hills from where they are continuing guerrilla warfare.

U.A.R. President Nasser has sent 28,000 troops and a large number of Soviet-made aircraft to help fight off the rebels. King Badr, in turn, has received aid from Saudi Arabia.

Last March, former U.S. Ambassador Ellsworth Bunker obtained an agreement from the U.A.R. and Saudi Arabia to a disengagement plan, under which U.A.R. forces would leave Yemen and the Saudi Arabians would cease their aid to King Badr.

This plan went into effect July 4, under the supervision of a U.N. observation mission. It was to be completed within 2 months.

On September 4, however, Thant reported to the Security Council that "it cannot be said at this stage that encouraging progress has been made toward an effective implementation of the disengagement agreement."

He asked for and received permission to continue the mission until November 4.

Thant reported today that while the "fighting appears to have died down in recent weeks," there has been "no withdrawal from field activities of U.A.R. forces" in two key areas of Yemen.

As for stoppage of Saudi Arabian aid to the royalists, the observation mission said that "no military vehicles or material have been seen nor military equipment or stores found in cargoes checked by U.N. observers." The report added that "there were no signs of Saudi Arabian military assistance or heavy weapons in royalist areas visited by the observers."

Thant concluded "that in the period under review no military assistance of significance has been provided to the royalists from Saudi Arabia."

During conversations with representatives at the U.N. of the parties concerned, Thant stressed his "dissatisfaction with the mandate of the U.N. Yemen observation mission as now defined."

"That mandate," he said, "is so limiting and restrictive as to make it virtually impossible for the mission to play a really helpful and constructive role."

Thant concluded that "I frankly see little prospect that the disengagement agreement could be so amended to correct this deficiency."

The Secretary General is of the opinion that the Yemen problem "is primarily political and will require a political solution."

[From the New York (N.Y.) Times, Oct. 30, 1963]

THE SYRIA-IRAQ UNION

Another ambitious attempt to unite the whole Arab nation has now been launched by the Governments of Syria and Iraq, both dominated by the socialist Baath Party. They have agreed to join in a federal Arab Democratic People's Republic, organized along socialist, democratic, and parliamentary lines as the nucleus of a wider union open to all Arab States accepting the same principles. A military union between them is already engaged in joint action against the Kurds and is to be followed, theoretically, by an economic, a cultural and finally a political union.

The new state is being formed in opposition to President Nasser, who espouses the same ideal of Arab unification but on terms which resulted in the breakup of the previous union between Syria, Iraq, and Egypt. Both movements seek to overthrow the remaining Arab monarchies of Jordan, Saudi Arabia, Libya, and Morocco as well as the sheikdoms and sultanates on the Arabian Sea. But whereas Nasser (and Ben Bella) resort to direct action, the Baathists are relying mainly on an Arab spiritual renaissance. Their weakness is that they consist primarily of only a few thousand intellectuals without any outstanding leaders or a mass following.

[From the Rabat, Morocco, Domestic Service in Arabic, Oct. 23, 1963]

NASSER USING BEN BELLA TO CONTROL MAGHREB

A series of related events and facts are becoming evident, giving a picture of a premeditated plot against our country, people, and regime. The facts point to one thing: That the intention of aggression and provocation against us exists secretly in Cairo, Algeria, and here in Morocco, where some people blinded by malice, placed themselves at the service of the plotters.

We still remember the dispute between Tunisia and the U.A.R., which showed and confirmed to us the insatiable desire of Cairo to open a new front for misleading opinion, for lies and a biased campaign against our Arab Maghreb after the blows and defeat suffered by Cairo policy in the Arab East. Today a golden opportunity has been given to the Cairo politicians in the Arab Maghreb by Ben Bella and his regime.

They are using Ben Bella to dig their poisonous claws in our land and people. They are sending their experts on civil and military intelligence, on waging lies and fabrications, on distortion of facts and misleading the public to control all the official organs in Algeria so that they can poison the atmosphere of our Arab Maghreb and hatch plots.

The fact is that Ben Bella needs support. He found this in Nasser, who in turn needs agents such as Ben Bella and his group to use them in trying his luck this time in the Arab Maghreb. The two allies found our country a target for their experiments: Ben Bella wants a way out from his political crisis at the expense of a dispute to distract public opinion inside his country, while Nasser wants to establish himself in this region. As is Cairo's practice, the plot is proceeding parallel with an extensive propaganda campaign and falsifications.

Nasser is ignorant of the nature of the peoples of the Arab Maghreb. The defeat which awaits Nasser's experiment will be more violent and harsher than the defeat or defeats which overtook his attempts in the Arab East. Indeed, it is strange and absurd that the information media accuse our country of denying freedom and democracy to the people and filling prisons with free people, while we, the world, and Nasser himself know that freedom is the only thing missing in the U.A.R., and that democracy is the only thing which Egypt has not known under Nasser. We know that only a few steps from Cairo the desert contains dozens of fearful detention camps and prisons full of the free men of Egypt, its intellectuals, and its conscious elite. We tell Nasser that his utterly unsuccessful experiment of plots, espionage, intelligence, and terrorism which have been carried out by Egyptian agents in Syria, Iraq, Jordan, Saudi Arabia, and Lebanon will meet with failure in our country.

Mr. GRUENING. I thank the distinguished Senator from New York for his comments. I believe our amendment is the most important amendment that can be offered to the bill. I, like the Senator from New York, would like to have a foreign aid bill. There are many provisions in it that require amendment in order to make it an effective, useful, and serviceable foreign aid bill. At the present time there are many loopholes in it and many opportunities to squander money and to misuse it which must be corrected if we are to have a foreign aid bill that we can support.

Mr. BEALL. Mr. President, at a time when we are desperately looking for ways to cut Federal spending so as to make ends meet and possibly reduce taxes, the item of expenditure called foreign aid sticks out like a sore thumb. Here is an obvious place to start saving money and show concern for our overburdened taxpayers.

A cut in taxes is long overdue, but this should be accompanied by a cut in spending. If we are in earnest about cutting down on Government spending, then we can cut foreign aid. In my opinion, we should reduce the foreign aid program by at least 20 percent this year, and reduce it each succeeding year until we are rid of this monstrous waste.

We have handed out some $100 billion on foreign aid since 1946—and much of this has been wasted. At the conclusion of these remarks, I am going to list illustrations of this waste.

I am also going to list the countries which have received the lion's share of our foreign aid money, indicating in each case what our money has bought.

One out of every 17 American tax dollars goes for foreign aid. Proponents say that it has promoted the cause of freedom around the world. Evidence disputes this. In countries receiving our aid, despots rule by terror, the economy is shattered, inflation is rampant, and Communist-fomented turbulence has put freedom on the run.

In pouring billions of dollars into certain foreign countries, are we not giving aid and comfort to the enemy?

Is there any justice in taxing the incomes of hard-working Americans to feather the nests of people who hate us—in Poland, Yugoslavia, India, and so on?

And what about our allies of Western Europe? Though now prosperous, they look to us to continue to carry most of the burden of their economy and military security. Western Europe has prospered with Marshal plan aid from us, but after 17 years and $41 billion in U.S. aid, Western Europe now meets only a fraction of its defense obligation and, except for commercial loans, its aid to less developed countries is negligible.

The original motives for foreign aid were well meaning. But things did not work out right. The United States found itself arming governments which used the arms to repress their people. The United States found itself arming, equipping, and financing policies and regimes which are contrary to our own basic convictions. The United States found itself giving economic aid which did not result in economic growth.

In delving into expenditures under the foreign aid program, a congressional committee came up with some amazing items. Here are a few, picked at random:

One thousand 23-inch TV sets were ordered for use in community education programs in underdeveloped countries overseas at a cost of $400,000 for areas with no electric power supply. Foreign aid funds were used to buy suits for undertakers in Greece. U.S. aid to Kenya was used to buy extra wives for governmental officials. A stockbreeding farm was erected in Lebanon with U.S. aid; nine stalls were built for each bull.

Four days after we had signed an emergency loan agreement to provide the Government of Indonesia with $17 million worth of goods, President Sukarno purchased three new jet airliners, costing approximately the amount we had loaned his government.

Senator STEPHEN YOUNG, Democrat of Ohio, reported that on his flight to Europe, to attend a U.N. conference on science and technology for underdeveloped nations, he had to fly tourist class as a U.S. delegate, while representatives from the underdeveloped nations, to whom we were giving foreign aid money, all flew first class. A smaller matter, but indicative.

The tax dollars of our citizens have been used to create approximately 30 millionaires in Laos, now controlled by Communists. Our tax dollars have been used to strengthen race segregation in Liberia, where now no one of the Caucasian race can hold office, and where the Liberian President used $12 million of foreign aid money to build himself a marble palace. Our tax dollars have been used to provide Ethiopian Emperor Haile Selassie with a $2 million yacht.

Fantastic is the history of our foreign aid blunders in India, Poland, Yugoslavia, Burma, Cambodia, Ceylon, Brazil, Egypt, Algeria, Indonesia.

Do we think we are buying good will with foreign aid dollars? President Nkrumah of Ghana, one of the recipients of our generous handouts, bitterly assailed the United States in a long speech before the heads of 30 African nations meeting in Addis Ababa, Ethiopia.

President Goulart, of Brazil, to whom the United States has given many hundreds of millions of dollars in foreign aid, a few weeks ago angrily demanded a personal apology from the President for some statement about Communist infiltration.

When Soviet Premier Khrushchev visited Yugoslavia, he and his host, Marshall Tito, toured a model $40 million plastics factory. It had been financed with U.S. foreign aid money. It had been

designed and constructed by U.S. engineers. It was equipped with U.S. machinery. On the occasion of Khrushchev's visit, the plant was gaily decorated with Yugoslav and Russian flags. No American flag was in sight, and there was nothing to indicate the U.S. role in its establishment. Four American engineers for the plant, standing near the entrance when the two Communist leaders arrived, were not permitted an introduction and were not permitted to enter the plant with Yugoslav technicians and other employees. In reporting the grand tour of the plant, no Yugoslav newspaper even mentioned the fact that the plant was built with American money and American know-how.

During Khrushchev's visit in Yugoslavia, the solidarity of Yugoslavia and Russia repeatedly was stressed.

Yugoslavia is the Communist country to which our Government has given $3,200 million of American taxpayers' money.

For years the United States has been supporting India on a grand scale—4,000 million American tax dollars have poured into India to save her from communism. India will not side with us in the cold war, claims to be neutral, but virtually always sides with the Communists in the United Nations when she votes.

President Kennedy's Ambassador to India, Chester Bowles, recently told the people of India how they can defeat the will of the U.S. Congress without losing out on foreign aid handouts. In the foreign aid bill as passed by the House a stipulation had been inserted to prevent our aid dollars from being used by Nehru to build a proposed Government-owned steel plant in Bokaro, India. Ambassador Bowles, speaking in Calcutta, told the Indian people that they could get the Government-owned steel plant and still get the American foreign aid dollars. Bowles said that the congressional directive could be skirted by releasing U.S. aid funds for smaller Indian projects that could be financed by India's foreign exchange, which process would, in turn, release funds for construction of the Bokaro plant.

This will give one an idea of how our foreign aid program is going.

The basic concept of aid should be to help people to help themselves. Some of our aid to other countries has been extended with no thought given to the principle that individuals and nations should be self-reliant. No person and no nation should have its vital tasks of growth and defense indefinitely and preponderantly done for it. There is something debilitating about too much aid, or blind giving which does not exact responsibility in return. And this describes our foreign aid program.

Nearly half of all foreign aid money goes for so-called military assistance. Whom are we arming the recipient countries to fight? Each other? Are we now financing both sides in the war between Morocco and Algeria?

Why all this lavish handing out of money? Is it because we think we can afford it? The truth is that we are sending money to countries that are better off financially than we are. The U.S. public debt is $24 billion greater than the combined public debts of all the nations we are aiding.

Is it any wonder that misgivings over foreign aid continue to grow on Capitol Hill and throughout the country?

The Senate is now considering the foreign aid authorization bill passed by the House of Representatives.

An administration which has persisted in an extravagant course, paying no attention to the public's growing discontent with unnecessary Government spending, got its come-uppance when the House cut the foreign aid request, passed the cut-down measure, and sent it to the Senate. It was a setback for administration advocates of unlimited spending and a victory for the economy forces.

The cut on the House floor, following other cuts in committee, brought the amount in the authorization bill to $3,502 million compared with the $4,945 million originally requested by the President—a saving to the American taxpayers of $1,443 million.

The cuts reflected growing discontent with foreign aid. Anyone who does not recognize and respect the disillusionment of the American people with foreign aid is in for a rude awakening.

Former full-fledged supporters of foreign aid in the House of Representatives voted this time for the cut—reflecting the will of the people. As a Member remarked:

> The wail from home is demand that fat and fatheadedness be cut out of the foreign aid program.

The House was widely praised for its courage—in the face of pressures from the liberal spenders—in making substantial cuts. Let us hope that the Senate will demonstrate the same brand of courage and consideration for the American taxpayer.

The majority leader, the distinguished Senator from Montana [Mr. MANSFIELD] some weeks ago headed a bipartisan group of investigating Senators who examined foreign aid in Southeast Asia. This group found that the program was much too wasteful.

The group found that in Laos our outlay of millions of dollars to aid the Government in preventing a Communist takeover was a waste because the people of Laos refused to fight for their own country. The Mansfield group found many things wrong with the foreign aid program. Its report dealt in particulars, but it also pointed up the root of the trouble: we have been give-away minded, and this is what has cost us so much.

Following the Mansfield report, we had the Clay report. To help pass this year's foreign aid bill, the President appointed a "citizens committee" to assess the aid program. The 10-man committee, headed by Gen. Lucius D. Clay, presented a tough report.

Among the noteworthy observations were there: The United States is trying to do "to much for too many"; too much money is spent to get military bases in some countries, and such aid should be cut; military assistance to foreign nations "should be reduced progressively"; the burden of foreign aid "is falling unfairly upon the United States." Western Europe "can and should do more"; aid to the new countries of Africa should be sharply curtailed and limited; economic aid should be withheld from Indonesia unless it "puts it internal house in order." Those are a few of the recommendations.

What was done about these recommendations? And what was done to correct the glaring inconsistencies pointed to by the Mansfield group? Nothing. Have the sponsors of this spending program come before Congress and proved that the foreign aid house has been put in order? No. The many things wrong are ignored completely or glossed over.

The American people are in no mood to continue to pour out their money to countries all over the world through a foreign aid program which, indisputably, is badly executed, unrealistic, and enormously wasteful, and has failed to accomplish its intended objectives.

I am fed up with having the taxpayers of Maryland sweat and toil to help pay for wasteful and unrealistic foreign aid. I favor a rapid retrenchment. If 20 percent were cut from foreign aid now, it would not hurt anyone except a few bureaucrats, domestic and foreign. Next year, the program could be cut further, and so on, and soon we could be rid of a costly program which, despite its earlier promise, has failed miserably.

Mr. MORSE. Mr. President, will the Senator from Maryland yield?

Mr. BEALL. I yield to the Senator from Oregon.

Mr. MORSE. I commend the Senator from Maryland for the speech he is making in opposition to the bill. I am satisfied that the thesis he has developed is consonant with prevailing American public opinion. To me, it raises a very fundamental issue of our system of representative government; namely, Congress denying to American public opinion its wishes in regard to a matter of basic public policy such as is involved in the foreign aid bill.

It is for each Senator to decide, first, whether he believes the criticisms of the bill are sound; and second, to decide, if they are sound, whether or not the American people are entitled to have him vote for improvements to the bill.

The Senator from Maryland has made it perfectly clear that he does not take the position that there should be no aid at all.

The position of the Senator from Maryland is that this bill goes too far; and, as he has said, he thinks a cut of at least 20 percent in the bill would be reasonable.

I believe that when the Senator from Maryland goes further into the matter, as the debate develops, probably he will agree that other changes should be made in the bill, in addition to simple cuts in the amounts. Some policy changes will have to be included in the final draft of the bill.

But I am glad the Senator from Maryland has raised his voice in opposition to this bill; and I am satisfied that note of his comments will be taken through-

out his State, as well as throughout the Nation.

Mr. BEALL. I thank the Senator from Oregon.

I repeat that we do not want to cut out all of the foreign aid program at this time; that might be too drastic an action. But I believe we should systematically cut the program, and we should have better supervision of the program than we are now receiving.

Mr. President, advocates of unlimited spending, willing to close their eyes to the misuse of foreign aid funds, cry "wolf" at every effort to economize, The same cry now is being raised. The cut, they say, threatens free-world security. I do not believe it. The real threat to security is possible U.S. financial chaos which could be brought about by irresponsible, red ink spending.

I hope the Senate holds firm on substantial foreign aid cuts—both to save the money, to give our taxpayers a "break," and to gain some attention to pressing demands that the Government get its financial house in order.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, as part of my remarks, two exhibits: "A," a statement containing illustrations of waste of foreign aid funds and maladministration of the program; and "B," a table indicating how the cause of freedom has fared in nations to whom we have given enormous sums of money.

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

EXHIBIT A

WASTE OF FOREIGN AID FUNDS

In delving into expenditures under the foreign aid program, a congressional committee came up with some amazing items. Here are a few, picked at random:

"One thousand 23-inch TV sets were ordered for use in community education programs in underdeveloped countries overseas at a cost of $400,000 for areas with no electric power supply. * * * Foreign aid funds were used to buy suits for undertakers in Greece. * * * U.S. aid to Kenya was used to buy extra wives for Government officials. * * * A stockbreeding farm was erected in Lebanon with U.S. aid; nine stalls were built for each bull."

Four days after we had signed an emergency loan agreement to provide the Government of Indonesia with $17 million worth of goods, President Sukarno purchased three new jet airliners, costing approximately the amount we had loaned his Government.

Senator STEPHEN YOUNG of Ohio reported that on his flight to Europe, to attend a U.N. conference on science and technology for underdeveloped nations, he had to fly tourist class as a U.S. delegate, while representatives from the underdeveloped nations, to whom we were giving foreign aid money, all flew first class. A small matter, but indicative.

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Yugoslavia is the Communist country to which our Government has given $3,200 million of American taxpayers' money.

For years the United States has been supporting India on a grand scale—4,000 million American tax dollars have poured into India—"to save her from communism." India will not side with us in the cold war, claims to be neutral, but virtually always sides with the Communists in the United Nations.

President Kennedy's Ambassador to India, Chester Bowles, recently told the people of India how they can defeat the will of the U.S. Congress without losing out on foreign aid handouts. In the foreign aid bill, as passed by the House, a stipulation had been inserted to prevent our aid dollars from being used by Nehru to build a proposed Government-owned steel plant in Bokaro, India. Ambassador Bowles, speaking in Calcutta, told the Indian people that they could get the Government-owned steel plant and still get the American foreign aid dollars. Bowles said that the congressional directive could be skirted by releasing U.S. aid funds for smaller Indian projects that could be financed by India's foreign exchange, which process would, in turn, release funds for construction of the Bokaro plant.

This will give one an idea of how our foreign aid program is going.

Exhibit B

Nations aided by us	U.S. aid since 1946	Present situation: How the cause of freedom has fared
Argentina	$640,000,000	Under indirect military domination; suffers from inflationary chaos.
Brazil	1,900,000,000	On the brink of communism.
Cuba	52,000,000	Once enjoyed immense sugar subsidy; has stolen $1,000,000,000 in private property of U.S. citizens; is a Red satellite of Soviet Russia.
Haiti	100,000,000	Writhes under a murderous tyranny.
Indonesia	670,000,000	Her economy wrecked; is an armed dictatorship bent on conquest.
India	3,900,000,000	Stands with Russia and against us on nearly all issues; probably faces Red Chinese attack.
Iran	1,300,000,000	Now a monarchy without a parliament.
Laos	460,000,000	Coalition government, almost certain to fall to Communists.
Poland	522,000,000	Communist, with all freedom gone.
South Korea	5,400,000,000	Ruled by its third military junta; anti-U.S. demonstrations a common occurrence.
South Vietnam	2,400,000,000	Ruled by puppet dictator; racked by Red guerrilla war.
Turkey	3,800,000,000	Politically unstable; economically weaker than before U.S. aid began.
Venezuela	274,000,000	Unstable; much destruction of American-owned property; major target of Cuban fifth column.
Yugoslavia	2,400,000,000	Communist, with all freedom gone.

Mr. BEALL. Mr. President, in the interest of saving the time of the Senate, I shall not read to the Senate the table which is identified as exhibit B; but I do point out, for instance, that Argentina, which since 1946 has received U.S. aid in the amount of $640 million, is under indirect military domination, and suffers from inflationary chaos.

Mr. MORSE obtained the floor.

Mr. MANSFIELD. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside, and that the Senate proceed to the consideration of the measures on the legislative calendar, beginning with Calendar No. 571, Senate bill 741, and continuing with the following measures on the calendar, in order. I also ask that there be printed at the appropriate points in the RECORD, in connection with the consideration of these calendar measures, excerpts from the reports and other explanatory items.

The PRESIDING OFFICER. Without objection, it is so ordered; and the calendar measures thus designated will now be called.

PROHIBITION OF SCHEMES TO INFLUENCE BY BRIBERY THE OUTCOME OF SPORTING CONTESTS

The bill (S. 741) to amend title 18, United States Code, to prohibit schemes in interstate or foreign commerce to influence by bribery the outcome of sporting contests, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 11, United States Code (entitled "Bribery and Graft"), is amended by adding at the end thereof the following new section:

"§ 224. Bribery of participants in sporting contests

"(a) Whoever carries into effect, attempts to carry into effect, or conspires with any other person to carry into effect any scheme in commerce to influence by bribery the outcome of any sporting contest, with knowledge that the purpose of such scheme is to influence by bribery the outcome of that contest, shall be fined not more than $5,000, or imprisoned not more than 10 years, or both.

"(b) This section shall not be construed as indicating an intent on the part of Congress to occupy the field in which this section operates to the exclusion of a law of any State, territory, Commonwealth, or possession of the United States, and no law of any State, territory, Commonwealth, or possession of the United States, which would be valid in the absence of the section shall be declared invalid, and no local authorities shall be deprived of any jurisdiction over any offense over which they would have jurisdiction in the absence of this section.

"(c) As used in this section—

"(1) The term 'scheme in commerce' means any scheme effectuated in whole or in part through the use of any facility for transportation or communication in interstate or foreign commerce;

"(2) The term 'sporting contest' means any contest in any sport, between individual contestants or teams of contestants (without regard to the amateur or professional status of the contestants therein), the occurrence of which is publicly announced before its occurrence;

"(3) The term 'person' means any individual and any partnership, corporation, association, or other entity."

(b) The analysis of chapter 11, title 18, United States Code, is amended by adding at the end thereof the following new item:

"224. Bribery of participants in sporting contests."

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 593), explaining the purposes of the bill.

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

PURPOSE

The purpose of the bill is to add a new section 224 to title 18, United States Code, to make it a criminal offense to influence by bribery the outcome of sporting contests through schemes which make use of interstate or foreign commerce facilities. A penalty of imprisonment for not more than 10 years or a fine of not more than $5,000, or both, is provided for those who carry into effect or attempt or conspire to carry such schemes into effect.

STATEMENT

A similar bill, S. 2182 of the 87th Congress, was approved by this committee on September 7, 1962, and was passed by the Senate on September 12, 1962, but no action was taken by the House of Representatives.

The bill, S. 2182 of the 87th Congress, as introduced in the Senate, was amended by this committee. The present bill, S. 741, as introduced, is in the form in which S. 2182 was amended by the committee and approved by the Senate.

In its report on this legislation in the 87th Congress, the Department of Justice pointed out that State enforcement agencies have been handicapped either by an absence of adequate laws in this area or by jurisdictional limitations, and the Federal Government has been handicapped by lack of complete statutory authority to assert its full power. This lack of Federal authority was remedied in part by the enactment of Public Law 216, Public Law 218, and Public Law 228 of the 87th Congress, and the present bill would constitute a further step toward strengthening the supporting role of the Federal Government in the assault on organized crime through the use of its authority to regulate interstate commerce.

The Department of Justice also pointed out that the then newly enacted section 1952 of title 18 would apply to sporting events bribery effected through interstate commerce only when the bribe occurred in a State which has laws proscribing sporting events bribery. The existing law accordingly covers this situation only partially and the proposed legislation is not limited by any consideration as to whether the sporting event bribery occurs in a State having laws prohibiting such activity.

The committee believes that the proposed legislation, which it approved in the 87th Congress and which was passed by the Senate, is meritorious and recommends it favorably.

Attached and made a part of this report is a letter dated March 23, 1962, from the Department of Justice, on the bill S. 2182 of the 87th Congress. The amendments in S. 2182 suggested by the Department of Justice are incorporated in S. 741.

BILL PASSED OVER

The bill (S. 1396) to consent to the institution of an original action in the Supreme Court for the adjudication of the claim of the State of Hawaii to certain land and property situated within that State was announced as next in order.

Mr. MANSFIELD. Over.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT OF TRADING WITH THE ENEMY ACT

The bill (S. 1451) to amend section 41(a) of the Trading With the Enemy Act was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 41(a) of the Trading With the Enemy Act (50 U.S.C. App. 42(a)), as added thereto by section 206 of the Act of October 22, 1962 (76 Stat. 1115), is amended by—

(1) striking out in the first sentence thereof the words "report to the Congress concerning", and inserting in lieu thereof the words "render judgment upon";

(2) striking out in the second sentence thereof the words "one year after the date of the enactment of this Act", and inserting in lieu thereof the words "two years after the date of enactment of this section".

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 595), explaining the purposes of the bill.

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

PURPOSE

The committee previously, in S. 495 of the 87th Congress, approved language giving the Court of Claims jurisdiction to render final judgment on the General Dyestuff Corp. claims, and that language was added as a floor amendment to H.R. 7283 in the Senate and thus became a matter for the conference on that bill. In acting on this Senate amendment, the conferees failed to take into consideration the opinion of the U.S. Supreme Court (*Glidden Co. v. Zdanok*, 370 U.S. 530) relating to the general jurisdiction of the U.S. Court of Claims, and the dictum relating to advisory opinions of the Court, which appears in Mr. Justice Clark's separate concurring opinion at page 587. H.R. 7283 became Public Law 87-846. S. 1451 would amend the language of section 41(a) to conform with the above referred to decision.

STATEMENT

The circumstances giving rise to the need for this legislation were described as follows by the sponsor of the bill, the Honorable EVERETT MCKINLEY DIRKSEN, when he introduced the bill in the Senate on May 6, 1963:

"Mr. President, in the last session of the 87th Congress both House and Senate passed bills dealing with some aspects of our alien property problem under the Trading With the Enemy Act. Since there were divergent views on some matters contained in these bills a final conference between House and Senate took place on the last day of the 87th Congress in 1962. As a result of the conference a garbled language on one item developed which had failed to take into account a dictum in a U.S. Supreme Court decision on June 25, 1962, in the so-called Glidden case, which related to the general jurisdiction of the Court of Claims.

Th Senate version of the bill was in compliance with the Court decision but the conference language was something of a mixture which overlooked it. One of the results of the Glidden decision was to place about 35 cases referred to the Court of Claims by action of only one branch of Congress, in a state of suspension, and some effort has already been made to draft general legislation so that all doubts concerning congressional intent in the 35 cases referred to would be resolved.

"At the moment general legislation on this subject does not seem practicable and, in addition, the case involved in the Senate bill is such that it merits separate treatment. One reason for this view is that in the case referred to it was the only one considered by both branches of the Congress and was, therefore, incorporated in a bill which was signed by the President. The garbled language does, in fact, defeat the real intent of both Houses of the Congress and that intent was to give the U.S. stockholders of the General Dyestuff Corp. a trial in the Court of Claims on the basic merit of the respective claims. The measure I am introducing, therefore, undertakes to restore the Senate language and should therefore, be approved by both the Senate and the House."

The committee believes it was the intention of the Congress to confer upon the U.S. Court of Claims the jurisdiction to render judgment upon the General Dyestuff Corp. claims and under the circumstances the committee recommends approval of the clarifying amendment offered in S. 1451.

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

"TRADING WITH THE ENEMY ACT (50 U.S.C. APP. 42(A)), AS ADDED THERETO BY SECTION 206 OF THE ACT OF OCTOBER 22, 1962 (76 STAT. 1115)

"SEC. 41. (a) Notwithstanding any statute of limitation, lapse of time, any prior decision by any court of the United States, or any compromise, release or assignment to the Alien Property Custodian, jurisdiction is hereby conferred upon the United States Court of Claims to hear, determine, and [report to the Congress concerning] *render judgment upon* the claims against the United States for the proceeds received by

the United States from the sale of the property vested under the provisions of the Trading With the Enemy Act by vesting order numbered 33 relating to certificate numbers 104 to 121, inclusive, 125, 126, 128 to 134, inclusive, and 137 to 139, inclusive. Proceedings with respect to such claims may be instituted hereunder not later than [one year after the date of the enactment of this Act] *two years after the date of enactment of this section.*"

STATUS OF CIRCUIT AND DISTRICT JUDGES RETIRED FROM REGULAR ACTIVE SERVICE

The bill (H.R. 2835) to clarify the status of circuit and district judges retired from regular active service was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 596), explaining the purposes of the bill.

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

PURPOSE

The purpose of this bill is to clarify the status of circuit and district judges who have retired from regular active service. Accordingly, the bill amends the appropriate sections of title 28, United States Code, relating to such judges.

STATEMENT

House Report 95 on H.R. 2835 sets forth the facts and reasons justifying passage of this legislation. That report is set forth below.

"An identical bill, H.R. 5255, passed the House in the 87th Congress, amended, which is the form of the present bill, H.R. 2835.

"The enactment of this legislation does not entail any additional expenditure of Federal funds.

"Under existing law, a judge may retire from regular active status under section 371 (b) or 372(a), title 28, United States Code, and still continue to perform services in court when assigned for that purpose.

"Under such conditions, however, an issue has arisen regarding the powers and duties of such a judge as to (1) sitting as a member of the court of appeals in banc; (2) participating in the appointment of officers of the court; (3) promulgating rules of the court and being a member of the judicial council of the circuit.

"In the case of *United States of America* v. *American-Foreign Steamship Corp.*, 360 U.S. 685 (1960), the Supreme Court on specific issue presented—whether a circuit judge, who has retired after hearing the original appeal, is eligible under section 46(c) of title 28, United States Code, to participate in the decision of a case on rehearing in banc—concluded that he is not. The purpose of this bill, then, will be to permit such a judge to sit on a rehearing in banc of a case where he participated at the original hearing thereof. With regard to judges of the court of appeals who have resigned from active service, the bill first amends section 43(b) of title 28 to limit membership in each court of appeals to those circuit judges in regular active service.

"Subsection (b) of the bill amends section 46 of title 28, so as to deal with the problem of the membership of a judge who has retired but who remains in an active status when a court of appeals sits in banc. Under the amended provisions, such a court in banc consists of all the circuit judges in regular active service with the provision, however, that where a circuit judge who has retired from regular active service has sat as such a judge on the precise subject matter or issue upon which the court has ordered a hearing in banc, he becomes competent to sit as a member of the court in banc only if the precise subject matter or issue on which he has previously sat is before the court in banc. For example, if a motion to dismiss for want of jurisdiction has been before the panel on which the retired judge originally sat, either before or after retirement, and the court of appeals has ordered a rehearing in banc, he, then, is competent to sit as a member of the court in banc; the same would be true in respect to a hearing and a rehearing on the merits of an issue.

"It is believed that judge who has sat on an issue in an appellate hearing on which a rehearing has been ordered should be a member of the court for rehearing purposes.

"Section 2 of the bill amending section 132 of title 28 states that each district court shall consist of the district judge or judges therein who are in regular active service. In both references to the district court and the court of appeals, the amendment clarifies existing law so as to provide that a judge who was retired from active service but still continues to serve shall not be a member of the respective court when such court appoints its officers or promulgates its rules.

"Section 3 of the bill amending section 332 of title 28, United States Code, would eliminate from membership in the Judicial Council of a circuit a judge who has retired from regular active service. Here, the language is merely clarifying.

"The legislation was introduced as the result of an executive communication from the Judicial Conference of the United States."

After a consideration of the foregoing the committee concurs in the action of the House of Representatives and recommends that the bill H.R. 2835 be considered favorably.

Attached hereto and made a part of this report is the communication from the Administrative Office of the U.S. Courts.

BILL PASSED OVER

The bill (H.R. 4145) for the relief of certain individuals was announced as next in order.

Mr. MANSFIELD. Over.

The PRESIDING OFFICER. The bill will be passed over.

JOE QUONG

The concurrent resolution (S. Con. Res. 66) withdrawing suspension of deportation in the case of Joe Quong was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring). That the Congress, in accordance with section 246(a) of the Immigration and Nationality Act (8 U.S.C.A. 1256(a)), withdraws the suspension of deportation in the case of Joe Quong (A-5635350) which was previously granted by the Attorney General and approved by the Congress.

GAETANO FUCCIO

The bill (S. 716) for the relief of Gaetano Fuccio was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Gaetano Fuccio, who lost United States citizenship under the provisions of section 349(a)(3) of the Immigration and Nationality Act, as amended, may be naturalized by taking prior to one year after the effective date of this Act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act the oaths prescribed by section 337 of the said Act. From and after naturalization under this Act, the said Gaetano Fuccio shall have the same citizenship status as that which existed immediately prior to its loss.

GEORGE ALEXANDER DOUMANI

The bill (S. 1385) for the relief of George Alexander Doumani was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That George Alexander Doumani may be naturalized upon compliance with all of the requirements of title III of the Immigration and Nationality Act, except that no period of residence or physical presence within the United States or any State shall be required in addition to his residence and physical presence within the United States since January 16, 1958.

ANDREINA VISELLI

The bill (S. 1446) for the relief of Andreina Viselli was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of paragraph (1) of section 212(a) of the Immigration and Nationality Act, Andreina Viselli may be issued an immigrant visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such Act. *Provided,* That this Act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this Act: *And provided further,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act.

DR. DEMETRIOS FLESSAS AND DR. EUGENIA FLESSAS

The bill (S. 1479) for the relief of Dr. Demetrios Flessas and Dr. Eugenia Flessas was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Demetrios Flessas and Doctor Eugenia Flessas shall be held and considered to have been lawfully admitted to the United States for permanent residence as of March 10, 1953, and April 22, 1950, respectively.

ANA MURGELJ

The bill (S. 1516) for the relief of Ana Murgelj was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Ana Murgelj may be classified

as an eligible orphan within the meaning of section 101(b)(1)(F) of the said Act and a petition may be filed by Mr. and Mrs. John Miklich, citizens of the United States, in behalf of the said Ana Murgelj pursuant to section 205(b) of the Immigration and Nationality Act subject to all the conditions in that section relating to eligible orphans.

WILLIAM JOHN CAMPBELL McCAUGHEY

The bill (S. 1812) for the relief of William John Campbell McCaughey was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That William John Campbell McCaughey may be naturalized upon compliance with all the requirements of title III of the Immigration and Nationality Act, except that no period of physical presence within the United States shall be required in addition to his physical presence within the United States since November 27, 1956.

AMENDMENT OF BANKRUPTCY ACT WITH RESPECT TO FILING OF CLAIMS IN CHAPTER XI PROCEEDINGS

The bill (H.R. 1049) to amend sections 334, 367, and 369 of the Bankruptcy Act (11 U.S.C. 734, 767, 769) and to add a new section 355 so as to require claims to be filed and to limit the time within which claims may be filed in chapter XI (arrangement) proceedings to the time prescribed by section 57n of the Bankruptcy Act (11 U.S.C. 93n) was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 605), explaining the purposes of the bill.

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

PURPOSE

The purpose of this bill is to require creditors to file claims in order to participate in distributions under chapter XI of the Bankruptcy Act. The bill also provides that these claims must be filed within 6 months.

STATEMENT

The bill is recommended by the Judicial Conference of the United States.

A similar bill, H.R. 4856 was passed by the House of Representatives in the 87th Congress but was not acted upon by the Senate.

Chapter XI provides a method by which a business debtor may effect a composition or an extension settlement of his obligations while remaining in possession of his business. Unlike straight bankruptcy proceedings, it is not necessary under existing law for a creditor to file a claim in order to participate in a chapter XI arrangement. Where debts are not contingent, unliquidated, or disputed, creditors are paid simply on the basis of the debtor's schedule.

The situation created by making distributions solely upon the basis of a debtor's schedule is sufficiently open to abuse to require a strengthening of statutory procedures. A debtor in possession of his business who desires to remain on good terms with a supplier may inflate the amount of the supplier's claim, at the expense of other creditors. He may schedule fictitious or inflated debts to his family or associates. Beyond intended discrepancies, there is a real possibility of inaccuracies resulting from lax accounting methods which may operate to the detriment of other creditors.

The committee is of the view that sound administration and sound business practices demand that where the financial rights of individuals with conflicting interests are involved, the determination of these rights should be made on the basis not only of what the debtor declares but also by comparative examination with the claims of the creditors.

If it is required that claims be filed there must be a statutory period for filing those claims. For the purpose of uniformity, this limitation should be the same as is provided in section 57n of the Bankruptcy Act which is applicable to straight bankruptcy proceedings. This period is 6 months from the first date set for the first meeting of creditors. The amendments proposed by the bill would fix such a limitation.

Objections have been raised to this bill on the ground that its enactment will delay distributions at least until the 6-month period for the filing of claims has expired. The argument is that, prior to the expiration of the 6-month period, but after the confirmation of the plan, large claims could be filed which would disrupt the plan. In addition, it is said that third parties who have acquired interests in the debtor's property, might then find that their property rights have been impaired.

The committee believes that these objections are not completely valid nor do they take into account other important considerations. Testimony at the hearings on the bill before a subcommittee of the House Judiciary Committee indicated that very few chapter XI cases are closed within 6 months from the first date set for the first meeting of creditors. Realistically, therefore, this bill should cause little, if any, delay in closing chapter XI cases. As to those few cases which would be closed within 6 months, under existing law, the possibility of unequal distributions more than offsets the possible delay.

The argument that a confirmed plan might be disrupted by subsequently filed claims would seem to support, rather than detract, from the need for this bill. If this can occur, it is apparent that schedules alone cannot be relied upon to protect the interests of all the creditors.

A similar doubt is raised by the argument that the interests of third parties acquired before the expiration of 6 months may be jeopardized if the case cannot be closed within 6 months. It would seem that third parties have a right to an accurate statement of the financial condition of the debtor and his property. This can most easily be accomplished by requiring creditors to file claims within a reasonable period.

Attached and made a part of this report is a letter dated June 8, 1959, from the Administrative Office of the U.S. Courts, and a letter dated January 14, 1963, from the Administrative Office of the U.S. Courts.

JOLAN BERCZELLER

The bill (H.R. 1311) for the relief of Jolan Berczeller was considered, ordered to a third reading, read the third time, and passed.

PETER CARSON

The bill (H.R. 1345) for the relief of Peter Carson was considered, ordered to a third reading, read the third time, and passed.

MRS. ROZSI NEUMAN

The bill (H.R. 2260) for the relief of Mrs. Rozsi Neuman was considered, ordered to a third reading, read the third time, and passed.

MRS. BARBARA RAY VAN OLPHEN

The bill (H.R. 2445) for the relief of Mrs. Barbara Ray Van Olphen was considered, ordered to a third reading, read the third time, and passed.

MERCEDES ROBINSON ORR

The bill (H.R. 2754) for the relief of Mercedes Robinson Orr, was considered, ordered to a third reading, read the third time, and passed.

WOO YOU LYN

The bill (H.R. 2757) for the relief of Woo You Lyn (also known as Hom You Fong and Lyn Fong Y. Hom) was considered, ordered to a third reading, read the third time, and passed.

KAZIMIERZ KURMAS AND ZDZISLAW KURMAS

The bill (H.R. 2968) for the relief of Kazimierz Kurmas and Zdzislaw Kurmas was considered, ordered to a third reading, read the third time, and passed.

LEE SUEY JOM

The bill (H.R. 3384) for the relief of Lee Suey Jom (also known as Tommy Lee and Lee Shue Chung) was considered, ordered to a third reading, read the third time, and passed.

DR. PEDRO B. MONTEMAYOR, JR.

The bill (H.R. 6097) for the relief of Dr. Pedro B. Montemayor, Jr. was considered, ordered to a third reading, read the third time, and passed.

WAI CHAN CHENG LIU

The bill (H.R. 6260) for the relief of Wai Chan Cheng Liu was considered, ordered to a third reading, read the third time, and passed.

ESTABLISHMENT OF INTERSTATE SCHOOL DISTRICT BY HANOVER, N.H., AND NORWICH, VT.

The joint resolution (H.J. Res. 626) granting the consent of Congress to the establishment of an interstate school district by Hanover, N.H., and Norwich, Vt., and to an agreement between Hanover School District, New Hampshire, and Norwich Town School District, Vermont, was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 616), explaining the purposes of the joint resolution.

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

PURPOSE

The purpose of the joint resolution is to grant the consent of Congress to the establishment of an interstate school district by the adjoining communities of Hanover, N.H., and Norwich, Vt., as authorized by counterpart legislation enacted by the Legislatures of New Hampshire and Vermont. The resolution would also grant the consent of Congress to an implementing agreement between the Hanover, N.H., and the Norwich, Vt., school boards as provided by such counterpart legislation.

STATEMENT

The Legislatures of Vermont and New Hampshire have authorized the establishment of an interstate school district, known as the Dresden School District, as a "body corporate and politic" for the purpose of providing a unified school system on an educationally and economically sound basis for the adjoining communities of Hanover and Norwich. Both State measures contain provisions for local referendums upon adoption.

The interstate school district would combine the junior and senior high school interests of the towns of Hanover, N.H., and Norwich, Vt., which are located directly across from each other on the Connecticut River. The junior and senior high schools of the two towns would be consolidated into what is commonly referred to in that part of the country as a union district. The union district referred to in this proposed legislation has reference to a central operation of a junior high school and a senior high school for the combined students of both towns.

The separate school districts of Hanover, N.H., and Norwich, Vt., will also continue for the purpose of raising taxes for the operation of their individual elementary schools.

Powers of the new union district include the right to sue, to secure property, to have a seal, to make bylaws to exercise condemnation, to contract, and to have agents. The bistate legislation contains requirements for meetings, officers, etc. It makes provision for the appropriation and apportionment of funds for borrowing and for the taking of property.

The school boards of Hanover and Norwich have entered into an agreement which sets forth the mutual obligations of the two towns and specifies the name of the new interstate district. Under this agreement the elementary schools of Hanover and Norwich will also be administered by the same school superintendent and the curriculums of the elementary schools in each district will be standardized.

The agreement between the two school districts provides for a proper formula for apportioning the costs and appropriations of the new union district which will operate the junior and senior high schools. Reference in the joint resolution to the "Dresden School District" reflects the terminology agreed upon by the two separate school districts for the title of the new union or interstate district.

The joint resolution contains the usual reservations of the right of Congress, or any of its standing committees, to require the disclosure and the furnishing of information and data by the new school district and of the right to alter, amend, or repeal the consent granted.

The Department of Justice, in reporting to the chairman of this committee on S. 1628, a bill having a similar purpose as House Joint Resolution 626, advises that that Department has no objection to the enactment of this legislation.

The Department of Health, Education, and Welfare, in a letter addressed to the chairman of this committee with reference to a similar Senate bill, advises that that Department recommends favorable consideration of legislation which would accomplish the purpose set out by House Joint Resolution 626.

The committee is of the opinion that this resolution has a meritorious purpose and, accordingly, recommends favorable consideration of House Joint Resolution 626, without amendment.

Attached hereto and made a part hereof are appendixes A and B, setting out the laws of the State of New Hampshire and the laws of the State of Vermont, authorizing the establishment of the interstate school district. Also attached and made a part hereof are the reports submitted by the Department of Justice and the Department of Health, Education, and Welfare, to the chairman of this committee relating to a similar Senate bill.

HAI YUNG JUNG AND JOHNNY JUNG

The Senate proceeded to consider the bill (S. 1524) for the relief of Hai Yung Jung and Johnny Jung, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That, notwithstanding the provisions of the second sentence in section 205(c) of the Immigration and Nationality Act, the petitions filed in behalf of Hai Yung Jung and Johnny Jung by Mr. and Mrs. Warren Hugh Cateron pursuant to the provisions of section 205(b) of that Act may be approved, subject to all the conditions in that section relating to eligible orphans.

The amendment was agreed to.

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

ARTHUR WENDELL BOLTA

The Senate proceeded to consider the bill (S. 1737) for the relief of Arthur Wendell Bolta, which had been reported from the Committee on the Judiciary, with an amendment on page 1, line 7, after the word "Act," to strike out the comma and "under such conditions and controls as the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212 (a)(1) of the Immigration and Nationality Act, Arthur Wendell Bolta may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of such Act: *Provided,* That, unless the beneficiary is entitled to care under chapter 55 of title 10, United States Code, a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act: *Provided further,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of his Act.

The amendment was agreed to.

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

THOMAS B. BOLLERS AND EARLENE BOLLERS

The bill (S. 1129) for the relief of Thomas B. Bollers and Earlene Bollers was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the time limitation prescribed for filing claims against the United States under section 2732 of title 10, United States Code, the Secretary of the Army is authorized and directed to receive, consider, and act upon any claim filed under such section by Thomas B. Bollers and his wife, Earlene Bollers, if such claim is filed within one year after the date of enactment of this Act, the said Thomas B. and Earlene Bollers having allegedly sustained financial losses as a result of the water supply for their house having been contaminated by the disposition of waste chemicals from the Rocky Mountain Arsenal, Colorado: *Provided,* That nothing in this Act shall constitute an admission of liability on the part of the United States.

AMENDMENT OF TITLE 28 OF UNITED STATES CODE RELATING TO VENUE GENERALLY

The bill (H.R. 2985) to amend section 1391 of title 28 of the United States Code, relating to venue generally was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 620), explaining the purposes of the bill.

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

PURPOSE

The purpose of this proposed legislation is to amend section 1391 of title 28, United States Code, relating to venue generally, in order to permit actions on tort claims to be brought in the judicial district in which the act or omission occurred.

STATEMENT

H.R. 2985 is identical in terms with S. 299, which is now pending before the Judiciary Committee.

Section 1391 of title 28, United States Code, provides generally for the venue of the U.S. district courts. As presently drawn, actions on tort claims can be brought only in the districts of the residence of the defendant and the plaintiff. This bill would permit actions on tort claims to also be brought in the judicial district in which the act or omission occurred.

The addition of the proposed new subsection to section 1391 would promote a simple and orderly administration of justice by permitting tort suits to be brought in the place where the witnesses are ordinarily most conveniently available.

The Judicial Conference of the United States at its session in March 1961, when considering S. 701 of the 87th Congress, voted to approve the language contained in the presently proposed legislation. A communication from the Administrative Office of the U.S. Courts to the chairman of the Committee on the Judiciary, dated August 18, 1961, advising of this action by the Judicial Conference is attached hereto and made a part hereof.

The Department of Justice also recommends the enlargement of the present venue statute as proposed by the language of this

bill. The communication from the Deputy Attorney General to the chairman of the Senate Judiciary Committee, dated April 28, 1961, recommending this action is attached hereto and made a part hereof.

Development in transportation has increased the mobility of the population of the United States to a degree undreamed of before the days of the automobile and the airplane. The interest of justice would be best served by enlarging the present provisions of the venue statute and permitting those who have a cause of action in tort to assert their claim in the judicial district where the act or omission complained of occurred. This position is consistent with sound principles of common law and the statutes of many of the States. It is therefore recommended that H.R. 2985 be favorably considered.

Also attached hereto and made a part hereof is a communication from the Administrative Office of the U.S. Courts dated March 25, 1963, to the chairman of the Committee on the Judiciary of the House of Representatives in regard to the proposed legislation.

IMPROVEMENT OF ADMINISTRATIVE PROCEDURE OF FEDERAL AGENCIES

The Senate proceeded to consider the bill (S. 1664) to provide for continuous improvement of the administrative procedure of Federal agencies by creating an Administrative Conference of the United States, and for other purposes, which had been reported from the Committee on the Judiciary, with amendments, on page 2, after line 4 to strike out:

(c) the diversity of Federal activities frequently precludes the establishment by statute of administrative procedure which would be generally suitable for use by all agencies.

At the beginning of line 9, to strike out "(d)" and insert "(c)"; at the beginning of line 13, to strike out "(e)" and insert "(d)"; at the beginning of line 20, to strike out "(f)" and insert "(e)"; on page 3, line 8, after the word "through", to strike out " 'rulemaking' or 'adjudication' " as those terms are defined in section 2 of the Administrative Procedure Act (5 U.S.C. 1001), except that it shall not include—

"(1) any function or matter specified in section 4 (1) or (2) of the Act except to the extent that such function or matter consists of proceedings and decisionmaking required to be conducted in conformity with sections 7 and 8 of the Act or the imposition of penalties on private persons through agency action not subject to sections 7 and 8, or

"(2) any matter specified in section 5 (1), (3), (5), and (6) of the Act." and insert "rulemaking adjudication, licensing or investigation, as those terms are used in the Administrative Procedure Act (5 U.S.C. 1001–1011).";; in line 23, after the word "agency", to strike out "includes all executive departments and any other Federal agency, including a constituent agency of an executive department, which carries out an administrative program." and insert "means any authority as defined by section 2(a) of the Administrative Procedure Act (5 U.S.C. 1001 (a)).";; on page 4, line 18, after the word "composed", to strike out "preponderantly of Federal officials and personnel, including" and insert "of"; on page 5, line 4, after the word "commission", to insert "or a person designated by such board or commission;"; in line 8, after the word "President", to insert a comma and "or a person designated by such head of a department or agency;"; in line 10, after the word "Council", to strike out "an appointee" and insert "one or more appointees"; in line 14, after the word "the", to strike out "Chairman" and insert "head of such board or commission"; at the beginning of line 20, to strike out "adequate" and insert "full"; on page 6, after line 5, to strike out:

(c) Each member under paragraphs (b) (2) and (b) (3), above, may designate an alternate member to represent him, as occasion requires, in plenary sessions or other activities of the Conference. The alternate member shall have all the obligations and privileges of full membership in the Conference on such occasions.

At the beginning of line 12, to strike out "(d)" and insert "(c)"; on page 7, line 6, after the word "collect", to insert "information and statistics"; in line 7, after the word "reports", to strike out "of operating statistics"; on page 8, at the beginning of line 4, to strike out "preponderantly of Federal officials and personnel. The Council shall consist"; in line 13, after the word "meetings", to insert "and it shall call at least one plenary session each year"; on page 9, line 6, after the word "make", to strike out "preliminary"; in line 16, after the word "law", to strike out "or agency regulations;"; on page 10, line 18, after the word "desirable", to insert a semicolon and "such reports shall set forth the compliance of the agencies with the recommendations of the Conference"; and after line 24, to insert:

(e) Each member of the Conference shall participate in his individual capacity and not as a representative of any governmental or nongovernmental organization. Members of the Conference who are not regular Federal officials or personnel shall be special Government employees for the purposes of sections 203, 205, 207, 208, and 209 of title 18, United States Code.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Administrative Conference Act".

FINDINGS AND DECLARATION OF POLICY

SEC. 2. The Congress finds and declares that—

(a) administration of regulatory and other statutes enacted by Congress in the public interest substantially affects large numbers of private individuals and many areas of business and economic activity;

(b) the protection of public and private interests requires continuing attention to the administrative procedure of Federal agencies to insure maximum efficiency and fairness in achieving statutory objectives;

(c) responsibility for assuring fair and efficient administrative procedure is inherent in the general responsibilities of officials appointed to administer Federal statutes;

(d) experience has demonstrated that cooperative effort among Federal officials, assisted by private citizens and others whose interest, competence, and objectivity enable them to make a unique contribution, can find solutions to complex problems and achieve substantial progress in improving the effectiveness of administrative procedure; and

(e) it is the purpose of this Act to provide suitable arrangements through which Federal agencies, assisted by outside experts, may cooperatively study mutual problems, exchange information, and develop recommendations for action by proper authorities to the end that private rights may be fully protected and regulatory activities and other Federal responsibilities may be carried out expeditiously in the public interest.

DEFINITIONS

SEC. 3. As used in this Act—

(a) "Administrative program" includes any Federal function which involves protection of the public interest and the determination of rights, privileges, and obligations of private persons through rulemaking, adjudication, licensing or investigation, as those terms are used in the Administrative Procedure Act (5 U.S.C. 1001–1011).

(b) "Administrative agency" means any authority as defined by section 2(a) of the Administrative Procedure Act (5 U.S.C. 1001(a)).

(c) "Administrative procedure" means procedure used in carrying out an administrative program and shall be broadly construed to include any aspect of agency organization, procedure, or management which may affect the equitable consideration of public and private interests, the fairness of agency decisions, the speed of agency action, and the relationship of operating methods to later judicial review, but shall not be construed to include the scope of agency responsibility as established by law or matters of substantive policy committed by law to agency discretion.

ADMINISTRATIVE CONFERENCE OF THE UNITED STATES

SEC. 4. (a) There is hereby established the Administrative Conference of the United States (hereinafter referred to as the "Conference").

(b) The Conference shall be composed of—

(1) a full-time Chairman, who shall be appointed for a five-year term by the President, by and with the advice and consent of the Senate. The Chairman shall receive compensation at the highest rate established by law for the chairman of an independent regulatory board or commission, and may continue to serve until his successor has been appointed and has qualified;

(2) the chairman of each independent regulatory board or commission or a person designated by such board or commission;

(3) the head of each executive department or other administrative agency which is designated by the President, or a person designated by such head of a department or agency;

(4) when authorized by the Council, one or more appointees from any such board, commission, department, or agency, designated by the department or agency head or, in the case of a board or commission, by the head of such board or commission with the approval of the board or commission;

(5) persons appointed by the President to membership upon the Council hereinafter established who are not otherwise members of the Conference; and

(6) other members in such number as will assure full representation of the viewpoints of private citizens and the utilization of diverse experience, who shall be appointed by the Chairman, with the approval of the Council, for terms of two years. Members appointed by the Chairman shall be members of the practicing bar, scholars in the field of administrative law or government, or others specially informed by knowledge and experience with respect to Federal administrative procedure.

(c) Members of the Conference other than the Chairman shall receive no compensation for service, but members appointed from outside the Federal Government shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law (5 U.S.C. 73b–2) for persons serving without compensation.

DUTIES AND POWERS OF THE CONFERENCE

SEC. 5. To carry out the purposes of this Act the Conference is authorized to—

(a) study the efficiency, adequacy, and fairness of the administrative procedure used by administrative agencies in carrying out administrative programs;

(b) make recommendations to administrative agencies, collectively or individually, and to the President, the Congress, or the Judicial Conference of the United States, as it deems appropriate;

(c) arrange for interchange among administrative agencies of information potentially useful in improving administrative procedure; and

(d) collect information and statistics from administrative agencies and publish such reports as it deems useful for evaluating and improving administrative procedure.

ORGANIZATION OF THE CONFERENCE

SEC. 6. (a) The membership of the Conference meeting in plenary session shall constitute the Assembly of the Conference. The Assembly shall have ultimate authority over all activities of the Conference. Specifically, it shall have power to (1) adopt such recommendations as it deems appropriate for improving administrative procedure: *Provided*, That any member or members who disagree with a recommendation adopted by the Assembly shall be accorded the privilege of entering dissenting opinions and alternative proposals in the record of Conference proceedings, and the opinions and proposals so entered shall accompany the Conference recommendation in any publication or distribution thereof; and (2) adopt bylaws and regulations not inconsistent with this Act for carrying out the functions of the Conference, including the creation of such committees as it deems necessary for the conduct of studies and the development of recommendations for consideration by the Assembly.

(b) The Conference shall include a Council composed of the Chairman of the Conference, who shall be the Chairman of the Council, and ten other members appointed by the President for three-year terms, except that the Council members initially appointed shall serve for one, two, or three years, as designated by the President, and each member may continue to serve until a successor is appointed. The Council shall have power to (1) determine the time and place of plenary sessions of the Conference and the agenda for such meetings and it shall call at least one plenary session each year; (2) propose bylaws and regulations, including rules of procedure and committee organization, for adoption by the Assembly; (3) make recommendations to the Conference or its committees upon any subject germane to the purposes of the Conference; (4) receive and consider reports and recommendations of committees of the Conference and transmit them to members of the Conference with the views and recommendations of the Council; (5) designate a member of the Council to preside at meetings of the Council in the absence or incapacity of the Chairman and Vice Chairman; (6) designate such additional officers of the Conference as it may deem desirable; (7) approve or revise the Chairman's budgetary proposals; and (8) exercise such other powers as may be delegated to it by the Assembly.

(c) The Chairman shall be the chief executive of the Conference. In that capacity he shall have power to (1) make inquiries into matters he deems important for Conference consideration, including matters proposed by persons inside or outside the Federal Government; (2) be the official spokesman for the Conference in relations with the several branches and agencies of the Federal Government and with interested organizations and individuals outside the Government, including responsibility for encouraging Federal agencies to effectuate the recommendations of the Conference; (3) request agency heads to provide information needed by the Conference, which information shall be supplied to the extent permitted by law; (4) recommend to the Council appropriate subjects for action by the Conference; (5) appoint, with the approval of the Council, members of committees authorized by the bylaws and regulations of the Conference; (6) prepare, for approval of the Council, estimates of the budgetary requirements of the Conference; (7) appoint employees, subject to the civil service and classification laws, define their duties and responsibilities, and direct and supervise their activities; (8) rent office space in the District of Columbia; (9) provide necessary services for the Assembly, the Council, and the committees of the Conference; (10) organize and direct studies ordered by the Assembly or the Council, utilizing from time to time, as appropriate, experts and consultants who may be employed as authorized by section 15 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 55a), but at rates for individuals not to exceed $100 per diem; (11) upon request of the head of any agency, furnish assistance and advice on matters of administrative procedure; and (12) exercise such additional authority as may be delegated to him by the Council or the Assembly. The Chairman shall preside at meetings of the Council and at each plenary session of the Conference, to which he shall make a full report concerning the affairs of the Conference since the last preceding plenary session. The Chairman shall, on behalf of the Conference, transmit to the President and the Congress an annual report and such interim reports as he deems desirable; such reports shall set forth the compliance of the agencies with the recommendations of the Conference.

(d) The President may designate a member of the Council as Vice Chairman, who shall serve as Chairman in the event of a vacancy in that office or in the absence or incapacity of the Chairman.

(e) Each member of the Conference shall participate in his individual capacity and not as a representative of any governmental or nongovernmental organization. Members of the Conference who are not regular Federal officials or personnel shall be special Government employees for the purposes of sections 203, 205, 207, 208, and 209 of title 18, United States Code.

APPROPRIATIONS

SEC. 7. There are hereby authorized to be appropriated such sums as may be necessary to accomplish the purposes of this Act.

The amendments were agreed to.

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

Mr. MANSFIELD. Mr. President, I thank the Senator from Oregon for his courtesy in yielding this much time; and I also thank the Senator from Vermont [Mr. AIKEN] for serving as a check.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961

The Senate resumed the consideration of the bill (H.R. 7885) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

Mr. MORSE. Mr. President, I wish to lay before the Senate the documentation in a case study which illustrates why some of us oppose the foreign aid program in its present form and believe that it should be drastically overhauled.

I ask unanimous consent that the documents to which I shall refer may be printed in full in the RECORD at the conclusion of this portion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MORSE. On April 2 of this year, I received a letter dated March 28 from Mr. Edward E. Cooper, superintendent of the Crow-Applegate School District in Eugene, Oreg. Mr. Cooper put forth an idea for the establishment of contacts between public school districts in the United States and areas of similar size in Central America, with the people of the school district in this country sponsoring education in a selected area abroad. He pointed out that there are 17 departments in Honduras and 18 school districts in Lane County, Oreg. In Mr. Cooper's view it would have been possible to get the people of school districts in Lane County to accept this as a personal and somewhat competitive challenge.

On April 9, I wrote to Mr. Teodoro Moscoso, Coordinator of the Alliance for Progress, enclosing a copy of Mr. Cooper's letter and asking if he would give me his considered reaction to it, because it seemed to me a suggestion worth pursuing.

On April 20, I received an acknowledgment, signed by Mr. Craig Raupe, Director of Congressional Liaison of the Agency for International Development, in which he said:

Your request is receiving our prompt attention and I will write you again at the earliest practicable date.

On May 10, I received a further letter from Mr. Raupe in which he said that the AID agency was sending Mr. Cooper's letter directly to its mission in Honduras for consideration by the mission and that in addition the Agency in Washington would consider the possible application of Mr. Cooper's suggestion to the education programs in other Latin American countries.

On May 15, I again wrote to Mr. Moscoso asking that I be informed of the results of his consideration of this matter as well as of the reaction of the AID mission in Honduras when that was received.

On June 15, I received a letter from Mr. Moscoso, dated the day before, confirming that I would be informed of the Honduras AID mission's evaluation. Mr. Moscoso also stated that AID's field personnel had been asked to look at the proposal not only as it might apply to Honduras, but also in terms of its possible application in other Latin American countries.

On September 12—almost exactly 3 months later—I again wrote to Mr. Moscoso concerning this proposal, and stated my view that sufficient time had elapsed for the AID mission in Honduras to have evaluated the suggestion.

On October 3, as we all know, there occurred a coup d'etat in Honduras, as a result of which our aid program in that country was properly suspended.

On October 16, I received a letter dated October 10, and signed by Mr. James H. Boren, Special Assistant to the U.S. Coordinator, Alliance for Progress, in which he said:

We have received comments from our mission in Honduras but the mission's initial reaction plus present circumstances make this particular country participation a difficult program to develop.

Meanwhile, Mr. Boren said, he was discussing the proposal with the mission director of another Central American country and that this mission director was inquiring into the possibility of combining the school district participation with another phase of his educational program.

There we have it, Mr. President. Seven months after an imaginative private citizen in Eugene, Oreg., advanced an idea concerning the Alliance for Progress, the bureaucracy of the Alliance has been unable to make up its mind as to whether the idea is good or bad. In the meantime, the freely elected democratic Government of Honduras has fallen.

I do not suggest that the Government would have been saved if the proposal about people-to-people contacts through school districts had been put into effect. But I do suggest that the record of bureaucratic inertia and resistance to outside suggestions which is revealed in the correspondence I have just summarized is symptomatic of one of the serious defects of the Alliance for Progress.

I am not complaining because AID did not adopt an idea put forward by one of my constituents. I am complaining because AID seems incapable of considering any idea and coming to a judgment on it.

I wonder how many more countries of Latin America will be lost to democracy before the Congress and the President take the necessary drastic action to revitalize the Alliance for Progress.

EXHIBIT 1

CROW-APPLEGATE SCHOOL
DISTRICT NO. 66,
Eugene, Oreg., March 28, 1963.

Hon. WAYNE MORSE,
U.S. Senate,
Washington, D.C.

DEAR SIR: This is a request for information, evaluation of an idea, and assistance.

The thought has occurred to me that—

1. If, in our efforts to aid Central America, large problems could be reduced from national to personal they could be solved more efficiently.

2. A fundamental problem is a lack of education. The nature of this problem is such that it requires a basic approach to a solution. In other words it must be broad in *scope* and concentrated at the bottom of the educational ladder.

3. Immediate gains could be made if contact were established between public school districts in this country and similar sized areas in Central American countries. The people of a school district here would sponsor education in a selected area. This would divide a national problem into manageable parts and concentrate upon it an individualized, personal effort.

As an example, assume that the people of a school district here would provide financial assistance for the services of a teacher and most needed teaching supplies in a department of Honduras. The teacher would be a Honduran trained in Honduras.

The department of education in Honduras would be asked to select the teachers and provide school districts here with their names and other data.

There are 17 departments in Honduras and 18 school districts in Lane County. It should be possible to get the people of school districts here to accept this as a personal and somewhat competitive challenge.

If school superintendents would provide the educational leadership and local organizations the financial needs it would be possible to cause immediate improvements.

The following could be a second step in the plan.

The department of education in Honduras would be asked to establish some standard of achievement that could be accomplished in 1 year by teachers selected. This could be evidences of educational advancements by students and/or instigating the construction of facilities.

When the standard of achievement has been reached teachers would be transported to this country with Alliance for Progress, or other funds. Each teacher would spend a year in the school district that acted as sponsor for that teacher. Three purposes of this visit would be:

1. The teachers from Honduras would learn, or broaden their knowledge of teaching methods through study, example, and practice.

These visiting teachers would spend some of their time in our public elementary schools on a student-teaching basis.

2. The teachers from Honduras would spend a minimum of time, 1 or 2 hours per day, as resource persons and/or instructors, in our Spanish language programs. They would be paid for this help.

3. They would learn to prepare and use teaching aids and materials. In this connection it seems they could learn to construct simplified teaching machines with easily obtained materials and adapt them to needs in Honduras.

Perhaps the preparation and construction of simplified teaching aids and materials could become a small industry in their country.

The duration of the plan should be established in advance. This decision, as well as others, should be based upon advice from educational leaders in Honduras.

This is not a substitute for any other educational efforts. It is a grass-roots approach designed to produce a greater number of literate citizens. This it would do by dividing a national problem into a number of smaller ones that could be attacked on a somewhat individualized, competitive basis by school districts in this country with cooperation from Honduras. In fact it is a two-way assistance program.

I believe assistance could be obtained from our State and county school superintendents and from the University of Oregon. From these sources we could obtain the leadership of our best qualified people.

If some preliminary experience and proof is needed, perhaps this school district, where I am superintendent, could make a pilot effort. We could, I believe, sponsor a teacher in Honduras and provide essential supplies. Examples of programed textbooks, handmade teaching machines, and other aids could be provided and adapted to the language and needs of that country.

Will you let me know whether or not you think, with further planning, revisions and support of individuals and agencies mentioned, that this idea would merit your support?

Does it conflict with and/or is it a duplication of efforts now being made?

Is it possible that Alliance for Progress funds could be made available for such a project?

Please be frank in your appraisal.

Very truly yours,

EDWARD E. COOPER,
Superintendent.

APRIL 9, 1963.

Mr. TEODORO MOSCOSO,
Coordinator, Alliance for Progress, Agency for International Development, Washington, D.C.

DEAR MR. MOSCOSO: I enclose a copy of a letter which I have received from Mr. Edward E. Cooper, superintendent of the Crow-Applegate School District No. 66 in Eugene, Oreg. Mr. Cooper's suggestion appeals to me very much and I would appreciate it if you could give me your considered reaction to it.

It seems to me that this is a suggestion worth pursuing in an effort to work out a program.

Sincerely yours,

WAYNE MORSE.

DEPARTMENT OF STATE,
AGENCY FOR INTERNATIONAL DEVELOPMENT,
Washington, D.C., April 17, 1963.

Hon. WAYNE MORSE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MORSE: I am pleased to acknowledge receipt of your letter of April 9, addressed to Mr. Moscoso, requesting our reaction to an enclosed proposal by Mr. Edward E. Cooper, of Eugene, Oreg., that school districts in this country sponsor educational projects in districts of similar size in Honduras and other Central American countries.

Please be assured that your request is receiving our prompt attention and I will write you again at the earliest practicable date.

With kindest regards, I remain,

Sincerely yours,

CRAIG RAUPE,
Director, Congressional Liaison.

DEPARTMENT OF STATE,
AGENCY FOR INTERNATIONAL DEVELOPMENT,
Washington, D.C., May 9, 1963.

Hon. WAYNE MORSE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MORSE: The letter to you dated March 28, 1963, from Supt. E. E. Cooper of Crow-Applegate District, Eugene, Oreg., has been reviewed by the education staff of the Bureau for Latin America.

Mr. Cooper's proposal is an interesting approach to assisting with the Alliance strategy for education, and we shall give it careful consideration. As a first step we are taking the liberty of sending Mr. Cooper's letter directly to our Honduras AID mission for their careful consideration of the possibility of such an arrangement in Honduras. Meanwhile we will be considering the possible application of Mr. Cooper's suggestions to the education programs in other Latin American countries.

We very much appreciate the interest in the Alliance and the constructive ideas evidenced by Mr. Cooper.

Sincerely yours,

CRAIG RAUPE,
Director, Congressional Liaison.

MAY 15, 1963.

Mr. TEODORO MOSCOSO,
Coordinator, Alliance for Progress,
Agency for International Development,
Washington, D.C.

DEAR MR. MOSCOSO: I refer to Mr. Craig Raupe's letter to me of May 9 in connection with earlier correspondence concerning a suggestion by Mr. E. E. Cooper, of Eugene, Oreg., about education in Latin America.

As I indicated to you earlier I am very much interested in Mr. Cooper's suggestion, and I hope you will inform me of the results of your consideration of the matter. I would also like to be informed of the reaction of the AID mission in Honduras when this has been received.

Sincerely yours,

WAYNE MORSE.

DEPARTMENT OF STATE,
AGENCY FOR INTERNATIONAL DEVELOPMENT,
Washington, D.C., June 14, 1963.

Hon. WAYNE MORSE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MORSE: With reference to your letter of May 15 regarding Mr. Cooper's proposal for an educational project and exchange between Honduras and Crow-Applegate School District of Eugene, Oreg., the proposal has been forwarded to the AID mission in Honduras. The mission's education advisers have been requested to evaluate the proposal in terms of our present education programs and methods of implementation. We have not received a response from the field as yet, but we shall advise you of the field evaluation as soon as it arrives.

In the message to our mission in Honduras, we have asked that our field personnel look not only at the proposal as it applies to Honduras, but also in terms of its possible application in other Latin American countries. We will be happy to keep your office informed in this matter. Thank you for your continued interest in the success of the Alliance for Progress.

Sincerely yours,

TEODORO MOSCOSO.

Mr. TEODORO MOSCOSO,
U.S. Coordinator, Alliance for Progress, Agency for International Development, Washington, D.C.

DEAR MR. MOSCOSO: I refer to your letter of June 14 following earlier correspondence between us regarding a proposal for an educational project and exchange between Honduras and the Crow-Applegate School District of Eugene, Oreg.

It seems to me that sufficient time has elapsed for the AID mission in Honduras to have evaluated this proposal, and I would appreciate knowing the mission's conclusions, as well as your own thinking concerning the possible application of this suggestion in other Latin American countries.

Sincerely yours,

WAYNE MORSE.

DEPARTMENT OF STATE, AGENCY FOR INTERNATIONAL DEVELOPMENT,
Washington, D.C., October 10, 1963.

Hon. WAYNE MORSE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MORSE: In reply to your letter of September 13 concerning the proposal of Superintendent Edward E. Cooper, we have received comments from our mission in Honduras but the mission's initial reaction plus present circumstances make this particular country participation a difficult program to develop.

I have just been appointed by Mr. Moscoso as his special assistant to encourage participation in the Alliance for Progress by State and local institutions, public and private. It is my belief that Superintendent Cooper's proposal is one which can possibly make a significant contribution with the Alliance. I have discussed the proposal with a mission director of another Central American country and he in turn is inquiring into the possibility of combining the school district participation with another phase of his educational program. It is my hope that a positive reply will be received very soon. This letter, therefore, is merely an interim report to you and you may be assured of our keen interest in Mr. Cooper's proposal.

Sincerely yours,

JAMES H. BOREN,
Special Assistant to the U.S. Coordinator, Alliance for Progress.

Mr. President, in the executive sessions of the Foreign Relations Committee—and I think I am privileged to point this out—there was a great deal of discussion about the inefficiency of the administration of the AID program, including the inefficiency of the administration of the Alliance for Progress program. It is a fair conclusion for me to draw that it was the consensus in the committee—at least while that discussion was in progress—that something ought to be done about it now. As I interpreted the remarks from my colleagues in the Committee on Foreign Relations, it was the general opinion that one of the great weaknesses of our foreign aid program is inefficiency of administration.

The type of complaint that I have just made is not an uncommon one in the Senate from the standpoint of the experience of other Senators in respect to the administration of the AID program.

In the Foreign Relations Committee, when this general subject matter was being discussed and Senators were expressing themselves on the basis of their experience with the AID administration, the responses of the AID administration, and the problems raised by Senators in respect to the program of aid, there seemed to me to be general agreement that bureaucracy had taken over and efficiency had flown out the window.

I formed the impression—and I believe justifiably—but apparently without any foundation whatever—that the Foreign Relations Committee was going to do something about it. I thought that the Foreign Relations Committee would write a bill that would do something about it and that the judgment of members of the Foreign Relations Committee in connection with the inefficiency of the AID program and the foreign aid program generally would be reflected in provisions of the bill that would correct the present situation.

What did we get? We got a committee report stating, in effect, "These are very serious problems. The administration had better do something about the situation between now and the end of the fiscal year 1965."

That is what I would call the "runaround" of the Morse amendment that seeks to bring to an end foreign aid as now operated as of the end of fiscal 1965 and the setting up of a new foreign aid program. The abolition of all foreign aid was not proposed. I believe a better foreign aid program could be set up. It would be a more vital program and set forth the guidelines on general policies that would be covered, based upon applications from countries that wish to be recipients of foreign aid and are willing to agree to reasonable terms and conditions for obtaining foreign aid. I thought the criticisms that I had heard about the administration of foreign aid were sufficient proof to support my amendment. If Senators thought that what they said in committee was justified—and I know they thought the statements were justified or they would not have made them—I am at a loss to understand why they did not implement their criticisms by reporting a bill that would accomplish the necessary reforms, which the criticisms demonstrate are needed.

I use that example to bear out the point that I made last Monday when I discussed the subject from the standpoint of the wide chasm of difference between the bill and the committee report.

I am delighted that my good friend the Senator from Minnesota [Mr. HUMPHREY] is present in the Chamber, because I wish to invite his attention to a suggestion I made a few minutes ago on the floor of the Senate with regard to the procedure that confronts Senators. As the Senator knows, in my speech on Monday I outlined three choices of action that I thought were open to the Senate to follow if it really wished to enact a foreign aid bill that would serve the public interest and receive widespread public support.

One choice would be to discuss this question for a while and point out the differences of opinion that exist within the Senate, and between opponents of the bill and the administration, and then recommit the bill to the Foreign Relations Committee for further consideration in executive session, under such instructions as the Senate may see fit to give the committee.

An hour or less ago, after some informal conferences with Senators, I came into the Chamber and stated that the tentative plan would be to move to recommit the bill to the Foreign Relations Committee. I said I believed that would have the advantage of giving us an opportunity to build some bridges across the chasm of differences which have developed between the opponents and proponents of the bill, and would give the administration in the executive session of the Foreign Relations Committee—through the testimony of and consultations with the Secretary of State, the Secretary of Defense, the Director of AID, and other top spokesmen for the administration on the foreign aid program—an opportunity to help the Senate hammer out some conscionable compromise. That would make it possible for the committee to report a bill more nearly in conformity with the report of the committee than the bill which the committee sent to the Senate.

I hope the leadership in the Senate will give the proposal serious consideration, although I am certain that the Senator from Arkansas, the chairman of the committee, is not too happy with me because of my opposition to the bill.

Senators know that, as far as I am concerned—and I am sure it is also true of the Senator from Arkansas—our differences are not personal but professional. I hope the chairman of the committee will give careful consideration to this suggestion.

Let us be frank about it, Mr. President. We really wish to reach some denominator of common understanding.

We need some time now, and I believe that would be the best way to utilize the time.

As I pointed out earlier this afternoon, it would be of some assistance to Senators who are a little disappointed because continuation of debate on this subject will interfere with their plans to attend some international conferences.

The important thing is for the leadership of the Senate, the chairman of the committee, and the members of the committee who favor the bill, and the leaders among the groups opposed to the bill, to get together, if possible off the floor of the Senate, in the Foreign Relations Committee room, in executive session, to try to hammer out some compromise agreements on the bill.

I wish to say frankly to the majority leader and to the majority whip that I cannot speak for a unanimous group in opposition to the bill. There will be a meeting tomorrow morning at 9:30 at which I hope there will be a little more unanimity than there is tonight. There are Senators in the group who wish to write this out on the floor of the Senate. I prefer not to do that. We would get a better bill, under the proposal I am making to recommit to the committee.

I know there is a psychological hurdle that some may not wish to jump. Let me see if I can disabuse their minds of the negative psychology that recommital would be a reflection on the Foreign Relations Committee. Not at all, Mr. President. We do not reflect on the Foreign Relations Committee if we express enough confidence in it to send a bill back to it, and do not write it on the floor of the Senate. It would be much more a reflection on the Foreign Relations Committee if we were to spend days, amendment by amendment, rewriting the bill on the floor of the Senate.

On the contrary, a motion to recommit to the Foreign Relations would be a compliment to the Foreign Relations Committee and would express renewed and continued confidence that once the committee understands the sense and the feeling of the Senate in regard to the bill, it will be not only perfectly willing but also anxious to try to work out some satisfactory compromises.

I repeat, I believe the problems which have arisen in regard to this bill are serious from the standpoint of many angles, and are recognized as being of serious proportions. Many Senators have talked to me in the last 48 hours about this. The problems are also recognized as being serious by the executive branch of the Government. I believe the Senate should vote to recommit the bill to the Foreign Relations Committee for whatever number of days the Senate may wish to agree upon for further consideration of the bill. As far as I am concerned, I would not require a date certain. I would leave it up to the Foreign Relations Committee. If the committee wished to report in 2 days, that would be its business. If the committee wished to report in 2 weeks, that also would be its business.

I will tell Senators what I believe would happen. If the bill went back to the Foreign Relations Committee, the leadership of the Foreign Relations Committee would consult with the majority leader and the majority whip, as well as the minority leader and the minority whip. We have been around here long enough to know that they also would consult with the officials of the executive branch of the Government. I believe the President himself would be glad to consult with them.

This is the sane, sound, sensible way to handle this problem procedurally.

I am making these statements tonight, because I want them to be public statements. I want my colleagues in the Senate and also the people of the country to know that the senior Senator from Oregon is not following any obstructionist course of action, although there are those who will put that interpretation on this action. They will ask, "Because the Senator from Oregon will not consent to a unanimous-consent agreement, is he not following an obstructionist course of action?"

If this bill were not involved, I would object to a unanimous-consent agreement. As my colleagues know, unanimous-consent agreements are used too much in the Senate. The practice is becoming an abuse. I think it has changed the nature of the Senate from the deliberative, debating body it should be into a mere meeting place for casting votes based on preconceived notions that bear no relationship to the debate that has been conducted in the Senate to empty seats.

That very bad practice in the Senate must be changed. I think it is bad practice. Many students of political history believe that the Senate has developed a bad practice in conducting most of its business under unanimous consent agreements.

That was not true when I came to the Senate 19 years ago. The practice which now prevails developed to a serious degree in the past 10 years. I do not mean that there were not unanimous-consent agreements prior to that time, but they were not the common practice.

I do not see how any Senator can deny what the senior Senator from Oregon says when he says that a count of the handling of major legislation in the Senate in recent years will show that most of the major legislation has been handled under unanimous-consent agreements limiting time for debate and fixing times certain to vote.

That ought not to be the case in connection with major legislation. Certainly it ought not to be true in connection with a major bill such as the foreign aid bill.

I make this explanation because, not as an obstructionist, but as a constructionist, I am making a plea to the leadership of the Senate to get some heads together and have some consultation in the next 24 hours to see what can be done about taking the bill back to committee and having a reexamination and reconsideration of it, with all members of the committee present, and a final vote on the final bill. In my judgment, if that had been done before the bill was reported to the Senate, it would have been a different bill.

There should also be a final vote on the committee report, because most members of the committee never saw the report until they picked it up from their desks; and that includes the present speaker. Most members of the committee did not have the report available to them before it came from the committee. That is not the way to conduct committee business. Committee reports should be reports of the members of the committee, or a majority of the committee.

The committee report ought to be signed by the members of the committee. I do not think it ought to be a report which merely states that "the Chairman of the Foreign Relations Committee submitted the following report."

The bill should be sent back to committee. The committee ought to work it over, in consultation with the leadership of the Senate and representatives of the executive branch of the Government.

I do not want to say more on the subject now, but I felt that I owed it to myself, as well as to Senators who share my views, to make it perfectly clear tonight, for the benefit of the press, for the benefit of our colleagues in the Senate, and for the benefit of the public, that any interpretation of our course of action to the effect that we are seeking to hold something up for obstructionist purposes has no basis whatsoever in fact. To the contrary, we are supplicants, Mr. President. We are pleaders. We are asking for the prevention of what we think might be great harm, from many angles, if the decision were made to press for action on the bill in the Senate without further consideration of the bill behind the executive doors of the Foreign Relations Committee.

I sincerely hope that the majority leader will make certain that the President of the United States and the Secretary of State are informed of the views I have just expressed, because I am expressing those views not only in my own behalf, but in behalf of several colleagues who share my views, and to whom I said I would make the statement I have just made.

I turn now to the second choice I outlined last Monday. If the Senate decides not to recommit the bill, I suggest that the second choice is to endeavor to rewrite the bill on the floor of the Senate, amendment by amendment, after paragraph-by-paragraph debate and analysis of the bill. It cannot be done in a day. In my judgment, we should not attempt to do it in a week. I hope it can be done in a week. So far as I am concerned, I want to do it as rapidly as we can, with thoroughness.

One of the difficulties is that we cannot make available on the floor of the Senate a great deal of the confidential or top-secret information that must be considered by individual Senators who are asked to make up their minds in regard to certain provisions in the bill.

Of course, we can take them out into the cloakrooms and we can show it to

them and explain it to them. However, that is a very inefficient operation from this standpoint also, but it is better than accepting the bill hook, line, and sinker. If we do that, we shall sink, and the American people will be caught again in a shocking, wasteful, and inefficient foreign aid program.

I suggested a third choice the other day. If the Senate should decide not to recommit the bill, if it should decide that it does not want to rewrite the bill—although I am confident the bill will be rewritten, at least in part, by the adoption of amendments—it can adopt the third choice, which is to accept the House bill. Of course, I shall attempt to add to it my amendment providing for a withholding of economic and military aid from any government that overthrows by force a constitutionally elected democratic government, unless the President should find that in his opinion the national interest called for such aid. If so, he would set forth his reasons in a report to Congress. If Congress by concurrent resolution approved the granting of aid, then, and then only, could he grant such aid.

I have discussed the amendment in detail at high level today; there will be further discussions of the amendment at high level. That is another reason why I believe the bill ought to go back to the Committee on Foreign Relations. There are many substantive reasons for that, but also a psychological reason. If we are to handle this matter, we should handle it through the Foreign Relations Committee, after reaching an understanding with the administration. I have no assurance of acceptance of the amendment by the administration, but there has been no rejection of it, either.

Certain suggestions have been made to me which I reject. For example, I will not accept the proposal that was made to me—the Senate may decide to accept it, but the senior Senator from Oregon will vote against it—that the President shall be allowed to grant aid unless within a certain period of time one or the other or both Houses reject the report.

Congress has a legislative checking duty, and I believe Congress should pass on the question.

One of the arguments that has been made to me in connection with the criticism of my amendment was that it might take too much time. My reply is, "How much time do you think that will take?" Whatever time is set, whether it be 30 days or 2 weeks, that time would have to elapse. My position is that my suggestion would get action from Congress in most instances within 48 hours. I cannot understand anyone in the administration laboring under the impression that if the President of the United States sends up a report which states that the national interest of our country calls for this kind of assistance and shows the need for it, he will not get action quickly.

However, as I said, if he does not, he should not get it. If he cannot convince Congress quickly that the aid ought to be granted, he should not obtain the concurrence of Congress.

I am a little at a loss to understand the argument that my amendment might cause some delay. The purpose of the check-and-balance system is to cause whatever delay is necessary to protect the public interest. I believe that if the President has a case which justifies the aid, we will fall over ourselves to take quick action, even if it should take a night session, to get approval for the President.

The objection raised in the Foreign Relations Committee that this would be interfering with the foreign policy prerogatives of the President. Not at all. It has nothing whatever to do with his power over diplomatic recognition. We have our own checks against the President if it involves that point. It is the check upon the exercise of the purse-string control by Congress.

I am perfectly willing, if there is any doubt about it, to modify my amendment in any way it needs to be modified in order to make it clear that we do not propose to determine what governments shall be recognized. No wise President would give diplomatic recognition to a government unless he felt he had the support of Congress.

I wish to make it clear that we in Congress have a duty to adopt an amendment that says to the President, "You cannot spend American taxpayer money for military or economic aid to help any regime which by military coup has overthrown a constitutionally elected democratic government, unless Congress gives you approval to do that on the basis of reasons you advance in a report which, in your opinion, justify it."

We hear a great deal that Congress has the check of the purse strings. That is all I am asking that we apply. This is the check of the purse strings.

The last point I wish to make is this: Do Senators know what I am offering? I am offering an amendment that would strengthen the hand of any President. Any President should welcome an amendment which provides the procedure that gives him the support of the American people and—this is of great importance also—support in the eyes of the people of the world with respect to extending aid to any regime that has overthrown a constitutionally elected democratic government by force.

It is important, because it would help him in proceeding at a time this procedure is exercised in his relations with the people of other democratic countries which tremble with the fear that the course of action followed by the United States may be conducive to military coups elsewhere in the world.

The Senate should heed what I am telling it as chairman of the Subcommittee on Latin American Affairs. In Latin America today some of our best democratic friends are greatly concerned about the aftermath in the Dominican Republic and Honduras vis-a-vis U.S. policy. They are saying that if we proceed in the near future to give aid and assistance to regimes that are set up as a result of these two military coups, no matter with what verbalism they dress their facade, we will, in effect, be sanctioning the overthrowing of constitutional governments by military coups.

Why should they not tremble with fear? And they are trembling with fear about that possibility, for we are receiving messages containing allegations that we are not even proceeding, as we have claimed, to withdraw our mission personnel, except on a token basis. We are still seeking the facts about that. There is no question that the allegations are being made.

So it would be salutary, it would be good commonsense, if the problems I have raised in connection with this amendment, the arguments that have been advanced against it, and the arguments that have been advanced for it could be discussed behind the doors of the Committee on Foreign Relations, in executive session, with administration spokesmen.

Mr. President, do you know what the result would be? I think we would agree on language, language that would accomplish the objectives that we have in mind when we say there must be in the bill a guaranteed procedure that will give assurance to the American people and the people of the Western Hemisphere, particularly, that the United States will not give economic or military aid to military coups or their stooge regimes. Of course, I should like to have such a provision applied worldwide; but the fact is that when I first proposed it to my leadership, I proposed it in connection with the Western Hemisphere. I would rather have it apply to the Western Hemisphere than not to have it at all.

Here again, if the bill is returned to the Foreign Relations Committee, we could work out this matter with administration leaders. I believe it would be a matter of only a few days and perhaps a few night sessions before the bill would be back on the floor of the Senate. But I would be willing to predict one thing: That when it came back to the floor of the Senate, it would come back with much more support than it now has on the floor of the Senate, for it would be a better bill.

Mr. President, that is all I shall say about the procedural matter tonight. Before I proceed to another speech, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BAYH in the chair). Without objection, it is so ordered.

RELIEF OF SIX NAVAL OFFICERS

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 575, House bill 4145.

The motion was agreed to; and the Senate proceeded to consider the bill (H.R. 4145) for the relief of certain individuals.

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD a portion of the report which will give the Senate detailed information concerning the objectives and purposes of the bill.

There being no objection, the excerpt from the report (No. 597) was ordered to be printed in the RECORD, as follows:

STATEMENT

In its favorable report to the committee the Department of the Navy has set forth the facts in the case and its recommendations as follows:

"The bill directs the Secretary of the Treasury to pay certain specified sums of money to six naval officers in satisfaction of their claims for loss of per diem allowance for the period from October 21, 1959, through February 29, 1960. The claim of the officers in question have resulted due to an erroneous administrative modification of their orders.

"The officers named in S. 1867 were ordered to report at the Ingalls Shipbuilding Co., Pascagoula, Miss., on July 20, 1959, for temporary duty in connection with the fitting out of the U.S.S. *Sculpin* (SSN 590), a submarine which was then under construction. On October 16, 1959, orders were issued to them which modified their original orders from "for temporary duty" to "for duty." The modifying orders were effective on October 21, 1959. The modification in question resulted from a misinterpretation of the Comptroller General's decision B–138760 of June 22, 1959 (37 Comp. Gen. 853). The initial interpretation of this decision by the Department of the Navy was that temporary duty could not exceed 6 months from the date of report. The officers concerned here had been on temporary duty for about 3 months and it was estimated at that time that the date of the provisional acceptance of the U.S.S. *Sculpin* was at least 4 months in the future. Inasmuch as the total period of their duty as prospective crewmembers would be in excess of 6 months, it was mistakenly determined that their temporary duty orders must be modified to permanent duty orders, and accordingly, this was done.

"Shortly after October of 1959, a less rigid policy on temporary duty was established. Under this policy temporary duty was and is normally limited to 6 months but such limitation does not preclude extensions of such assignments which, when added to the original authorized period, may total more than 6 months. One of the provisions for this rule, however, is that such extensions are limited to those cases in which there has been a definite change or unforeseen expansion in the duty resulting from such things as slippages in construction, fitting out schedules, or unforeseen delays. Presently, when personnel are assigned to temporary duty and it is determined during the temporary duty period that such duty will be increased to more than 6 months beyond the date of the new determination, the assignment of the persons involved will be changed from temporary duty to permanent duty.

"In the case of the U.S.S. *Sculpin*, slippages occurred. It was determined on March 1, 1960, that 6 months still remained before the estimated date of provisional acceptance. The orders of the prospective crewmembers (other than the six officers named in S. 1867, who were already on permanent duty) were changed from temporary to permanent duty on that date. These prospective crewmembers had received per diem from the date of their reporting through February 29, 1960. S. 1867 would grant by legislation to the six officers in question the payment of per diem for the same period of time that their shipmates received such payment. The officers in question have exhausted their administrative remedies and the only way which they can now be afforded relief is through the passage of S. 1867. It should be noted that the Department of the Navy through the Chief of Naval Personnel attempted to correct the administrative misinterpretation involved here by issuing a second modification to the original orders of the officers in question. This modification would have detached these officers from temporary duty and placed them on permanent duty at the location in question as of March 1, 1960. The General Accounting Office, however, disallowed the claims of the officers in question for per diem between October 21, 1959, through February 29, 1960, on the grounds that 'orders dated April 30, 1959, designated duty at that place as temporary. Orders dated October 16, 1959, designated duty at that place as permanent. Orders dated October 10, 1960, attempted to cancel orders dated October 16, 1959, and to assign you to permanent duty at that place effective March 1, 1960.' The General Accounting Office went on to state that the record indicates that the orders dated October 16, 1959, designated Pascagoula, Miss., as the officers' duty station and that such orders were not incomplete or ambiguous. It was also stated that at the time such orders were issued it was definitely intended by the authority issuing the orders to place such officers on permanent duty at Pascagoula, Miss. Under these circumstances the General Accounting Office held that the orders dated October 10, 1960 (the second modification), could have no retroactive effect to cancel the orders dated October 16, 1959. Under these circumstances the General Accounting Office denied the claims of the officers in question for per diem.

"The Department of the Navy recognizes that the six officers named in S. 1867 did not receive the same treatment as their shipmates, having been denied payment of per diem for the period from October 21, 1959, through February 29, 1960, because of an administrative error which occurred through no fault of their own and which the Chief of Naval Personnel tried unsuccessfully to correct. Under these circumstances the Department of the Navy supports enactment of S. 1867.

"The Bureau of the Budget advises that, from the standpoint of the administration's program, there is no objection to the presentation of this report for the consideration of the committee."

The committee believes that the bill is meritorious and recommends it favorably.

The PRESIDING OFFICER. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H.R. 4145) was ordered to a third reading, read the third time, and passed.

UNITED NATIONS CHILDREN'S FUND—UNICEF

Mr. HUMPHREY. Mr. President, tomorrow, in thousands of communities across our land, in large cities and in small hamlets, our American youngsters will, again this year, celebrate Halloween by helping the world's less privileged children. Instead of begging for themselves, they will be asking for contributions, from the households they visit, of coins to be sent to UNICEF, the United Nations Children's Fund. When we remember how much good even a few pennies can do in terms of providing a cup of milk a day to malnourished or even starving bodies, or in providing a dose of a lifesaving drug before it is too late, we know that the efforts of every single "trick-or-treater" for UNICEF will bring important results.

Mr. President, I take the time of the Senate to mention this matter today because of the unprincipled and, in my opinion, vicious and unfair attack being made against UNICEF in some areas of our country. I cannot imagine any justification for an attack on any agency which helps children, regardless of where they live. If any international agency deserves support from all people, it is UNICEF. I rise today to support it, and I commend the children who in some instances will have more sense than their elders—children who will be out on Halloween night, asking for "tricks or treats," and in this case asking for aid for children, throughout the world, who are in dire need of help.

Last year, in over 12,000 communities, 3 million American children collected $2,070,968 in this special drive, while their young Canadian friends raised $315,178.

I feel sure that my colleagues will want to join me in wishing the greatest success to our young ambassadors of good will as these young people don their colorful Halloween costumes and sally forth to give practical application of their concern for children everywhere.

I should like to call the attention of my colleagues to the impressive statements of support for the work of UNICEF which the United States Committee for UNICEF has received from all four of our living Presidents. Many Senators from time to time receive inquiries from constituents about the work of the Children's Fund. I know that they will want to be able to quote the words of President John F. Kennedy, Dwight D. Eisenhower, Harry S. Truman, and Herbert Hoover. I ask unanimous consent that these statements be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HUMPHREY. Finally, Mr. President, our American citizens, as a whole, show their support for the work of the Children's Fund by the purchase of the UNICEF greeting cards, sold every fall at the holiday season. Not normally sold through commercial channels, these season's greeting cards are promoted through the efforts of thousands of volunteers—individuals and groups. Last year, the cards were sold in over 100 countries. In the United States alone, these greeting card sales resulted in the addition of $1,367,670 to UNICEF's financial resources.

Mr. President, this is a wonderful program, and it is supported by fine and truly dedicated citizens. I hope the American people will give their answer to the critics of UNICEF by making generous contributions to the youngsters who will go from door to door, tomorrow evening, in their efforts to build up this fund, so that more lives can be saved and more children can be helped.

Mr. MORSE. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. MORSE. I wish to associate myself with every word the Senator from Minnesota has spoken in support of UNICEF.

Mr. HUMPHREY. I thank the Senator from Oregon.

EXHIBIT 1

PRESIDENTIAL STATEMENTS ON UNICEF

JULY 25, 1963.

Children are the world's most valuable resource and its best hope for the future. It is a real tragedy that in an era of vast technological progress and scientific achievement millions of children should still suffer from lack of medical care, proper nutrition, adequate education, and be subjected to the handicaps and uncertainties of a low-income, substandard environment.

Through the years, the efforts by the United Nations Children's Fund to meet this great challenge and alleviate such needs have met with a remarkable measure of success. Our own children and adults who have contributed to this work, mostly through the UNICEF's Halloween and greeting card programs, can be proud of the results of their generosity.

At a time when UNICEF's endeavors encompass more than 500 programs for children and mothers in 116 countries, much remains to be done. I urge all Americans to respond once again in a spirit of charity and good will to UNICEF's appeal this fall.

JOHN F. KENNEDY.

OCTOBER 9, 1963.

I have always had a special interest in the work and program of the United Nations Children's Fund, and have followed with satisfaction the humanitarian services performed by them in many countries the world over.

The people of the United States have always maintained close ties and a special concern for the plight of children, whoever they may be and whatever their origin.

I wish you continued success in your high purpose.

HARRY S. TRUMAN.

OCTOBER 19, 1962.

It is my conviction that UNICEF is ably and honestly conducted. Its director is a former associate of mine. To me it is the major beneficial service of the United Nations.

HERBERT HOOVER.

OCTOBER 23, 1959.

It is heartwarming to follow the work of UNICEF, the United Nations Children's Fund.

Please give my congratulations to the members of the U.S. Committee for UNICEF for their unceasing efforts to alleviate hunger and disease among "all world's children." In their program, which enlists the support of many generous citizens, they contribute much to the lives of millions in need.

DWIGHT D. EISENHOWER.

CHANGES IN FUNCTIONS OF BEACH EROSION BOARD OF BOARD OF ENGINEERS FOR RIVERS AND HARBORS

Mr. HUMPHREY. Mr. President, I ask that the Chair lay before the Senate the amendment of the House of Representatives to Senate bill 1523.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1523) to make certain changes in the functions of the Beach Erosion Board and the Board of Engineers for Rivers and Harbors, and for other purposes, which was, on page 1, line 9, strike out "2" and insert "3".

Mr. HUMPHREY. Mr. President, I move that the Senate concur in the amendment of the House.

The motion was agreed to.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961

The Senate resumed the consideration of the bill (H.R. 7885) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

Mr. HUMPHREY. Mr. President, I had hoped that other Senators would be present, this afternoon, to submit their amendments to the foreign aid authorization bill.

I understand that the Senator from Oregon [Mr. MORSE] has a rather lengthy speech to make on this subject. Out of respect for and in consideration of our good friends who communicate the news to the American people, and also out of respect for other Senators, including the Senator from Oregon [Mr. MORSE], who is ready to make a speech which should be heard by all Senators, I am about to move that the Senate take a recess until tomorrow.

Mr. KUCHEL. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. KUCHEL. I wonder whether the Senator from Oregon has a transcript of the comments he will make. If he does, I should be glad to have it printed in today's issue of the CONGRESSIONAL RECORD, so that I might have the luxury of reading it in the morning.

Mr. MORSE. I shall give the Senator from California a transcript of the speech, so that when I deliver it tomorrow, he will already have read it, and thus will be able to participate with me in debate on the subject matter.

Mr. KUCHEL. But, Mr. President, I am willing to agree now that the entire speech be printed in today's issue of the CONGRESSIONAL RECORD, so that all Senators may share in understanding the views of the Senator from Oregon.

Mr. MORSE. In due course the speech will appear in the CONGRESSIONAL RECORD; but I do not wish to forego the privilege of having the Senator from California help me tomorrow, by means of the wonderful contributions he will make, if he will only read the speech first.

Mr. KUCHEL. I thank the Senator from Oregon very much.

I only hope he will enable other Senators to have the benefit of the printing of his speech in today's issue of the CONGRESSIONAL RECORD, with the result that in that way the entire text of his speech will be available in the morning to all Members of the Senate. However, I understand that is not to be done.

Mr. HUMPHREY. Of course the Senator from Oregon wishes to share his views with all other Senators; but I gather that he intends to deliver his speech tomorrow.

I welcome the spirit of generosity and cooperation now being exhibited, Mr. President, as the Senator from Oregon walks across the Chamber and presents to the Senator from California a copy of his prepared address which he expects to deliver tomorrow. I suggest to the Senator from California that he start reading it now; it looks rather lengthy.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. KUCHEL. I wonder if our brother from Oregon would object if I asked unanimous consent that his comments be inserted in the RECORD.

Mr. MORSE. I would want the Senator to read it first and make whatever corrections he thought his discussion might justify.

Mr. HUMPHREY. Such wishes and consideration for the well-being of my colleagues is really heartening, but I think I will give a less heartening word right now in terms of this happy moment.

Tomorrow we intend to start to act upon some amendments. Since everyone likes to read the CONGRESSIONAL RECORD—and I know that all of my colleagues get up bright and early in the morning to read the exciting and scintillating CONGRESSIONAL RECORD, that is brought to our attention each day—may I suggest that they look at the final paragraph of the Senate proceedings of today, because that paragraph will carry the message that whenever it is possible within the debate to call up an amendment, said amendment will be called up, either by the mover of the amendment or by someone who has a similar interest in the amendment.

I know that we have to get on with the bill. Many amendments have been submitted. Many are meritorious. Many of the amendments we will wish to discuss at some length. No effort will be made to cut Senators off. But I do think we should start to work on the bill in terms of any modifications, changes or adjustments which individual Senators feel are necessary. I know that I speak for the majority leader when I say that we do want to get some action. I talked with the chairman of the Foreign Relations Committee [Mr. FULBRIGHT] earlier today. He indicated to me his hope—in fact, his desire—that we proceed with amendments tomorrow. We have had debate on the bill Monday, Tuesday, and Wednesday. There has been some good debate on the bill. I am not at all critical of those who have participated because I surely have been one of them. I wish to say to the Senator from Oregon that I do not consider his presentations to be anything but constructive, thoughtful and designed to express his point of view and an attempt to modify the bill according to his point of view and his standards.

Having made that statement, may I spread the word throughout the land, since yesterday we received information as to the schedule for the remainder of this year, as to what we intend to do about the bill. We intend to proceed with it. We intend to take up the amendments one by one, and we intend to start tomorrow.

RECESS

Mr. HUMPHREY. Mr. President, I now move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 12 minutes p.m.) the Senate took a recess until tomorrow, Thursday, October 31, 1963, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate October 30 (legislative day of October 22), 1963:

IN THE AIR FORCE

The following-named officer to be placed on the retired list in the grade indicated, under the provisions of section 8962, title 10 of the United States Code:

In the grade of lieutenant general

Lt. Gen. Troup Miller, Jr., 559A (major general, Regular Air Force) U.S. Air Force.

The following-named officer to be assigned to a position of importance and responsibility designated by the President in the grade indicated, under the provisions of section 8066, title 10 of the United States Code:

In the grade of lieutenant general

Maj. Gen. Hewitt T. Wheless, 1609A, Regular Air Force.

IN THE AIR FORCE

The following persons for appointment in the Regular Air Force, in the grades indicated, under the provisions of section 8284, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated, and with dates of rank to be prescribed by the Secretary of the Air Force:

To be major, USAF (Medical)

William M. Redmond, AO3061191.

To be captain, USAF (Chaplain)

John J. Lehman, AO3061097.

To be captain, USAF (Judge Advocate)

James A. Kickham, AO1930301.

To be captains, USAF (Medical)

Judson T. Anderson, AO3091110.
John H. Calvert, Jr., AO3076422.
Francis R. Spinelli, Jr., AO3075359.
James E. Street, AO3091667.

To be captains, USAF (Dental)

Teddy D. Awtry.
Daniel C. Grochowski, AO3110959.
James D. Mankin, AO3090769.
James F. McKinney, AO3111068.
Albert G. Orman, AO3110919.
Omer K. Petty, AO3111204.
John J. Williams, AO3111294.

To be captains, USAF (Nurse)

Lila R. Abeles, AN3045354.
Jerry Lane, AN3044556.
Lawrence S. Newman, AN3044906.

To be first lieutenants, USAF (Judge Advocate)

Rodney F. Brunton, AO3117372.
James E. Crowley, AO3121076.
James W. Johnson, AO3086911.
James A. Mitchell, AO3118111.
David C. Morehouse, AO3104350.
Victor H. Negron, AO3121788.
Donald B. Strickland, AO3013017.
Cecil W. Williams, AO3104389.

To be first lieutenants, USAF (Dental)

Peter J. Courneen.
Lorenzo D. Davis, AO3124908.

To be first lieutenants, USAF (Nurse)

Mary M. Ault, AN3111814.
Mary L. Burdell, AN3089645.
Ina R. Burling, AN3092781.
Margaret C. Emmerth, AN3091282.
Mary A. Grubaugh, AN3092046.
Lois E. Hastings, AN3078110.
Catherine F. McElwee, AN3092855.
Carol A. Morton, AN3089718.
Joseph A. Piccolella, AN3123411.
Joann P. Quirrion, AN3090679.
Mary M. Thomas, AN3075275.

To be second lieutenant, USAF (Nurse)

Jerry G. Holtz, AN3123801.

The following persons for appointment in the Regular Air Force, in the grades indicated, under the provisions of section 8284, title 10, United States Code, with dates of rank to be determined by the Secretary of the Air Force:

To be majors

Winton C. Brown, AO564925.
Raymond W. Coy, AO738963.
Edward F. Fleming, AO792825.
Keith O. Hamby, AO803192.
Robert S. Holmes, AO429410.
Richard G. Korthals, AO679078.
Stanley M. Mamlock, AO712022.
Thomas H. Mathieson, AO649519.
Lawrence M. Politzer, AO720006.
Virgil L. Westling, AO729086.
William R. Wilson, Jr., AO799700.

To be captains

Ernest E. Bankey, Jr., AO752095.
James W. Haerer, AO3005522.
James T. Hargrove, AO2213615.
LeRoy F. LeBlanc, AO3051672.

To be first lieutenants

Donald G. Lawson, AO3014354.
Joel M. McKean, AO3036874.
Michael M. Miller, AO3081634.
Jarle E. Rokke, AO3072823.
Jerry W. Roylance, AO3109832.
James D. Speight, AO3073748.

To be second lieutenants

Distinguished Aviation Cadet Graduates

Conway B. Jones, Jr., AO3139066.
David D. Quane, AO3139071.

Distinguished Officer Candidate Graduates

Jeremy R. Kunz, AO3137771.
Clifton J. Schaefer, Jr., AO3137820.
Lucius M. Spence, Jr., AO3137825.
Richard K. Thue, AO3137829.
John W. Willis, Jr., AO3136333.

Distinguished Officer Training School Graduates

John O. Ahnert, Jr., AO3135419.
Alexander R. Aitken, AO3136175.
Barry M. Alberter, AO3136762.
Michael S. Alexander, AO3135500.
Raymond L. Allen, AO3136711.
William B. Allen, AO3135203.
Donald V. Anderson, AO3136528.
John C. Anderson, AO3135398.
Robert B. Anderson, AO3145010.
Dennis A. Andrews, AO3136920.
Melvin L. Ashby, AO3135881.
Donald D. Avary, AO3135634.
Jerry J. Avenell, AO3137034.
Garry L. Baker, AO3136336.
Phillip J. Baker, AO3137089.
Alterio A. G. Banks, AO3134396.
James A. Barker, AO3129678.
Allen E. Barr, AO3130090.
Richard E. Bates, AO3137180.
Richard A. Beardsley, AO3137813.
Brian E. Beck, AO3137482.
Paul B. Bermingham, AO3137326.
George E. Berry, AO3135780.
Michael F. Bigley, AO3136348.
Nancy R. Binder, AL3138982.
Allen L. Bird, AO3138735.
Richard B. Blumstein, AO3136400.
Walter J. Bochnik, AO3137858.
Robert L. Boring, AO3137866.
Shirley E. Boselly III, AO3137868.
Robert E. Bouquet, AO3137712.
Robert W. Bowmaster, AO3137872.
Thomas G. Boyd, AO3138707.
Delford G. Britton, AO3136640.
George Brower, AO3136664.
James R. Brown, AO3137881.
Kyle E. Brown, AO3138741.
Ivar F. Browne, AO3138742.
Alan D. Browning, AO3137885.
Robert W. Brunsman, AO3136716.
Courtney S. Bryant, AO3137962.
James A. Buckingham, AO3137970.
Robert D. Burgess, AO3136750.
Frederick A. Bush, AO3136785.
Vyrjil D. Buus, AO3137896.
Robert F. Cardell, AO3136883.
Myron B. Carpenter, Jr., AO3137499.
Rodger L. Carter, AO3136953.
William C. Caughell, AO3137907.
James B. Chalfant, AO3137910.
Peter W. Chamberlain, AO3137501.
Paul A. Clement, AO3138659.
Robert K. Cochran, Jr., AO3137098.
Gerald M. Collins, AO3137929.
Richard R. Combs, AO3137930.
Gerald R. Cooper, AO3138065.
William P. Cornell, AO3138075.
Ronald J. Covello, AO3138661.
Craig L. Crandall, AO3137107.
Ralph Crawford, AO3138662.
Gary J. Crook, AO3137944.
James E. Cufley, Jr., AO3137946.
Electa L. Curtis, AL3137697.
Robert R. Dale, AO3130104.
Philip M. Dalpiaz, AO3137956.
Gerald Daly, AO3137957.
Mark J. Daniels, AO3138105.
Thomas C. Darr, AO3138663.
Pierre G. Daunic, AO3130106.
Gerald A. Davis, AO3137963.
Ralph K. Davis, Jr., AO3137965.
Frederick G. S. Deal, AO3137971.
James F. DePaolo, AO3130117.
Maurice DePinto, AO3138977.
James H. Dew, AO3130120.
Jackson R. DeWitt, AO3130121.
William T. Dillon, AO3137522.
David D. Dolin, AO3130129.
Eujenio C. Dominguez, AO3130130.
Robert N. Donceel, AO3137987.
John T. Donovan, AO3138157.
Clarence C. Drumeller, AO3137995.
Garth E. Dudley, AO3138185.
Francis J. Dunn, AO3138665.
William Dunn, Jr., AO3137998.
Andrew J. DuPont, Jr., AO3137526.
Terrence D. Durgan, AO3138186.
Charles V. Durham, AO3138198.
Darwin G. Edwards, AO3138213.
Wilson R. Edwards, Jr., AO3137528.
Gale E. Elwer, AO3137701.
Stewart A. Erholm, AO3130153.
Donald P. Evarts, AO3137532.
John J. Farrell, AO3130160.
Frank R. Ferguson II, AO3138731.
Ned A. Fine, AO3130167.
Rexford C. Finegan, AO3137534.
Stanley P. Fishkin, AO3130168.
Robert J. Fitzsimmons, AO3130169.
Thomas M. Fousek, AO3130174.
James R. Fox, AO3130177.
Larry D. Fox, AO3138043.
Richard C. Frank, AO3130180.
William B. Fredenberger, AO3138048.
Alan C. Freeland II, AO3130183.
Lionel D. Frome, AO3138051.
Paul E. Genereux, AO3138667.
Robert L. Getty, AO3138324.
Dale B. Giulieri, AO3130197.
Arren L. Goodwin, Jr., AO3130200.
Geoffrey Gordon, AO3138348.
Charles A. Grandmaison, Jr., AO3130207.
Frank F. Graves, Jr., AO3130210.
Laurence J. Gross, AO3138086.
Michael A. Grozdanoff, AO3138087.
Gordon H. Gruenke, AO3130216.
Paul D. Gutfreund, AO3130219.
James E. Haight, Jr., AO3138094.
Milton L. Haines, AO3138095.
Alan K. Hall, AO3130226.
John W. Hammond, AO3130228.
James W. Hardy, AO3138104.
William R. Harman, AO3138713.
Gordon V. Harmon, AO3138106.
Charles E. Harris, AO3138107.
Sheridan K. Hawk, AO3138379.
Billy J. Hawthorne, AO3130243.

William T. Hefley, Jr., AO3130248.
John D. Henne, AO3137562.
John C. Henninger, AO3138386.
Norman J. Henrich, AO3130251.
Kenneth W. Hertzler, AO3130253.
Henry M. Hey, AO3130255.
Donald L. Hilliard, AO3138131.
Wilhelm F. Hoehndorf, AO3136491.
James W. Hopp, AO3138145.
Frederick W. Hoppmann, Jr., AO3138410.
Glenn A. Hoskins, AO3138412.
John D. Hottendorf, AO3138668.
Robert A. Houck, AO3138149.
Russell Houston III, AO3138422.
Harry D. Huge, AO3138159.
Robert W. Hughes, AO3138160.
Millard O. Hulse, AO3130276.
William A. Hurder, AO3138161.
Stephen L. Huss, AO3138452.
Edwin D. Hutchinson, AO3138669.
James C. Hutton, AO3130279.
William M. Hynes, AO3130281.
Terence Jenkins, AO3138175.
Laurens R. Jockers, AO3130286.
Eric L. Johansen, AO3138479.
Douglas R. Johnson, AO3138484.
Eugene M. Johnson, AO3137576.
Richard E. Jones, AO3138487.
Malcolm Jozoff, AO3138193.
Jerome W. Juravic, AO3138195.
Donald T. Kalady, AO3130295.
Gordon C. Kamka, AO3138199.
Nicholas E. Kass, AO3138511.
Dennis N. Kelley, AO3130302.
James C. Kellogg, AO3137581.
Charles C. Killin III, AO3130310.
Louise A. Kirk, AL3138698.
Gary V. Klatt, AO3138223.
James A. Knapp, AO3130321.
James W. Knapp, AO3137584.
Rosalyn R. Knapp, AL3137704.
Gerald J. Kreiger, AO3138557.
Robert J. Kuchler, AO3130334.
William H. Kuns, AO3138238.
Kelly P. Lacombe, AO3138148.
Hal A. Lacy, Jr., AO3138671.
Raymond S. Lawson, Jr., AO3130343.
Richard P. Leifer, AO3138254.
Charles W. Lewis, AO3130349.
Frank W. Licklider, AO3130350.
William J. Liipfert IV, AO3138259.
Vincent C. Liaguno, AO3130353.
Harry L. Lobdell, AO3138262.
Timothy J. Lockwood, AO3130355.
Klaus F. Loehr, AO3130357.
Charles C. Lohrmann, AO3130358.
Lawrence M. LoMonico, AO3138264.
Rudolph R. Loncke, AO3130360.
Francis J. Lopresti, AO3138266.
Kenneth E. Lyons, AO3130368.
Charles A. Magill, Jr., AO3130372.
John S. Mahall, AO3138723.
Michael Malone, Jr., AO3138686.
Thomas E. Mansperger, AO3138282.
Patrick J. Marino, AO3136280.
Robert J. Marsh, AO3137821.
Carl E. Maschmeyer, AO3144843.
Philip G. Masenheimer, AO3137126.
Benjamin A. Mason, AO3137127.
Terrence Mayer, AO3137131.
Larry J. Mayou, AO3138117.
Peter C. McAdams, AO3137134.
Frank E. McAloney, AO3137135.
Thomas E. McCandless, AO3137606.
Harry C. McClain, Jr., AO3138202.
Charles E. McConnehey, Jr., AO3137139.
Michael D. McCrea, AO3137143.
Louis M. McDermott, AO3138673.
Thomas E. McDonald, AO3137144.
John W. McDunnough, AO3138309.
Gerald J. McHugh, AO3137150.
James F. McKernan, Jr., AO3137153.
Edward J. McLeod, AO3138674.
Thomas J. McManus, Jr., AO3137155.
Richard A. McNally, AO3138319.
James F. McNamara, Jr., AO3137156.
Charles E. McNeil, AO3137158.
John D. McQuaid, Jr., AO3138748.
William E. Medford, AO3137161.
Marina E. Menzies, AL3138990.
Christian L. Meurer, AO3138752.
John T. Miller, Jr., AO3138757.
Bruce D. Mills, AO3137173.
Sammy C. Mitchell, AO3137175.
James K. Mixon, AO3137176.
Jack F. Mobley, AO3138340.
James M. Moore, AO3137621.
Robert W. Moore, AO3137181.
Michael F. Morris, AO3138978.
Richard M. Morris, AO3138764.
Stephen J. Murdoch, AO3138770.
Brian F. Neffenger, AO3138362.
Ken J. Neville, AO3138367.
Joe W. Nix, AO3137204.
William R. Oates, AO3137210.
Jon T. Overton, AO3137222.
Cecil L. Owens, AO3137223.
Lawrence C. Paddock, AO3138390.
Armand R. Paolini, AO3137228.
Allan C. Pape, AO3137229.
Claude R. Partain, AO3138795.
Bruce V. Pasquale, AO3138393.
Michael A. Patterson, AO3137233.
Michael O. Patterson, AO3138796.
Robert L. Paul, AO3138395.
George P. Pehlvanian, AO3138403.
Mickey C. Pelfrey, AO3137239.
Jim Perakis, AO3138406.
Joseph R. Phelan, AO3137247.
William H. Phillips, AO3144397.
Harold R. Phipps, Jr., AO3138408.
Thomas A. Phythian II, AO3137250.
Richard H. Pickens, AO3137251.
Billy F. Pitts, AO3138675.
Jeffrey M. Preston, AO3138427.
Arthur Ramseur, Jr., AO3138677.
Frank H. Raymond, AO3138438.
Glenn B. Reaves, AO3138678.
Donald K. Reed, AO3137271.
Jerome M. Rhode, AO3137275.
Donald G. Rhorer, AO3138836.
Merlin B. Riley, Jr., AO3138839.
Dennis L. Risdon, AO3137280.
William S. Ritter, Sr., AO3138459.
Edward F. Rizy, AO3138460.
Robert R. Robens, AO3137285.
Earl L. Robertson, AO3138462.
Danial G. Robinson, AO3138463.
Frank E. Rodeffer, AO3137289.
Alvah L. Rogers, AO3137290.
Richard A. Romer, AO3137291.
Clark J. Rounds, AO3138472.
Lockard Row, AO3138849.
Kenneth R. Runyan, AO3138679.
Josiah J. Russell IV, AO3136880.
Ronald W. Rutherford, AO3137295.
James B. Ryan, AO3138478.
Thomas F. Ryan, Jr., AO3137297.
William D. Saban, AO3137299.
Robert B. Sander-Cederlof, AO3138680.
William S. Sandilands III, AO3138857.
Frank P. Sanfilippo, AO3138486.
David K. Sanford, AO3138858.
Clifford Saunders, AO3138489.
Duane R. Saxton, AO3130241.
Donald E. Scearce, AO3137303.
Gerald J. Schopf, AO3137655.
Michael A. Schukert, AO3138681.
James A. Schwefel, AO3138499.
Jan R. Schwenk, AO3138500.
William C. Scully, AO3138503.
John H. Seltzer, AO3137318.
Wayne M. Seno, AO3138868.
Robert Q. Serrett, AO3137319.
James W. Shelnutt III, AO3138510.
Alson F. Sherwin, AO3138873.
Jon W. Shively, AO3138875.
Robert T. Shutts, AO3138515.
Randall A. Simpson, AO3137336.
Robert L. Sisson, AO3137660.
Dewey C. Smith, AO3138877.
Robert L. Smith, AO3138524.
William E. Smith, Jr., AO3138526.
Gerald F. Spiess, AO3138888.
John A. Stahl, AO3137665.
Jack C. Stanley, AO3138536.
Robert F. Starzel, AO3138683.
William F. Steckbauer, AO3138892.
Warren K. Steffen, AO3138893.
Allan D. Stephens, AO3138895.
Adrian D. Stetler, AO3137363.
Stephen A. Suto, AO3137374.
David M. Swierenga, AO3137376.
Sheldon A. Taft, AO3138733.
Joseph D. Tagliareni, AO3137382.
David O. Taylor, AO3137383.
Eugene A. Taylor, AO3137384.
James G. Taylor, AO3138556.
Jack B. Thompson, AO3137814.
Richard A. Thompson, AO3138685.
David L. Thorne, AO3138562.
Douglas R. Thornton, AO3137391.
Donald E. Tillson, AO3137392.
Thomas C. Tompkins, AO3138567.
John A. Toohey, AO3137395.
Gary M. Topjon, AO3137718.
Elee W. Tyler, AO3138577.
James E. Tyvoll, AO3137409.
Donald E. Vance, AO3137413.
Nathaniel E. Villaire, AO3137420.
Richard D. Voss, AO3138599.
Walter T. Wackeen, AO3137422.
Leon H. Walther, Jr., AO3138687.
Gail H. Walton, AO3138607.
George W. Warren, AO3137428.
Arlyn E. Webster, AO3138615.
John A. Webster, AO3137433.
William F. Weigle, AO3138616.
James E. Weland, AO3138688.
Fredrick R. Wentland, AO3138689.
Wesley L. West, AO3138618.
Robert T. White, AO3138940.
Malcolm M. Whitten, AO3137445.
Clarence P. Wickman, AO3138942.
David O. Williams, AO3137448.
Clifton T. Windham, AO3138950.
William J. Wirant, AO3137454.
Charles A. Wohl, AO3137458.
Robert E. Wright, AO3137464.
William E. Wright, AO3138960.
William A. Yalch, AO3137465.
Robert L. Zaun, AO3137470.
Robert A. Zawacki, AO3138691.
Frederick E. Zoes, AO3138652.
Donald J. Zurek, AO3138655.

Subject to medical qualification and subject to designation as distinguished military graduates, the following distinguished military students of the Air Force Reserve Officers' Training Corps for appointment in the Regular Air Force, in the grade of second lieutenant, under the provisions of section 8284, title 10, United States Code, with dates of rank to be determined by the Secretary of the Air Force:

Robert F. Allen
Thomas L. Armitage
Floyd A. Ashdown
Jerome A. Atkins
William E. Barrineau, Jr.
James W. Bass
Jimmie L. Bratton
Harry C. Brown, Jr.
Ronald R. Brown
Robert W. Carter, Jr.
William F. Claudio, Jr.
Todd Clist
David R. Cockburn
Steven A. Crist
Reed F. Daugherty
Jerry E. Davis
Angel de la Cruz
Robert C. DeYoung
Larry W. Ditch
Willie J. East
Paul T. Engel
Delmar M. Fadden
Gerald B. Feather
James E. Fender
James C. Finley
Douglas H. Fisher
Keith H. Foulger
Dennis F. Gallagher
Michael J. Garcia
Kumen E. Gardner
Thomas F. Gladstone
Bernard S. Harland
James G. Harwood
Melvin Hayashi
James D. Henningsen
John S. Hunter III
Robert D. Jew
Joseph W. Keene, Jr.
Larry D. Kerbel
Kenneth F. Kielbania
Ralph A. Kimball, Jr.
William W. Koelm
Albert M. Koller, Jr.
James B. Limpp
Clayton B. Lyle III
Hans L. Markland
Billy G. McEuen
Charles D. McIntire
Richard H. Merrill
Charles L. Meyer
Robert J. Mitchell
Ned Nelson, Jr.
Michael G. Olivier

John L. Orr
Joseph N. Ortiz
James W. Petersen
Edwin E. Powell
William A. Rankin
John W. Roohms
Lester W. Rooker
Richard L. Ruddell
Glenn T. Satterfield
Charles L. Scherer, Jr.
James R. Skalicky
James M. Slattery
William F. Smith
William C. Standifer III
Craig L. Stetson
Leslie R. Swanson
Larry E. Telford
Toby J. Teorey
Ernest R. Theriot III
Harry H. Watanabe
Don W. Wiegard
Peter J. Wolfe

CONFIRMATIONS

Executive nominations confirmed by the Senate October 30 (legislative day of October 22), 1963:

SUBVERSIVE ACTIVITIES CONTROL BOARD

Frank Kowalski, of Connecticut, to be a member of the Subversive Activities Control Board for the term expiring August 9, 1966.

FOREIGN CLAIMS SETTLEMENT COMMISSION

LaVern R. Dilweg, of Wisconsin, to be a member of the Foreign Claims Settlement Commission of the United States for a term of 1 year from October 22, 1963.

Theodore Jaffe, of Rhode Island, to be a member of the Foreign Claims Settlement Commission of the United States for a term of 2 years from October 22, 1963.

HOUSE OF REPRESENTATIVES

WEDNESDAY, OCTOBER 30, 1963

The House met at 12 o'clock noon.

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

Galatians 6: 9: *As we have opportunity, let us do good to all men.*

O Thou, who art the Supreme Ruler of the universe, may we daily hear and heed Thy voice calling and commanding us to govern our lives by the spirit of love of God and love of man.

We penitently acknowledge that our personal life and our national life are controlled too much by the promptings of self-interest and that we often allow our ambition to become a sordid scramble for advantage and preeminence.

Show us how we may promote the spirit of fellowship and sympathetic understanding among all the nations and gain an intelligent appreciation of one another's capacity to contribute to a spiritual unity and a world order when humanity shall no longer live under the threat and menace of war.

Hear us in the name of the Prince of Peace. Amen.

THE JOURNAL

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

REPRESENTATIVE MARK ANDREWS OF NORTH DAKOTA

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

OCTOBER 25, 1963.

The Honorable the SPEAKER,
House of Representatives.

SIR: Please find enclosed herewith a telegram from Mr. Ben Meier, secretary of state, North Dakota, showing that according to unofficial returns that MARK ANDREWS was elected to complete the unexpired term of the late Hon. Hjalmar Nygaard from the First Congressional District of North Dakota.

Respectfully yours,

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

The SPEAKER. The Clerk will read the telegram.

The Clerk read as follows:

OCTOBER 24, 1963.

CLERK OF THE U.S. HOUSE OF REPRESENTATIVES,
Washington, D.C.:

According to unofficial returns of the special election held October 22, 1963, in the First Congressional District of North Dakota for Representative in Congress, MARK ANDREWS, of Mapleton, N. Dak., was elected to complete the unexpired term of the late Hjalmar Nygaard.

BEN MEIER,
Secretary of State.

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the gentleman from North Dakota, Mr. MARK ANDREWS, be permitted to take the oath of office today. His certificate of election has not arrived, but there is no contest, and no question has been raised with regard to his election.

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

There was no objection.

Mr. ANDREWS of North Dakota appeared at the bar of the House and took the oath of office.

TWO-PRICED COTTON

Mr. DORN. 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 South Carolina?

There was no objection.

Mr. DORN. Mr. Speaker, the Geneva agreements limiting imports of textiles into the United States was a necessary and vital part of the President's program to maintain employment in the textile industry. Depreciation allowance and certain tax credits have been helpful and the tax reduction bill under consideration by the Senate will be further helpful; however, Mr. Speaker, the Congress has failed so far to act on the most vital need of the textile industry and its employees—the elimination of the two-priced cotton. With tremendous competition in the world markets and competition at home with other fibers, two-priced cotton must be eliminated now.

It is an outrage that the U.S. cotton textile manufacturer must pay 8½ cents more per pound for cotton grown in the United States than a cotton textile manufacturer in Japan or some other foreign country has to pay for the same American cotton. This unfair burden on the cotton manufacturer and the employee has created virtual chaos in this great essential American industry. Plants are closed; hundreds of thousands of jobs have been lost, thus increasing the burden on the Federal Government for relief and unemployment benefits.

This situation is without parallel in the history of the world. Positive action by the Congress is long overdue.

The Cooley bill, H.R. 6196, has cleared the Rules Committee and is scheduled for action on this floor the week following Veterans' Day. This bill will eliminate two-priced cotton and provide the cotton farmer with the opportunity to compete in the world market through a one-price system. I urge the House to support this bill on a nonpartisan basis. It is a bill which will help the entire Nation by preserving the cotton textile industry of the United States. It will benefit the cotton farmer of the country both south and west. This bill is not sectional or regional; it is in the national interest. It is a step toward freeing the cotton farmer from the cruel dilemma of surpluses and excessive Government regulations. It is a step toward saving the jobs of textile employees and permitting the textile industry to compete in the markets of the world, and at home. This bill is in the interest of the taxpayers throughout the country and particularly in the large cities who have helped bear the burden of price supports. This bill is in the best interest of the consumers of America who are restricted in their purchasing power by high prices and high taxes.

DELAY IN PASSAGE OF APPROPRIATION BILLS

Mr. JENSEN. 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 Iowa?

There was no objection.

Mr. JENSEN. Mr. Speaker, the House of Representatives has again passed a continuing resolution permitting the operation of the Government pending passage of appropriation bills. The third of this session.

The Ways and Means Committee is now considering the third resolution in this session to increase the debt ceiling.

It is the opinion of the Republican members of the Appropriations Committee that to preserve orderly and fiscally responsible Government, authorization bills and appropriation bills should be enacted by the close of fiscal calendar years, that continuing resolutions should be passed only in extreme emergencies.

Appropriation bills have been delayed by failure of action on authorizations and failure of action by the Senate on appropriation bills that have been processed by the House.

The departments and agencies of the Government are now presenting to the Bureau of the Budget their requests for fiscal year 1965, without knowledge of the appropriations for 1964. We believe this places these agencies in a difficult and almost impossible position to submit realistic or proper estimates.

It is the opinion of the minority members of the House Appropriations Committee that there should be no further delay in finally processing legislation respecting the expenditures for fiscal year 1964. There is no reason why the Congress cannot complete all authorizations and appropriations within the 30 days provided in the resolution just passed.

We shall urge the House to expedite both authorizations and appropriations in the second session of the 88th Congress so as to eliminate the necessity of continuing resolutions and in order to expedite the business of the Congress.

Republican support in budget reductions has resulted in substantial savings to the taxpayers. We believe that orderly processing of the budget requests will assure the Congress of a better opportunity to exercise its constitutional responsibility.

WAIVERS ON LEGISLATION

Mr. GROSS. 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. GROSS. Mr. Speaker, if the gentleman from Ohio [Mr. HAYS], is going to offer legislation to permit people to waive the law, call it whatever you want, then I may be constrained to offer an amendment to the civil rights bill, if and when it ever comes to the House floor, to provide that any State or any citizen may have a waiver to conform to the law or come under its provisions. If we are going to have waivers in legislation with respect to individuals let us have it in the civil rights bill and other laws.

LEGISLATIVE BUSINESS ON TUESDAY, NOVEMBER 5

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

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

There was no objection.

Mr. BECKER. Mr. Speaker, I take this time to exercise my own prerogative and nobody else's, to ask the majority leader, in view of the fact that next Tuesday is election day in the State of New York, and probably in other States, and while we are sitting here in Congress waiting for the President to tell us what legislation we should act upon and what we should not act upon, what we will be doing next week, so that I can arrange my affairs accordingly. I talked with him the other day off the floor. Will the gentleman please inform me at this time.

I have got to try to arrange an absentee ballot, if I cannot get away.

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

Mr. BECKER. I would be happy to yield to the gentleman.

Mr. ALBERT. Mr. Speaker, we are not ready to announce the legislative program for next week. But I will say to the gentleman that we will have only the Private Calendar on Tuesday and the Consent Calendar on Monday.

Mr. BECKER. I appreciate that very much. I should like to go to New York and take my part in the election without being disturbed about what may be happening down here.

THE SO-CALLED CIVIL RIGHTS PROPOSAL

Mr. ABBITT. 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 Virginia?

There was no objection.

Mr. ABBITT. Mr. Speaker, acting very dictatorial the majority of the Judiciary Committee of the House of Representatives has as of yesterday afternoon approved and reported out for action by the House the so-called civil rights proposal of the administration, composed of 55 typed pages and considered less than 3 hours.

It is shocking to me that a majority of a congressional committee would take such arbitrary, hasty, and ill-considered action on a matter of such great importance. It demonstrates once again that we are in the midst of hysteria—yes, political hysteria.

The legislation has not been toned down to any great extent. The whole underlying principle in the bill is the same and has been the same all along.

In my opinion, this legislation is the most iniquitous, dangerous, liberty-destroying proposal that has ever been reported to the Congress by one of its committees since Reconstruction days. It is clearly unconstitutional in many instances. It deprives citizens of America of the right to control the use of their own private property; it prevents our people from choosing their own associates; it foists upon us a police state—a Hitler gestapo. The real purpose of the legislation is to set up a superclass of citizens, free from any duties and obligations of citizenship, with special privileges and rights, to the great detriment of the overwhelming majority of the American people. It is intended to purchase the political support of minority groups. Our Constitution is being perverted and destroyed for political expediency.

This proposal, while clothed in the name of civil rights, is a power grab for the Federal Government and sets up a little dictatorship in the Justice Department with the authority to harass, browbeat, dominate, intimidate, and jail those whose actions, political and otherwise, are displeasing to the administration.

RESIGNATION OF JOHN W. HIGGINSON AS A MEMBER OF THE CAPITOL POLICE FORCE

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

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

There was no objection.

Mr. AUCHINCLOSS. Mr. Speaker, it is with real regret that I have just learned that John W. Higginson who has been a member of the Capitol police force for 8 years has resigned to take effect on Saturday next, November 2, and I wish to record herewith my appreciation for his example of faithful service which he has performed during these many years.

There are not many men who are more sincere in their devotion to the responsibilities of their task than "Higg" and his conscientious approach to his responsibilities has always been an inspiration to me. He is a devoted family man and has spent much time during his life in working for the benefit of the youth of America. His example of patriotism as shown by his service in the Navy during World War I is outstanding but due to his modesty and his quiet manner one fails to realize the real worth of his character.

His post of duty during the past few years has been near my office and the cheerful greeting each morning which he extends to Members and employees alike will be greatly missed. He believed in promoting happiness and good will and defending that which was honest. With that kind of record there can be no doubt that his years of retirement will be filled with contentment, happiness, and peace which certainly is the wish of his host of friends for him and his family.

TO PROVIDE FOR THE PRINTING OF 3,000 ADDITIONAL COPIES OF CIVIL RIGHTS HEARINGS

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration I call up House Concurrent Resolution 223 and ask for its immediate consideration.

The Clerk read the House concurrent resolution as follows:

Resolved by the House of Representatives (the Senate concurring), That there be printed for the use of the Committee on the Judiciary, House of Representatives, three thousand additional copies each of the publications entitled "Civil Rights Hearings, Before Subcommittee Numbered 5 of the Committee on the Judiciary, House of Representatives, Parts 1, 2, and 3", Eighty-eighth Congress, first session.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Will these reports, as printed, carry the new compromise civil rights bill or committee hearings that may or may not have been held on that measure?

Mr. HAYS. This simply covers the hearings that were held before the subcommittee. It provides for the printing of the testimony presented at those hearings. There has been a great demand for them. Members are asking the Committee on the Judiciary for copies but they are not available. This is to supply the demand.

Mr. BROWN of Ohio. If the gentleman will yield further, it would not have anything to do with this compromise bill?

Mr. HAYS. No, sir.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 6500

Mr. VINSON. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services have until midnight tonight to file the conference report for printing under the rules of the House on H.R. 6500.

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

There was no objection.

CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

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

A call of the House was ordered.

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

[Roll No. 186]

Abernethy	Harvey, Ind.	Pelly
Baring	Harvey, Mich.	Pepper
Bolton, Oliver P.	Herlong	Powell
Bonner	Hoffman	Purcell
Brock	Horan	Randall
Buckley	Jones, Ala.	Reid, Ill.
Burton	Karth	Riehlman
Celler	Kee	Roberts, Ala.
Davis, Tenn.	Kelly	Roberts, Tex.
Dawson	Kilburn	St. Onge
Dent	Lankford	Scott
Derwinski	Long, La.	Shelley
Diggs	McMillan	Sickles
Dowdy	Macdonald	Skubitz
Feighan	Mailliard	Springer
Ford	Martin, Calif.	Stafford
Fraser	Mathias	Stinson
Fuqua	May	Taft
Grant	Miller, N.Y.	Taylor
Green, Pa.	Montoya	Thompson, La.
Harding	Morrison	Thompson, N.J.
Harris	Morton, Md.	Tollefson
Harsha	Nedzi	Utt
	O'Brien, Ill.	White

The SPEAKER. On this rollcall 362 members have answered to their names, a quorum.

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

COMMITTEE ON WAYS AND MEANS

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means have until midnight Monday, November 4, 1963, to file a report on H.R. 8969, along with any minority or supplemental views thereon.

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

There was no objection.

CENTRAL INTELLIGENCE AGENCY RETIREMENT ACT OF 1963 FOR CERTAIN EMPLOYEES

Mr. DELANEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 543 and ask for its immediate consideration.

The Clerk read 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. 8427) to provide for the establishment and maintenance of a Central Intelligence Agency Retirement and Disability System for a limited number of employees, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed two 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. DELANEY. Mr. Speaker, I yield 30 minutes to the gentlewoman from New York [Mrs. ST. GEORGE] and, pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 543 provides for consideration of H.R. 8427, a bill to provide for the establishment and maintenance of a Central Intelligence Agency retirement and disability system for a limited number of employees, and for other purposes. The resolution provides an open rule with 2 hours of general debate.

At the present time all employees of the Central Intelligence Agency are limited to the normal civil service retirement benefits. On the other hand, more liberal retirement benefits have been in effect for many years for the Foreign Service and for certain personnel engaged in investigation and detection of crime and apprehension of criminals. Many CIA employees serve under conditions which are at the least as difficult and frequently more dangerous than the conditions which led to improved retirement benefits for the Foreign Service and certain personnel of the FBI and other agencies. CIA employees who will come under the proposed system are obligated to serve anywhere in the world according to the needs of the Agency, as is the case in the Foreign Service and the military, and unlike the normal civil service employees. It seems only right that such employees should receive benefits similar to those benefits received by Foreign Service personnel.

Mr. Speaker, I urge adoption of House Resolution 543.

Mrs. ST. GEORGE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this resolution, as has already been stated, makes in order the consideration of H.R. 8427 to provide for the establishment and maintenance of a Central Intelligence Agency retirement and disability system for a limited number of employees, and for other purposes.

Mr. Speaker, the Committee on Rules held hearings on H.R. 8427 on October 9, 1963. The Armed Services Committee hearings and the report on H.R. 8427 stressed that only those employees engaged in the conduct and support of intelligence activities, meaning hazardous duty or service in foreign countries, will be eligible for an improved retirement and disability program. This, of course, we all agree is right and proper and, indeed, necessary.

Mr. Speaker, during the Rules Committee hearings it was brought out that the bill itself did not contain the language limiting the program to employees on such duty. However, in the course of our deliberations it was suggested that an amendment would be offered by the committee. To this, I am happy to say the Committee on Armed Services and the subcommittee agreed wholeheartedly.

Mr. Speaker, it is my understanding that this amendment will be offered on page 3, beginning at line 13 and going through line 21. This would tighten up the bill. It will write into the bill exactly what the committee intended. It will make a differential between people who are performing simply ordinary duty in CIA and those who are indeed on hazardous occupations.

Mr. Speaker, I think with this amendment there is certainly no objection to the bill and I urge the adoption of the rule.

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

Mrs. ST. GEORGE. I yield to my friend, the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Was any explanation given to the Committee on Rules as to why this bill went to the Committee on Armed Services of the House of Representatives rather than to the Committee on Post Offices and Civil Service which handles other retirement legislation?

Mrs. ST. GEORGE. Well, it was my understanding, may I say to the gentleman from Iowa, that the CIA has usually been under the Defense Department. Therefore, it was considered proper that this should go to the Committee on Armed Services. I do not think there was very much questioning on that particular subject, may I say to the gentleman from Iowa.

Mr. GROSS. Is the CIA subject to the jurisdiction of the Secretary of Defense?

Mrs. ST. GEORGE. No one seems to know to whom they are subject, I may say to the gentleman. One cannot find out how many people are employed in the Agency and one cannot find out exactly what their duties are. We heard varying figures. It is a very hush-hush, secret organization.

As long as the gentleman brings the subject up, I think we might also say that Americans are not very accustomed to dealing with cloak-and-dagger organizations. This is one, perhaps, that we are not too well fitted to discuss.

Mr. GROSS. I am sure we all had difficulty finding out what part the CIA played in the Bay of Pigs fiasco.

Mrs. ST. GEORGE. I agree with the gentleman. It is very difficult to find these things out but, perhaps, that has to be so in an organization of this kind.

Mr. RYAN of New York. Mr. Speaker, will the gentlewoman yield?

Mrs. ST. GEORGE. I yield to the gentleman from New York.

Mr. RYAN of New York. I was interested in the remarks of the gentlewoman concerning the CIA and the cloak of secrecy surrounding it. I am reminded that there are a number of bills pending in the Congress. I am the author of one, House Joint Resolution 145, which would establish a special watchdog committee over the CIA. Certainly recent events in South Vietnam confirm the need for a Joint Committee on Foreign Information and Intelligence to oversee the CIA. I hope the Rules Committee will report out one these bills with as much expedition as this bill has been reported out.

Mrs. ST. GEORGE. I am a very humble member of the Rules Committee, so I can do very little in assisting the gentleman in his desires.

Mr. RIVERS of South Carolina. Mr. Speaker, will the gentlewoman yield?

Mrs. ST. GEORGE. I yield to the gentleman from South Carolina.

Mr. RIVERS of South Carolina. Mr. Speaker, under the National Security Act of 1947, the CIA was created and it came under the National Security Act in the Defense Department. We had jurisdiction over the National Security Act, which is the reason we bring in this bill.

Mrs. ST. GEORGE. I knew it was proper that the CIA should be under the Committee on Armed Services. It always has been.

Mr. RIVERS of South Carolina. Under the law we have jurisdiction over the National Security Act. The CIA was created under the National Security Act. It is as simple as that. Of course, it is responsible to the President of the United States.

Mrs. ST. GEORGE. It is an organization that is primarily engaged in the defense of our country, therefore it is proper that it should be under the gentleman's committee.

Mr. RIVERS of South Carolina. The gentlewoman is absolutely correct.

Mrs. ST. GEORGE. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. SMITH].

Mr. SMITH of California. Mr. Speaker, as stated by the gentlewoman from New York, there were questions in the minds of members of the Rules Committee as to whether the language in this bill will do what the proponents want it to do. Accordingly, certain amendments were worked out. The gentlewoman from New York [Mrs. ST. GEORGE] showed them to me, and I suggested that the language be further tied together to make certain that we are referring to those employees abroad who are also engaged in hazardous work. The amendment does not do that. It will include every employee working abroad. At the time, I told the gentlewoman from New York [Mrs. ST. GEORGE] that even if this amendment were agreed to, that I personally would not support the bill.

Mr. RIVERS of South Carolina. Mr. Speaker, will the gentleman yield?

Mr. SMITH of California. I yield to the gentleman from South Carolina.

Mr. RIVERS of South Carolina. I assure the gentleman right now that is not the intention, that is as the gentleman stated it.

Mr. SMITH of California. That is the way your amendment reads.

Mr. RIVERS of South Carolina. I do not think so, and we do not consider it as such. In my later discussion I will cover the history of this legislation so that there will be no question about it.

Mr. SMITH of California. I think it would be much better if we took sections 1 and 2 and placed them in this law so that we know that, rather than making legislative history, so that the two would be tied together. I personally am not in support of this particular bill.

Mr. Speaker, I am not refusing to support this measure because I do not believe that the employees are entitled to it. My refusal is because I just do not know whether or not they are entitled to it. I know so little about the CIA and their activities, that I do not wish to pass further legislation which will further increase my lack of knowledge. It seems to me that Congress not only has the right, but that it has the responsibility to know more about the CIA.

I understand that senior members of the House and Senate committees meet from time to time with the CIA Director, and that in 1956 a President's Board of Consultants on Foreign Intelligence Activities was established. But even so, I do not know how thoroughly they check the activities of the CIA.

As supervisor of espionage, sabotage, plant protection, communism, and internal security investigations in the Los Angeles office of the FBI prior to and during a portion of World War II, I am aware that this work is sometimes hazardous. There is no doubt that if the CIA is doing its job in espionage and counterespionage, that some of the employees are engaged in hazardous work. But in many ways, it is probably no more hazardous than that of the FBI, the Secret Service, the Narcotics Bureau, or for that matter, the daily work of many policemen here in Washington, D.C.

I repeat, Mr. Speaker, I am not opposing this measure because I do not think CIA is deserving of it. It is because of the fact that I know so little about their activities. I am not criticizing the CIA or commending them, because again I do not know enough of their activities to take either position. But I do have some questions in my mind that I believe should be answered. And I believe they can be answered without interfering with their activities. How many employees are there in the CIA?—1,000, 5,000, 10,000, 15,000 or more. I am inclined to feel that there are probably more than 15,000 but have nothing to factually so state. How many employees are there in London?

England has its own intelligence and counterintelligence people. We are close allies. If CIA is engaged in counterintelligence activities in London, they certainly must be working directly with appropriate English authorities. I would like to know the answer to this. Certainly if the English authorities had any evidence of espionage in the United States, or wished any information, they could send one man to see Director Hoover of the FBI, and appropriate investigation would be commenced within the hour, throughout the United States if necessary, and the English investigator would be kept completely informed. If there are 200 employees in London, which I have heard, but cannot state as a fact, what are they doing? I think we are entitled to know something about this, Mr. Speaker.

Testimony before Rules indicated that this measure would apply to about 30 percent of the employees. I ask 30 percent of how many. I also think we are entitled to know something about what their activities were prior to the Bay of Pigs in Cuba. I have heard rumors that their information was incorrect and that the CIA was greatly responsible for this horrible event. Should Members of Congress not be entitled to know of these activities and to in some way have at least a little control over the CIA? Very frankly, Mr. Speaker, I anticipate that Khrushchev and even the Russian Embassy here in Washington know more about CIA than I do. Why is it so confidential that the Members of Congress do not know the annual cost of the CIA? It would not surprise me if it were more than a billion dollars annually.

I have great confidence in the Members of Congress. Certainly no Member would think of doing anything to harm our security. So it seems to me that we should have some select committee, or a watchdog committee, or some small group that could honestly and fairly check upon and with the CIA so that the rest of the Members would have some idea as to what is going on, whether we are doing our job so far as the CIA is concerned, and whether or not legislation such as the pending bill is warranted.

After the hearing in Rules and the newspaper accounts, I received some anonymous letters from persons stating they were employees of the CIA. Some of the comments were:

If CIA were bent on wrecking the morale of its employees, it could not find a better instrument than this vicious piece of legislation which will result in attracting an inferior group of employees.

Another quote:

I personally would benefit from this bill, but it is obvious just in my circle that the bill will result in a lessening of the interest and dedication of CIA employees. Already employees in their thirties are making plans to get advanced degrees by going to night school, thereby lessening the effectiveness of their daily work, in order to get a better position outside when their 50th birthday comes around. I suggest that you consult not the "chiefs" but some of the "Indians" in CIA to gain a true picture of what is involved in this proposed personnel policy.

I repeat once again, Mr. Speaker, that I have no intentions whatsoever of causing any harm to the CIA. I want to do everything I can to help. But I just cannot support legislation to further compound a mystery, and thus I am opposed to this measure.

Mrs. ST. GEORGE. Mr. Speaker, I yield 5 minutes to the gentleman from Kansas [Mr. AVERY].

CONGRESSIONAL PROGRAM AHEAD

Mr. AVERY. Mr. Speaker, I urge the adoption of the rule. It has been so well explained I cannot think of anything further I could add. However, I notice the presence on the floor of the majority leader, and would appreciate his attention. I notice the other body was advised yesterday as to how they might proceed to plan for the weeks ahead. It was helpful indeed to learn that their Thanksgiving recess has already been fixed. Their Christmas schedule has already become a matter of record. I wonder if we could be privileged to have the same information in this body.

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

Mr. AVERY. I would be delighted to yield to the gentleman from Oklahoma.

Mr. ALBERT. First of all, this is a matter that would be cleared on both sides of the aisle, but I would like to remind the gentleman that the Veterans' Day vacation in the other body is from November 8 to November 12. That means Friday, Saturday, and Monday. I would think that we could assume that we might do that well.

Mr. AVERY. That we would have Sunday off and possibly Monday as well?

Mr. ALBERT. I would think so, not committing myself.

Mr. AVERY. Now could the gentleman proceed further?

Mr. ALBERT. Then for Thanksgiving, as I understand it, there will be a recess in the Senate on the 27, 28, and 29 of November. I will take upon my own shoulders the complete responsibility to assure the gentleman that he will have that much time off for Thanksgiving, that is, 3 days.

Mr. AVERY. Will the gentleman proceed from this point on?

Mr. ALBERT. I am not in a position to make a commitment at this time.

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

Mr. AVERY. I yield to our distinguished minority leader.

Mr. HALLECK. I would just like to say to the gentleman, and for all the Members of the House, I have had the greatest solicitude for the Members' convenience, and I realize, of course, the situation that confronts our colleagues, and so far as my own personal situation is concerned, I would like to know in advance what we can figure on and depend on as to the arrangements. I have spoken to the majority leader and to the distinguished Speaker of the House about the whole situation, and as far as I am concerned, I want to say to my friend, the gentleman from Kansas, I shall do all I can to try to work out some advance arrangement for the balance of the year because apparently, we are going to be here until we start on the next session.

Mr. AVERY. Then is it reasonable, Mr. Speaker, to summarize, if I may, what I have heard from the distinguished majority leader and the distinguished minority leader, that the statement in the other body that this session is going to be "back-to-back" with the next session—is this a reasonable assumption that we probably will continue in session to the Christmas holidays? Would the gentleman from Oklahoma care to respond to that?

Mr. ALBERT. I think the gentleman has the same knowledge of the legislative program as the gentleman from Oklahoma.

Mr. AVERY. The gentleman from Oklahoma pays me a great tribute and I am not sure it is deserved.

Mr. ALBERT. I am sure it is true. I am sure all the Members of the House know what legislation is still outstanding which must be acted upon, and I think the statement that the gentleman refers to as having been made in the other body could well be correct. But I want to join the distinguished minority leader in doing everything I can, and I am sure that in saying this I speak for our distinguished Speaker of the House also, in trying to determine when and how much time Members of the House can have off consistent with the legislative responsibilities of the House of Representatives.

Mr. AVERY. May I say, Mr. Speaker, I may appear to be facetious, but I did not mean to be so. This is getting to be a serious situation. We have all made commitments considerably in advance for this time of the year when we could reasonably assume that we would be in our districts, and it is embarrassing to many of us to have to break our commitments.

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

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

Mr. GROSS. In any event I wonder if, when this program is firmed up for the remainder of this year, if it might not be announced in the House rather than through the newspapers and over the radio.

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

Mr. AVERY. I yield to the gentleman.

Mr. ALBERT. I think that any announcement that the majority leader will make, and I am sure I am speaking for both sides on this matter, will be made first to the House of Representatives and not first to the press or to anyone else.

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

Mr. AVERY. I yield to the gentleman.

Mr. CEDERBERG. Would the distinguished majority leader advise us if it might not be possible rather than to have a new session start on January 3 to have it start later on in the month and to request the President to bring in the state of the Union message and the new budget message late in January because we will not be finished with the old budget anyway until we get the new one. If we can get that, maybe we can get a couple of days vacation.

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

Mr. AVERY. I yield to the gentleman.

Mr. ALBERT. First of all, that would have to be done by a joint resolution or a concurrent resolution because the law requires that the Congress convene on January 3. I think here again it would depend on the legislative situation. Certainly, it would be a convenience to the Members individually, and to me personally, if we could do so. That is as far as I can go at this time with respect to that sort of arrangement.

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

Mr. AVERY. I yield to the gentleman.

Mr. COLLIER. In the light of the urgency of the problems before the Congress this year, is it possible that we might run into this situation during the two national conventions in 1964?

Mr. AVERY. That question should certainly be more properly addressed to one in a position more able to respond than the gentleman now in the well. May I express my appreciation to the gentleman from Oklahoma, and I am sure I speak for all Members present, for the enlightenment we have received today.

I yield back the balance of my time.

Mrs. ST. GEORGE. Mr. Speaker, I have no further requests for time.

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

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ELECTION TO COMMITTEE

Mr. HALLECK. Mr. Speaker, I offer a privileged resolution and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That MARK ANDREWS, of North Dakota, be, and he is hereby elected a member of the standing committee of the House of Representatives on Interior and Insular Affairs.

The resolution (H. Res. 561) was agreed to.

A motion to reconsider was laid on the table.

CENTRAL INTELLIGENCE AGENCY RETIREMENT ACT OF 1963 FOR CERTAIN EMPLOYEES

Mr. RIVERS of South Carolina. 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. 8427) to provide for the establishment and maintenance of a Central Intelligence Agency Retirement and Disability System for a limited number of employees, and for other purposes.

The motion was agreed to; accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 8427 with Mr. THOMAS in the Chair.

IN THE COMMITTEE OF THE WHOLE

The Clerk read the title of the bill.

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

The CHAIRMAN. The gentleman from South Carolina [Mr. RIVERS] will be recognized for 1 hour and the gentleman from Massachusetts [Mr. BATES] will be recognized for 1 hour.

Mr. RIVERS of South Carolina. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, H.R. 8427 is a bill to give the Central Intelligence Agency a better retirement system for a limited number of its employees.

At the present time, all regular employees of the Agency are covered by the normal civil service retirement system.

Many positions in the CIA do not warrant special retirement treatment of course, but about 30 percent of the total employees work under conditions which clearly require an improved retirement and disability system.

I would like to point out that this legislation establishes no precedent since it was determined that the Agency retirement system should be patterned after that now applicable to the Foreign Service.

Careful examination indicated that the Foreign Service system had sufficient flexibility and other improvements to meet CIA's requirements. The CIA presented convincing proof that those employees to be covered serve under conditions which are at least comparable with the Foreign Service and in many cases more dangerous and at great personal sacrifice to the employees.

As a member of the CIA Subcommittee of the House Armed Services Committee, I had previously learned a great deal about the activities of the Agency and the sacrifices called for on the part of its employees. During the course of 4 days' extensive hearings on H.R. 8427 before the House Armed Services Committee, Agency witnesses were candid and fully cooperative in presenting their need for this improved retirement system. For reasons of security I am unable to present the specific situations which demonstrate the need for this new system. It is pertinent to point out, however, that, with respect to this group of employees, all are considered to be on 24-hour duty, 7 days a week, and are obligated in writing to serve anywhere in the world that Agency needs would require.

Upon my initial assignment to the CIA subcommittee, it came as a surprise to me to learn that all Agency employees received only the normal civil service retirement benefits. I had assumed there was a program to afford earlier retirement, such as that available to the Foreign Service or the benefits offered to agents of the Federal Bureau of Investigation, which enables the agent to retire voluntarily at age 50 upon completion of 20 years of service.

The CIA's need to have a young and virile group of career people manning their oversea posts needs no elaboration. I became personally convinced of the need for this type of program as a result of months of briefings presented to the CIA Subcommittee of the House Armed Services Committee. The hearings on H.R. 8427 convinced me that this legislation is the appropriate means to put into effect an improved retirement system.

Now, as to the legislation.

One of the key features is the right of the employee to apply for voluntary retirement upon reaching age 50 if he has a minimum of 20 years of service. Such retirement, however, must be with the consent of the Director, and in special cases where a man's services are still needed he will be required to serve until the Agency's requirements have been met.

Another important feature of this bill is the authority of the Agency to retire people when it is determined that this is the best course of action. In this situation, where the employee is in a grade of GS–14 and above he will, upon being retired, receive an immediate annuity regardless of age. The amount of this annuity in the case of a man with 20 years of service would be 40 percent of the highest average annual salary for any 5 consecutive years. The committee examined this provision most carefully and the bill H.R. 8427 reflects a change we made that in order to qualify for this immediate annuity the individual must have had at least 5 years of what is termed "qualifying service," which means service of a nature which would fit him to be covered by the system.

In addition, he must have had at least 10 years of total service with the Agency.

The committee did not believe that transferees from other agencies should be eligible to qualify for this type of annuity without substantial periods of both qualifying service and general service with CIA. Where the person involuntarily retired is in grade GS–13 or below he may elect, if he has at least 5 years of service with the Agency, to leave his contributions in the fund and draw a deferred annuity at age 60, or he may simply draw out his contributions. In addition he would be granted separation pay based on a month's salary for each year of service, but in no event to exceed a total of 1 year's salary. The committee believes this provision is generally in line with separation compensation available in military service and is not unreasonable where a man has joined the Agency with the expectation of a career and because of shifts in requirements is unable to be retained by the Agency. This separation compensation will permit him a period of readjustment, possibly taking necessary training to equip himself for a position in industry or in another branch of Government.

I believe this new system will be an extremely valuable tool in the management of the Agency and will materially assist in attracting and retaining the extremely high caliber men and women the Agency needs for its demanding programs. As indicated by the published hearings and the report, the Armed Services Committee has looked painstakingly at this proposal and has examined Agency witnesses most carefully. Where necessary, the committee made changes from the original proposal, which you will find in the report.

The cost is reasonable, leveling off at about $580,000 per year.

Let us turn for a moment to the recent press criticism of the Central Intelligence Agency. Obviously such criticism is not the proper basis to form a judgment on this bill—indeed it is not a proper basis on which to form a judgment of the Agency itself. The scope and ferocity of these press attacks brought a response—not from the Agency which very properly should not and does not respond to press criticism—the response was from the President. He was asked about a recent story on CIA in his press conference on October 9. I quote his answer:

> I must say I think the reports are wholly untrue. The fact of the matter is that Mr. McCone (CIA Director) sits in the National Security Council * * * we have worked very closely together in the National Security Council in the last 2 months attempting to meet the problems we faced in South Vietnam. I can find nothing, and I have looked through the record very carefully over the last 9 months, and I could go back further, to indicate that the CIA has done anything but support policy. It does not create policy; it attempts to execute it in those areas where it has competence and responsibility. I know that the transfer of Mr. John Richardson, who is a very dedicated public servant, has led to surmises, but I can just assure you flatly that the CIA has not carried out independent activities but has operated under close control of the Director of Central Intelligence, operating with the cooperation of the National Security Council and under my instructions * * * I think they have done a good job.

As a member of the CIA Subcommittee of the House Armed Services Committee, I believe I am also in a position to make a judgment on the Agency. In my opinion, I believe the Agency is doing a brilliant job under most trying circumstances.

For those who contend that the Congress fails to exercise supervision over CIA, I would like to state the facts. The Armed Services Committee has legislative jurisdiction over CIA and for many years, the gentleman from Georgia [Mr. VINSON] has appointed a subcommittee whose sole function is to review Agency activities. This subcommittee presently has as its chairman, the gentleman from Georgia, Mr. CARL VINSON, and I am proud to serve under him on this subcommittee. The other Members are: F. EDWARD HÉBERT, MELVIN PRICE, CHARLES E. BENNETT, GEORGE HUDDLESTON, JR., LESLIE C. ARENDS, WILLIAM G. BRAY, BOB WILSON, and FRANK C. OSMERS, JR.

As a matter of policy, the subcommittee has endeavored to meet with the Director and other Agency officials at least once a month to conduct an examination of its activities on a worldwide basis. In the course of these hearings we receive substantive intelligence briefings to keep us up to date on happenings throughout the world. It is the purpose of the subcommittee to fully inform itself on all aspects of Agency operations including its organizational structure and personnel practices. The Director of Central Intelligence has explored with the subcommittee the most sensitive of Agency operations in order that the members be fully informed.

At times I, as a member, am concerned with the sensitivity of this information and its serious nature for fear that I might inadvertently endanger someone's life or a highly successful operation.

The Director of Central Intelligence has been most candid with the subcommittee in discussing plans for future activities and we have witnessed a number of significant improvements in the

Agency since the current Director has been in office. On occasion the subcommittee has deemed it necessary to conduct thorough reviews of the Agency to assure itself that all possible steps were being taken by CIA and the intelligence community as a whole to insure that adequate intelligence is available to those who must make the policy decisions—further, to insure that policymakers have the benefit of as full information as possible including skilled evaluation of the raw information utilizing thoroughly professional analysis and research.

As to CIA conducting independent operation in pursuance of its own policy, the subcommittee has examined very closely the machinery by which the Agency is in fact responsible to the policymakers. Under the existing procedural machinery, the Agency simply cannot operate independently nor does it in fact operate as a policymaking organ of Government. The Director is directly responsible to the President and established procedures insure that the operations of the Agency are in fact coordinated with and responsive to the policies of the Government. I might add that this is true not only at the national level but it is also true at the embassy level in foreign countries where the paramount role of the Ambassador is accepted by all agencies.

However, let us return to H.R. 8427 which is the issue today.

The committee has unanimously supported this legislation, and I urge the Members of the House to judge it on its merits. I am sure most of you will view it favorably.

Before I conclude, I would like to advise the House that I propose to offer an amendment to H.R. 8427 to clarify the kind of duty that must be performed before the Director can designate the individuals who will be permitted to participate in this liberalized retirement system.

I discussed this matter with members of the Rules Committee and members of my committee, and I propose to offer an amendment to section 203 of the bill. Under this section, as it is now written, the Director may designate the officers and employees who will be entitled to the benefits of the system. The amendment I will offer would change the language to read as follows:

On page 3, lines 13 to 16, strike out the first sentence of section 203, and substitute in lieu thereof the following language:

The Director may designate from time to time such Agency officers and employees whose duties are determined by the Director to be (i) in support of Agency activities abroad hazardous to life or health or (ii) so specialized because of security requirements as to be clearly distinguishable from normal Government employment, hereafter referred to as participants, who shall be entitled to the benefits of the system.

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

Mr. RIVERS of South Carolina. I am constrained to yield to my friend, the gentleman from Louisiana [Mr. WAGGONNER].

Mr. WAGGONNER. I have been advised that in this proposed legislation there are the usual prohibitions against drawing retirement pay in cases involving personnel who are reemployed by the Government by some other agency; is that correct?

Mr. RIVERS of South Carolina. That is right. The gentleman is right.

Now that is the bill. Let me summarize it for you again:

First. Retirement at the age of 50 with a total of 20 years of service, 5 years of which must have been with the Agency. The employee must apply for the retirement and receive the permission of the Director.

Second. The Director may involuntarily retire individuals and where they are in the grade of GS–14 and above, they will be entitled to receive an immediate annuity regardless of age provided, however, they have 5 years of qualifying service and a total of 10 years service with the Agency, and

Third. The Director may retire employees in the grades of GS–13 and below, and in such case they will receive at age of 60 a deferred annuity if otherwise eligible.

In addition, they will be entitled to receive separation compensation in the amount of 1 month's salary for each year not to exceed a total of 1 year.

That is the bill, Mr. Chairman.

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

Mr. RIVERS of South Carolina. I yield to the gentleman.

Mr. HOLIFIELD. I would like to compliment the gentleman from South Carolina and his subcommittee; the chairman and members of the full committee, for bringing this bill out. As I understand it, this covers a personnel area which has not been covered heretofore; it affords retirement privileges identical to those in the Foreign Service; is that correct? The grades under grade GS–14 are already covered by the normal civil service retirement regulations.

Mr. RIVERS of South Carolina. The gentleman referred to grades under GS–14?

Mr. HOLIFIELD. Yes, under grade GS–14.

Mr. RIVERS of South Carolina. Not all qualified employees—normally employees are covered by the civil service system. Let us call them agents. Agents without the qualifying service are not covered.

Mr. HOLIFIELD. In other words, agents who do not have the qualifying service under civil service are the ones who are not covered; is that correct?

Mr. RIVERS of South Carolina. That is correct.

Mr. HOLIFIELD. But under this bill they will be covered and the benefits they will draw will be similar or the same as those of people in the Foreign Service.

Mr. RIVERS of South Carolina. That is correct.

Mr. HOLIFIELD. You spoke of the right of the Director to retire agents under certain conditions. Does this give the Director any additional power to fire or hire people besides the power he has already?

Mr. RIVERS of South Carolina. No, but the Director must have this authority.

Mr. HOLIFIELD. Yes, he must have this authority. Your reference to them is to see that they get certain annuities in case they are relieved of their duties?

Mr. RIVERS of South Carolina. That is right—to give them security. You must remember these agents sign a letter before they go on duty that they will serve anywhere on earth, 7 days a week, 24 hours a day. It is a very demanding service.

Mr. HOLIFIELD. That is correct. Many of these people being covered by this bill have served in places where it was dangerous for them. They have assumed duties in espionage which have endangered their lives and, in fact, some of them have lost their lives as a result of this service; is this not true?

Mr. RIVERS of South Carolina. I am delighted that the gentleman asked that question. The gentleman has asked a question—if some of these agents are serving in dangerous places and have lost their lives and are in danger of losing their lives. I wish I could tell this committee the areas where these people are languishing in jails and where they have faced firing squads all over the world. It is a terrifying thing. If you knew what I know, you would say to me that there are a lot better ways of making a living than working for the CIA.

Mr. HOLIFIELD. I am glad the gentleman brought this point out because, as a member of the Joint Committee on Atomic Energy, we have had close relationships with the CIA. We know what the gentleman from South Carolina says is true, that there are people who have served in this organization who are in jail and some have lost their lives. Furthermore, they are also in a situation where they cannot be protected or they cannot be claimed as a member of the CIA in the event they are captured and jailed in a foreign country.

Mr. RIVERS of South Carolina. If I should tell you how many of these agents we have or if I should give you some sort of a number of the agents that we have, the Soviets could merely by a matter of arithmetic figure them out and ferret them out.

For instance, when the Director decides to separate a man he cannot go into court with his case under this bill, because if he did, any espionage person could figure out exactly who these people are, how many they are, and what they do. We cannot permit this. This espionage business is a dangerous business; it is not one that I would be in. We have never been in it before. But, has it ever occurred to you and to the other members of the committee as to the vast system of the Soviets? They have thousands upon thousands upon thousands of agents in this world. We must have this agency and we must give them this benefit.

Let me say this to the gentleman: we permit the Federal Bureau of Investigation employees to retire at an earlier age than other people. Do you know why? It is because they are under such a terrible strain all the time. They must be

given this right; otherwise they will shake themselves to pieces. They have to have it, and this organization here must have this.

Mr. HOLIFIELD. I think the gentleman has done a good thing in bringing out this bill. I want to express my support for it. I believe every Member, who knows the workings of this organization, who knows the dedication of these people and has had the privilege of meeting many of these people in the course of their congressional duties, can certainly subscribe to this. I hope this bill will pass unanimously.

Mr. RIVERS of South Carolina. I thank the gentleman.

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield?

Mr. RIVERS of South Carolina. I yield to the gentleman from Missouri.

Mr. JONES of Missouri. Mr. Chairman, one thing the speaker has not brought out is the wage differential that exists between persons employed in the Central Intelligence Agency as compared with those employed in other agencies of the Government. I have been informed from what I think is a good source that in the lower echelons of people who are performing clerical and just routine work they are geting salaries above what people doing similar or exactly the same work in other agencies of the Government are getting. They are getting what would be comparable to two grades higher pay for that. Do you have any comment to make on this?

Mr. RIVERS of South Carolina. I do not have a bit of comment to make on it, and I do not believe in it.

Mr. JONES of Missouri. I have this from a source that I think is reliable. I appreciate the fact that this whole Agency has to operate under an aura of great secrecy.

Mr. RIVERS of South Carolina. Why, certainly.

Mr. JONES of Missouri. And sometimes they are inclined to carry it to the ridiculous. For instance, I had an experience, and I am going to relate it in order to emphasize the point I am trying to make. At the time of the U–2 incident I was concerned about what had happened there. I think our Government suffered great damage because of statements that went out at that time which were not true. So, I made an appointment with Mr. Dulles to talk to him about this thing. He tried to explain it to me, but I did not get much information. In his old headquarters they had a picture of the new CIA building. Just out of idle curiosity more than anything else, I said, "Mr. Dulles, how many people will be employed in this new building?" He said, "Oh, we cannot tell you that. That is secret." To me that was an asinine reply to a question, because I think anyone knows that there was no secrecy with regard to the number of people to be employed in that new building out at the Central Intelligence Agency, because anybody who knows anything about trying to estimate the number of employees in a building could have gotten it very well; or for that matter one could count the employees entering and leaving by public highway.

The thing that disturbs me about this bill is the fact that it has been the practice throughout many years for these people to take advantage of their sensitive position and to use it for privileged treatment which is not justified.

I am in sympathy with the people who risk their lives and do things like that. I am not asking you what the salary of those people is, but I have reason to believe that it is a pretty good salary which takes care of some of the hazards and the risks that are involved. I think those things have to be considered here, too. I think your committee should have and should be able to tell me to what heights or depths we are going to go to determine who is included, because unless I am badly mistaken and unless I am badly mistaken in my estimate of the operation of this department in the past, they are going to start reaching down, down, and down to get people up. I have had the experience of observing people quit other departments of the Government to join the Central Intelligence Agency. They have told me, "I can go there and do exactly the same work that I have been doing," let us say, in the Department of Agriculture "and I will get a much higher salary, because I get the coverage under the CIA." Yet that person stays in this same community and does the same work with no greater responsibility, and he gets higher pay. I do not think that type of employee is entitled to any special consideration just because he is associated with an agency that has a small percentage of its people who are put in these positions of high sensitivity and who are subjected to great risk and, in many instances, have given their lives. I do not think you have given us enough information about these people at the lower levels, who constitute a great majority. I would want some assurance that those people are not going to get further preferred treatment under this bill. I would like to have the gentleman comment on that.

Mr. RIVERS of South Carolina. The gentleman has made a pretty good speech. I do not know where to start to answer his question. I allowed him to talk for 5 minutes. What question does he want me to answer?

Mr. JONES of Missouri. I asked the gentleman first if he knew of the differential in salary between the people employed doing clerical, filing, and typing work, who were getting paid more than those people in the departments?

Mr. RIVERS of South Carolina. I do not know that.

Mr. JONES of Missouri. I think the gentleman should know it. I think his committee should know it. I think the House is entitled to that information.

Mr. RIVERS of South Carolina. The bill clearly points out who would be covered.

Mr. JONES of Missouri. I respectfully point out that it does not.

Mr. RIVERS of South Carolina. I must be stupid, because I have tried to explain that to the gentleman.

Mr. JONES of Missouri. I do not think the gentleman is stupid. I think sometimes the committee is overawed by the great secrecy under which this Agency operates and some of the people have taken advantage of their position to keep secret some things that the Congress and the gentleman's committee particularly are entitled to know.

Mr. RIVERS of South Carolina. I will tell the committee what I will do. The gentleman may go back and ask the counsel of our committee to answer any of those questions; and he can answer them a thousand times better than I can.

Mr. JONES of Missouri. Does the gentleman mean that these things are so secret that we cannot put them on record?

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

Mr. RIVERS of South Carolina. I yield to the gentleman from Virginia.

Mr. HARDY. Mr. Chairman, as a member of the subcommittee I may be able to shed a little bit of light on the point that the gentleman from Missouri has raised. As far as I can recall from the testimony the employees who are covered under the normal civil service regulations are paid on exactly the same basis as employees in other agencies performing the same duties. We are not talking about those employees in this bill. This bill covers only the employees who are engaged in special types of work. With respect to other kinds of employees—the average kind—let me say to the gentleman that a few years ago I employed as a staff member of my subcommittee, an attorney who was then on the legal staff of CIA. I paid him a little bit more money than he was making down there. I am sure that he had been getting at CIA exactly the same pay he would have received for similar work in any other Federal agency. I hope that will help the gentleman on the point that he was making.

Mr. RIVERS of South Carolina. May I say this to the gentleman: The people who do similar work are covered by the regulations of the civil service.

Mr. JONES of Missouri. Mr. Chairman, I do not agree with that for this reason, because I have had specific instances and have known people who have quit jobs in one department in order to go to work for the CIA. They have told me that they were doing exactly the same type of work and getting paid at a higher grade than they were in the department that they quit.

Mr. RIVERS of South Carolina. I am surprised to hear that.

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

Mr. RIVERS of South Carolina. I am pleased to yield to the gentleman.

Mr. MACGREGOR. Mr. Chairman, I was particularly pleased by the comments of the gentleman from South Carolina with respect to the nature of his committee's knowledge of the work of the Central Intelligence Agency. This is particularly so because from time to time over the past 3 years we have heard complaints in this body and in the other body about the need for the establishment of a watchdog committee which, in my opinion, is not indicated from my knowledge of the existing committees of the Congress. I should like to call the gentleman's attention to a response given by

President Kennedy to a question at a press conference earlier this month when he said the following:

> There is a congressional committee in the House and one in the Senate composed of members of the Appropriations Committee and the Armed Services Committee, and they meet frequently with Mr. McCone, and he also testifies before the Foreign Relations Committees of House and Senate and the general Armed Services Committees. And I think that Congress through that organization has the means of keeping a liaison with him.

I should like to ask the gentleman from South Carolina [Mr. RIVERS] whether he agrees that the committee on which the gentleman serves and other committees mentioned by the President do maintain effective liaison over the work of the Central Intelligence Agency?

Mr. RIVERS of South Carolina. We do it all the time. The gentleman from Georgia [Mr. VINSON] is chairman of that subcommittee and its members meet all the time. We get all the information they have. We get a briefing on the world situation. They are totally frank. They present some very, very brilliant information before our subcommittee. They know how to figure out intelligence. It is quite an impressive thing.

Mr. MACGREGOR. I thank the gentleman for his response.

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield further?

Mr. RIVERS of South Carolina. I yield to the gentleman from Missouri.

Mr. JONES of Missouri. Will the gentleman from South Carolina answer one question for me? I want to know if the gentleman thinks that this was justified as a matter of secrecy as to the number of employees that are working in this CIA building here in Washington?

Mr. RIVERS of South Carolina. I think so.

Mr. JONES of Missouri. The gentleman thinks that should be secret?

Mr. RIVERS of South Carolina. I think so.

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

The CHAIRMAN. The Chair will count. One hundred and nine Members are present, a quorum.

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

Mr. Chairman, H.R. 8427 is a bill unanimously reported by the Armed Services Committee. Its purpose is to establish an improved retirement system for those employees of the Central Intelligence Agency who are concerned with the conduct and support of intelligence activities abroad.

The Congress has long countenanced the policy of providing early retirement for certain classes of Government employees. This policy is not one of favoritism, but one of realism. It takes account of the fact that some jobs are more hazardous and more trying than others. An appreciation of the risks assumed by special agents of the FBI and other Government employees engaged in the apprehension and detention of criminals, led to the Congress providing early retirement for them. The arduous conditions—climatic and otherwise—under which Foreign Service officers labor, dictated the enactment of similar early retirement provisions. In the case of those CIA officers and employees engaged in the conduct and support of intelligence activities abroad, both criteria—hazardous and onerous working conditions—obtain. This is obviously a young man's business and for the sake of consistency and justice, provision must be made to accord to this limited number of CIA employees the realistic treatment which presently governs the early retirement of FBI agents and Foreign Service officers. The voluntary retirement features of the bill meet this objective by providing that an employee who is at least 50 years of age and has rendered 20 years of service may, with the consent of the Agency, be retired on an immediate annuity.

Since the Civil Service Retirement Act continues to be appropriate for the great majority of CIA employees, this bill will apply only to those actively engaged in intelligence work overseas. For security reasons, the various position titles of those to be covered have not been spelled out in the bill itself, but the restricted coverage has been made explicit in the very title of the bill and in its statement of purpose.

The types of specialities needed by the Central Intelligence Agency vary, not only with the sophistication of intelligence collection techniques, but with changes in world conditions generally. The advent of the U–2 and the concomitant need for highly trained photo-interpreters, is a clear example. But with the progress of science and the imaginative technological advances in this area some specialized skills used by CIA officers in the field may become obsolete. Such men often find themselves involved in the Agency's necessary programs of managed attrition. Authority was therefore granted to provide such individuals who are involuntarily retired either separation pay or immediate annuities. Immediate annuities are available only to GS–14's and above who have at least 10 years' service with the Agency, 5 of those years in a career primarily oriented toward the conduct and support of intelligence activities abroad. Those involuntarily retired who are not eligible for immediate annuities will be provided with separation pay which, like the annuity, is proportioned to length of service rendered.

Though the retirement provisions of this bill represent new coverage for some CIA employees, they are not novel to the Congress. Identical provisions obtain for Foreign Service officers. Nevertheless, each section of this bill was carefully analyzed to confirm that it was appropriate and necessary. In the course of 4 days intensive hearings the committee found that a number of changes were warranted. These changes have been made, and as a result we have before us now an excellent bill which I am proud to support—a bill which deserves your consideration. One change in particular was occasioned by security considerations. Because of the sensitivity of information pertaining to the mission of the CIA abroad, a section was added to give finality to determinations made by the Director under this act. Similar provision exists in the Atomic Energy Act and is designed to protect highly classified information from disclosure in the course of an open trial or hearing.

Other changes were made which tightened the bill and which reflected the years of experience which the Foreign Service has had in administering an identical system.

I believe that H.R. 8427 is in line with consistent congressional policy and that it represents an equitable retirement system for those involved in this arduous work. In addition, it provides to the Central Intelligence Agency a method for keeping its service young and up to date; and the enactment of this bill will demonstrate to those whose thankless task it is to be in the front lines of our intelligence-collection service that their work and their welfare are not unheeded by the Congress of the United States.

Mr. HARDY. Mr. Chairman, will the gentleman yield to me at this point?

Mr. BATES. I would be pleased to yield to the gentleman from Virginia.

Mr. HARDY. In connection with the question raised by the gentleman from Missouri a moment ago with respect to the extent to which the subcommittee went into this matter, would the gentleman agree that in hearings with the CIA the subcommittee went very deeply into this matter of the limited number of employees to be covered under this bill?

Mr. BATES. That is correct.

Mr. HARDY. And I think the point that the gentleman from Missouri raised is a very important point. But I think it is also important that the Members of the Congress know that the subcommittee did receive assurances to the effect that only persons in very special kinds of assignments would be covered.

Mr. BATES. With reference to this particular bill.

Mr. HARDY. That is correct. I thank the gentleman.

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

Mr. BATES. I yield to the gentleman from North Carolina.

Mr. JONAS. I wish the gentleman would tell me where I can find that in the bill.

Mr. BATES. What is that?

Mr. JONAS. The limitation of coverage to hazardous foreign service. It may be in the bill, but I cannot find it.

Mr. BATES. I may say that an amendment will be offered on this point. The members of the subcommittee after we considered this particular aspect at considerable length in the committee were satisfied in our minds as to what the CIA intended. When we went before the Rules Committee they raised the same question that the gentleman from North Carolina now poses. We wrote an amendment which we offered to the subcommittee, and we also cleared it with the Rules Committee. With the exception of the gentleman from California [Mr. SMITH] they are presently in accord with what I have previously stated.

This will be discussed when we get under the 5-minute rule.

Mr. JONAS. Can the gentleman tell me where I might find a copy of the amendment?

Mr. BATES. I will lend the gentleman my copy of the amendment.

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

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

Mr. LINDSAY. For how long do they have to serve overseas?

Mr. BATES. In order to obtain this annuity an individual must have 5 years in this particular group. If he has 10 years' total he could retire on the basis of 2 percent per year.

Mr. LINDSAY. Five years of oversea assignment?

Mr. BATES. He must be in that work for at least 5 years.

Mr. RIVERS of South Carolina. Mr. Chairman, I yield the balance of the time remaining to the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT of Florida. Mr. Chairman, as a member of the Armed Services Committee and as a member of the CIA Subcommittee, I rise in support of H.R. 8427.

This bill for CIA is in fact long overdue. The bill will improve the retirement system for those employees of the Agency who are actively engaged in the conduct and support of intelligence activities abroad. It is estimated that less than 30 percent of the Agency employees will be brought in under this new system.

Today, all employees of the Agency are under the normal civil service retirement plan and the majority of the employees will remain under that system. A service which is continuously rotating its people abroad requires fundamentally a younger group of people than is normally found in a Washington headquarters.

Foreign Service early recognized the need for a retirement system designed to meet the needs of an oversea service, and beginning in 1924 the Congress recognized the validity of these special needs.

CIA is not asking for something special or unique in this bill. The possibility of improving the retirement system was studied intensively and it was determined that the system developed by the Congress for the Foreign Service over the last 30 years would meet Agency objectives. Consequently, this bill gives to a fraction of the total Agency personnel a retirement system substantively identical to the Foreign Service.

During 4 days of hearings all aspects of this bill were examined intensively by the committee. A review of these hearings and the report indicates clearly that most careful thought was given to each aspect of the bill. A number of amendments were made which strengthen and tighten the bill. The bill was unanimously reported and it is to the merits of this bill which the Members should address themselves.

My membership on the CIA Subcommittee has given me considerable insight into the personnel problems and the management aspects of the intelligence business. It may well be that the Agency has made some mistakes, but we all make mistakes. On the other hand, the Agency has been tremendously successful in providing advance information on many aspects of world events. I am convinced that our policymakers are getting good intelligence from CIA and the entire intelligence community.

I have listened with great interest to the problems of CIA operators collecting intelligence in the field. These men and women I have found to be truly dedicated to their tasks, and the Nation should be grateful for their efforts. This bill is essential to maintain the high quality of the service of which these people are a part. We must give the Agency the tools it needs to accomplish the extremely difficult mission which it is assigned.

I call upon you to vote for this bill which is recommended to you by all members of the Armed Services Committee and not to vote for irresponsible headlines appearing in portions of our press.

Mr. Chairman, in concluding my remarks I would like to say there have been from time to time in the press and among individual Members of the House and others comments with regard to the necessity or the validity of adding another CIA committee. I think this is primarily because most Members of the Congress, or at least most members of the press and the public generally do not realize there are committees of this type in the House and Senate at the present time. So I would think, if questions are in the minds of Members of Congress, it might be an appropriate thing for these Members of the Congress to treat the Committee on Armed Services and its CIA subcommittee just as they treat every other committee of the Congress and address to them the questions they have with regard to employment policies or with regard to any other policies they may have, and in this way perhaps some of this unnecessary secrecy can be removed. There is a degree of secrecy necessary in the CIA, but there is also a large area where there is no real necessity for secrecy.

I think Members of Congress are mostly interested in seeing to it that the books are properly handled and things of this type. Things of this type can be brought to the Central Intelligence Agency subcommittee and can be properly handled. I hope in the future Members of Congress when they hear about a subject dealing with the Central Intelligence Agency and have a question about it will address their question to the staff of the committee or to the committee as a whole and to the gentleman from Georgia, Chairman VINSON, chairman of the subcommittee and of the whole Committee on Armed Services. I think you will get intelligent answers then to the questions you ask. Perhaps by eliminating this frustration we may not only serve the CIA but, more importantly, may serve to strengthen our own country.

Mr. ARENDS. Mr. Chairman, I yield myself such time as I may desire.

Mr. Chairman, our Committee on Armed Services has had a subcommittee on the Central Intelligence Agency for many years. As a member of that subcommittee since its inception I have become somewhat familiar with the nature of the Agency's organization and its manifold activities. Our subcommittee has regularly inquired into the CIA's operations and from time to time have made specific inquiry into some specific aspect of its activities. Whenever a question would arise as to what the CIA had been doing in some particular area, our subcommittee would quietly but thoroughly look into it.

Naturally, all our subcommittee inquiries, investigations, and briefings were in executive session. Naturally, no reports have been issued as to our findings and recommendations. To do so would destroy the effectiveness of the Agency, and the importance of this Agency's work to our country's security cannot be too strongly emphasized.

This is not to say that the Agency has been without any congressional supervision. Not only has our subcommittee been scrutinizing its operations, it has likewise been scrutinized by the Appropriations Subcommittee, as well as the subcommittees of the Senate.

I am confident that every member of the subcommittees that has dealt with the CIA will agree that Director John McCone and his deputies have at all times been responsive to the questions we have raised. They have not hesitated to give us details and to take us into complete confidence. Nor have they hesitated to admit to possible error and their eagerness to improve upon their methods of obtaining information and evaluating it. Anyone familiar with the simplest type of detective work readily recognizes how readily errors occur in ferreting out the facts. The gathering of factual information on a worldwide scale, and being certain that the information is factual and not just conjectural, presents problems beyond description.

For my part, I believe that in the CIA we have one of the finest intelligence agencies in the world. I should also like to say that I do not believe anywhere will be found people more dedicated to the service of our country than Director McCone and the people who serve under him.

There is one thing more I should like to emphasize with respect to the CIA. Contrary to what we read and hear from time to time, the CIA does not pursue an independent foreign policy. The Agency does not make policy. It simply gathers the facts upon which policy may be based. It simply carries out orders dictated by those who make policy. If there is an inconsistency, or a seeming inconsistency, between policy and what the CIA may be doing, it arises not because of the CIA acting independently.

Our subcommittee has not only reviewed the operations of the CIA, but we have also looked carefully into the machinery by which the CIA activities are coordinated within and between other departments of Government.

While all this is not directly related to the bill before us, I felt at least something should be said concerning the

operations of the CIA generally by those of us who have had opportunity to regularly study its activities.

As has been pointed out, the bill before us was reported unanimously by our committee. What we are proposing here is not new. We are in effect simply extending to some of the employees of the CIA the same type of retirement system as we have had for the Foreign Service.

We established a special retirement system for the FBI and for the Foreign Service in recognition of the extraordinary hazardous nature of the work and the uniqueness of the service itself. Assignments overseas are not at best the most desirable, particularly for any extended period of time. And many of these assignments are necessarily in unhealthy climates and in places where living conditions are no more than tolerable.

In addition, there are all the dangerous aspects involved in connection with intelligence operations abroad. One is frequently under great pressure and certainly not able to live a normal life. It requires a certain type of people to undertake intelligence assignments in remote places and sometimes unfriendly areas.

The purpose of this legislation, to provide for the voluntary retirement of some employees at the age of 50 with 20 years service, is not solely to help those already in the service but to encourage others to dedicate themselves to this type of work. By this legislation we seek to insure a continuing virility in one of the most important agencies of Government.

I urge the enactment of this bill.

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

Mr. ARENDS. I am pleased to yield to the gentleman.

Mr. MACGREGOR. Mr. Chairman, it is frequently said that there needs to be a watchdog committee established by the Congress to oversee the activities of the Central Intelligence Agency. It is said, for example, that such a group is needed, consisting of House and Senate Members of long seniority and demonstrated responsibility. I should like to ask the distinguished gentleman from Illinois whether or not there is not already in existence in the Congress a committee, or committees, consisting of Members of long seniority and demonstrated responsibility to oversee the activities of the Central Intelligence Agency.

Mr. ARENDS. The answer to that is "Yes." As I said in my talk a moment ago, a subcommittee of the Armed Services Committees of the House and Senate and the subcommittee of appropriations, go into all matters concerning the CIA, and it is my opinion that these committees do as good a job as we possibly can. If our present committees were to be enlarged into a so-called watchdog committee composed of Members of the House and Senate, I think it would soon get out of hand with the real possibility that information of the most secret nature might soon become public information and no longer be a secret matter. I would prefer our present practice. I think we do a thorough job. I must say, in commendation of the CIA that when they appear before us, they are very frank, honest, and sincere and at all times ready to reply in detail to any inquiry of any kind whenever we request it.

Mr. MACGREGOR. Secondly, it is said by some of little knowledge of the existence of the Armed Services Committee and the Appropriations Subcommittee, that a watchdog committee is needed so that Members of Congress would be kept informed of the general activities of the CIA. You are informed at the present time, are you not?

Mr. ARENDS. We certainly are informed. Our chairman, the gentleman from Georgia [Mr. VINSON], whenever something comes up, frequently requests the CIA to come before us in closed session and the matter is thoroughly discussed and analyzed.

Mr. MACGREGOR. It is further alleged that such a watchdog committee is needed to oversee the policies of the CIA, the implication being that the CIA is a policymaking body. It is not, is it?

Mr. ARENDS. Such an impression is erroneous, indeed. I pinpointed that just a moment ago. The CIA is not a policymaking body. It is simply an implementing and factfinding group. Policy is made by those who are in authority to make policy.

Mr. MACGREGOR. Mr. Chairman, I thank the gentleman from Illinois for his elucidation.

Mr. RIVERS of South Carolina. Mr. Chairman, I have no further requests for time.

Mr. BATES. Mr. Chairman, I yield such time as he may consume to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, if I may have the attention of the gentleman from Illinois [Mr. ARENDS], I would like to compliment the House Armed Services Committee on being able to get any and every type of information which they wanted from the Central Intelligence Agency. That has not been the experience of some other committees of Congress.

Mr. Chairman, I would have appreciated it had the gentleman went on today and told us who in the Cuban Bay of Pigs fiasco fell flat on their collective or individual faces. I would have appreciated hearing an account of why the CIA's man, Richardson, was removed from Vietnam if the CIA is not dealing in policy in that country.

Mr. Chairman, it was my understanding that Mr. Richardson was brought back from Vietnam because he was trying to establish some kind of a policy. I hope that some day, when we do not have anything else to do in the House, that members of the Armed Services Committee will tell us of some of the things that we common garden variety Members of Congress have been totally unable to learn about the operations of this Agency of Government.

Mr. Chairman, let me say that the CIA at one time came before a committee of which I am a member, the Committee on Post Office and Civil Service, asking for additional supergrades. We asked the representatives of the CIA how many supergrades they had at that time. The answer was, "We cannot tell you," although this was an executive session. I said, "Do you mean to tell the committee you cannot divulge how many employees you have in categories 16, 17, and 18?" They said, "No, we cannot tell you." I said, "We are not asking for job descriptions, we do not ask you for names, we simply ask you for the numbers of employees in the three categories." My friend, the gentleman from Michigan [Mr. JOHANSEN] is present on the floor of the House and I am sure the gentleman will corroborate what I say if there is any doubt.

Mr. Chairman, we adjourned the meeting because we could not even find out how many supergrades they had. In a day or two—I think it was the next day—we were advised that they would drop their cloak of secrecy to tell us how many persons they had in those grades. So they gave us the information, but we had to go through two meetings in order to get just the number of bodies in those three categories, grades 16, 17, and 18.

Mr. RIVERS of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from South Carolina.

Mr. RIVERS of South Carolina. In the first instance, when you asked them how many they had on the payroll, they should have told you. I think it was ridiculous not to have told you.

Mr. GROSS. We are dealing in part with the same sort of thing in this bill. I will tell you why. In the report accompanying the bill you do not have a single letter, or the usual letters from a department or agency of Government in support of or in opposition to this legislation. You have nothing whatever from the Chairman of the Civil Service Commission who administers the Government retirement fund. And, let me tell Members of the House that you had better begin to be concerned about the retirement fund.

Mr. Chairman, I favor certain provisions of this bill, but I warn you that the Government retirement fund is today more than $38 billion in the red. I did not say "millions." I said billions; $38 billion in the red.

In the last fiscal year the retirement fund went $4 billion in the red. You had better begin to be concerned about how you handle retirement from here on out, because somebody, and soon, is going to have to put money into the fund in order to pay out any retirement.

Mr. Chairman, I could hardly believe it when I picked up this bill over the last weekend and read this one sentence:

> The Director may designate from time to time such Agency officers and employees, hereafter referred to as participants, who shall be entitled to the benefits of the system.

I could not believe that a retirement bill could come out of a committee as unlimited as that.

Sure, you are going to offer an amendment now to partially close the door. But with one hand you are going to close the door and with the other you are go-

ing to open it again with the amendment which you propose to offer.

I am going to offer a substitute to your amendment to keep that door closed.

I support the proposal to give proper consideration to those engaged in work hazardous to life and health, but there I want to end. I am not going to give the Director of the CIA the authority to interpret what is normal employment, to open the door again, and perhaps give an unjustified numer of people a fast retirement who may be completely undeserving.

So I will offer a substitute to the amendment and vote against the bill if the substitute fails.

Mr. BATES. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. REID].

Mr. REID of New York. Mr. Chairman, I rise in support of H.R. 8427 to create a Central Intelligence Agency retirement and disability system for a limited number of employees. It is high time that the Central Intelligence Agency should have a career retirement system similar to the one that the foreign service presently enjoys.

There is a clear need to establish and maintain a young career intelligence service. This bill will facilitate that purpose.

Equally, Mr. Chairman, I would like to pay tribute to the men and women of the Central Intelligence Agency who frequently serve at the risk of life and limb in difficult parts of the world. Their service, which goes unpublicized for the most part, should be recognized by the Congress of the United States and their loyalty, their dedication, and their professional character should be backed up by a meaningful career service and retirement system.

Occasionally Mr. Chairman, points are raised that the CIA operates independently of the chief of missions. Just by way of clarification I would like to read from one of the Executive orders bearing on this so that there can be no lack of clarity on the fact that CIA in any embassy is subject to the Ambassador. Former President Eisenhower on November 8, 1960, issued a memorandum which I will excerpt from States:

It is my desire that all appropriate steps be taken to assure that the chief of the U.S. diplomatic mission is effective in discharging his role as the representative of the President. The chief of the mission shall have and exercise affirmative responsibility for the coordination and supervision of all U.S. activities in the country to which he is accredited.

Further, former President Eisenhower in this memorandum said:

It is my desire that the Chief of Mission be made fully aware of his responsibilities and authority in respect to U.S. activities.

The final point in this Executive order, that has been continued, I believe, by President Kennedy, states explicitly that the Ambassador:

Will report promptly to the President as to any matter which he considers to need correction and with respect to which he is not empowered to effect correction.

It is I believe plain that under the Executive orders of the past administration and the present administration, the Central Intelligence Agency and its representatives are responsive to the President and to his personal representative, the Ambassador.

In a word, Mr. Chairman, there is a definite need for this legislation today. It will mean a great deal to the spirit of the Central Intelligence Agency. These men and women deserve well of the United States. It is my hope that the Congress will enact this legislation.

The CHAIRMAN. If there are no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

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

TITLE I—SHORT TITLE AND DEFINITIONS

PART A—SHORT TITLE

SEC. 101. This Act may be cited as the "Central Intelligence Agency Retirement Act of 1963 for Certain Employees".

PART B—DEFINITIONS

SEC. 111. When used in this Act, the term—

(1) "Agency" means the Central Intelligence Agency; and

(2) "Director" means the Director of Central Intelligence.

TITLE II—THE CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

PART A—ESTABLISHMENT OF SYSTEM

Rules and regulations

SEC. 201. (a) The Director may prescribe rules and regulations for the establishment and maintenance of a Central Intelligence Agency Retirement and Disability System for a limited number of employees, referred to hereafter as the system.

(b) The Director shall administer the system in accordance with such rules and regulations and with the principles established by this Act.

(c) In the interests of the security of the foreign intelligence activities of the United States and in order further to implement the proviso of section 102(d)(3) of the National Security Act of 1947, as amended (50 U.S.C. 403(d)(3)), that the Director of Central Intelligence shall be responsible for protecting intelligence sources and methods from unauthorized disclosure, and notwithstanding the provisions of the Administrative Procedure Act (5 U.S.C. 1001 et seq.) or any other provisions of law, any determinations by the Director authorized by the provisions of this Act shall be deemed to be final and conclusive and not subject to review by any court.

Establishment and maintenance of fund

SEC. 202. There is hereby created a fund to be known as the Central Intelligence Agency Retirement and Disability Fund which shall be maintained by the Director. The Central Intelligence Agency Retirement and Disability Fund is referred to hereafter as the fund.

Participants

SEC. 203. The Director may designate from time to time such Agency officers and employees, hereafter referred to as participants, who shall be entitled to the benefits of the system. Any participant who has completed fifteen years of service with the Agency and whose career at that time is adjudged by the Director to be qualifying for the system may elect to remain a participant of such system for the duration of his employment by the Agency and such election shall not be subject to review or approval by the Director.

Annuitants

SEC. 204. (a) Annuitants shall be participants who are receiving annuities from the fund and all persons, including surviving wives and husbands, widows, dependent widowers, children, and beneficiaries of participants or annuitants who shall become entitled to receive annuities in accordance with the provisions of this Act.

(b) When used in this Act the term—

(1) "Widow" means the surviving wife of a participant who was married to such participant for at least two years immediately preceding his death or is the mother of issue by marriage to the participant.

(2) "Dependent widower" means the surviving husband of a participant who was married to such participant for at least two years immediately preceding her death or is the father of issue by marriage to the participant, and who is incapable of self-support by reason of mental or physical disability, and who received more than one-half of his support from such participant.

(3) "Child" means an unmarried child, under the age of eighteen years, or such unmarried child regardless of age who, because of physical or mental disability incurred before age eighteen, is incapable of self-support. In addition to the offspring of the participant and his or her spouse, the term includes (i) an adopted child, and (ii) a stepchild or recognized natural child who received more than one-half of his support from the participant.

PART B—COMPULSORY CONTRIBUTIONS

SEC. 211. (a) Six and one-half per centum of the basic salary received by each participant shall be contributed to the fund for the payment of annuities, cash benefits, refunds and allowances. An equal sum shall also be contributed from the respective appropriation or fund which is used for payment of his salary. The amounts deducted and withheld from basic salary together with the amounts so contributed from the appropriation or fund shall be deposited by the Agency to the credit of the fund.

(b) Each participant shall be deemed to consent and agree to such deductions from basic salary, and payment less such deductions shall be a full and complete discharge and acquittance of all claims and demands whatsoever for all regular services during the period covered by such payment, except the right to the benefits to which he shall be entitled under this Act, notwithstanding any law, rule, or regulation affecting the individual's salary.

PART C—COMPUTATION OF ANNUITIES

SEC. 221. (a) The annuity of a participant shall be equal to 2 per centum of his average basic salary for the highest five consecutive years of service, for which full contributions have been made to the fund, multiplied by the number of years, not exceeding thirty-five, of service credit obtained in accordance with the provisions of sections 251 and 252. In determining the aggregate period of service upon which the annuity is to be based, the fractional part of a month, if any, shall not be counted.

(b) At the time of retirement, any married participant may elect to receive a reduced annuity and to provide for an annuity payable to his wife or her husband, commencing on the date following such participant's death and terminating upon the death of such surviving wife or husband. The annuity payable to the surviving wife or husband after such participant's death shall be 50 per centum of the amount of the participant's annuity computed as prescribed in paragraph (a) of this section, up to the full amount of such annuity specified by him as the base for the survivor benefits. The annuity of the participant making such election shall be reduced by 2½ per centum of any

amount up to $2,400 he specified as the base for the survivor benefit plus 10 per centum of any amount over $2,400 so specified.

(c) (1) If an annuitant dies and is survived by a wife or husband and by a child or children, in addition to the annuity payable to the surviving wife or husband, there shall be paid to or on behalf of each child an annuity equal to the smallest of: (i) 40 per centum of the annuitant's average basic salary, as determined under paragraph (a) of this section, divided by the number of children; (ii) $600; or (iii) $1,800 divided by the number of children.

(2) If an annuitant dies and is not survived by a wife or husband but by a child or children, each surviving child shall be paid an annuity equal to the smallest of: (i) 50 per centum of the annuitant's average basic salary, as determined under paragraph (a) of this section, divided by the number of children; (ii) $720; or (iii) $2,160 divided by the number of children.

(d) If a surviving wife or husband dies or the annuity of a child is terminated, the annuities of any remaining children shall be recomputed and paid as though such wife, husband, or child had not survived the participant.

(e) The annuity payable to a child under paragraph (c) or (d) of this section shall begin on the first day of the next month after the participant dies and such annuity or any right thereto shall be terminated upon death, marriage, or attainment of the age of eighteen years, except that, if a child is incapable of self-support by reasons of mental or physical disability, the annuity shall be terminated only when such child dies, marries, or recovers from such disability.

(f) Any unmarried participant retiring under the provisions of this Act and found by the Director to be in good health may at the time of retirement elect a reduced annuity, in lieu of the annuity as hereinbefore provided, and designate in writing a person having an insurable interest (as that term is used in 5 U.S.C. 2259(h)) in the participant to receive an annuity after the participant's death. The annuity payable to the participant making such election shall be reduced by 10 per centum of an annuity computed as provided in paragraph (a) of this section, and by 5 per centum of an annuity so computed for each full five years the person designated is younger than the participant, but such total reduction shall not exceed 40 per centum. The annuity of a survivor designated under this paragraph shall be 50 per centum of the reduced annuity computed as prescribed above. The annuity payable to a beneficiary under the provisions of this paragraph shall begin on the first day of the next month after the participant dies. Upon the death of the surviving beneficiary all payments shall cease and no further annuity payments authorized under this paragraph shall be due or payable.

PART D—BENEFITS ACCRUING TO CERTAIN PARTICIPANTS

Retirement for disability or incapacity—medical examination—recovery

SEC. 231. (a) Any participant who has five years of service credit toward retirement under the system, excluding military or naval service that is credited in accordance with provisions of section 251 or 252(a)(2), and who becomes totally disabled or incapacitated for useful and efficient service by reason of disease, illness, or injury not due to vicious habits, intemperance, or willful misconduct on his part, shall, upon his own application or upon order of the Director, be retired on an annuity computed as prescribed in section 221. If the disabled or incapacitated participant has less than twenty years of service credit toward his retirement under the system at the time he is retired, his annuity shall be computed on the assumption that he has had twenty years of service, but the additional service credit that may accrue to a participant under this provision shall in no case exceed the difference between his age at the time of retirement and the mandatory retirement age applicable to his grade in the Agency.

(b) In each case, the participant shall be given a medical examination by one or more duly qualified physicians or surgeons designated by the Director to conduct examinations, and disability shall be determined by the Director on the basis of the advice of such physicians or surgeons. Unless the disability is permanent, like examinations shall be made annually until the annuitant has reached the statutory mandatory retirement age for his grade in the Agency. If the Director determines on the basis of the advice of one or more duly qualified physicians or surgeons conducting such examinations that an annuitant has recovered to the extent that he can return to duty, the annuitant may apply for reinstatement or reappointment in the Agency within one year from the date his recovery is determined. Upon application the Director may reinstate any such recovered disability annuitant in the grade in which he was serving at time of retirement, or the Director may, taking into consideration the age, qualifications, and experience of such annuitant, and the present grade of his contemporaries in the Agency, appoint him to a grade higher than the one in which he was serving prior to retirement. Payment of the annuity shall continue until a date six months after the date of the examination showing recovery or until the date of reinstatement or reappointment in the Agency, whichever is earlier. Fees for examinations under this provision, together with reasonable traveling and other expenses incurred in order to submit to examination, shall be paid out of the fund. If the annuitant fails to submit to examination as required under this section, payment of the annuity shall be suspended until continuance of the disability is satisfactorily established.

(c) If a recovered disability annuitant whose annuity is discontinued is for any reason not reinstated or reappointed in the Agency, he shall be considered to have been separated within the meaning of paragraphs (a) and (b) of section 234 as of the date he was retired for disability and he shall, after the discontinuance of the disability annuity, be entitled to the benefits of that section or of section 241(a) except that he may elect voluntary retirement in accordance with the provisions of section 233 if he can qualify under its provisions.

(d) No participant shall be entitled to receive an annuity under this Act and compensation for injury or disability to himself under the Federal Employees' Compensation Act of September 7, 1916, as amended (5 U.S.C. 751 et seq.), covering the same period of time. This provision shall not bar the right of any claimant to the greater benefit conferred by either Act for any part of the same period of time. Neither this provision nor any provision of the said Act of September 7, 1916, as amended, shall be so construed as to deny the right of any participant to receive an annuity under this Act by reason of his own services and to receive concurrently any payment under such Act of September 7, 1916, as amended, by reason of the death of any other person.

(e) Notwithstanding any provision of law to the contrary, the right of any person entitled to an annuity under this Act shall not be affected because such person has received an award of compensation in a lump sum under section 14 of the Federal Employees' Compensation Act of September 7, 1916, as amended (5 U.S.C. 764), except that where such annuity is payable on account of the same disability for which compensation under such section has been paid, so much of such compensation as has been paid for any period extended beyond the date such annuity becomes effective, as determined by the Secretary of Labor, shall be refunded to the Department of Labor, to be paid into the Federal employees' compensation fund. Before such person shall receive such annuity he shall (1) refund to the Department of Labor the amount representing such commuted payments for such extended period, or (2) authorize the deduction of such amount from the annuity payable to him under this Act, which amount shall be transmitted to such Department for reimbursement to such fund. Deductions from such annuity may be made from accrued and accruing payments, or may be prorated against and paid from accruing payments in such manner as the Secretary of Labor shall determine, whenever he finds that the financial circumstances of the annuitant are such as to warrant such deferred refunding.

Death in service

SEC. 232. (a) In case a participant dies and no claim for annuity is payable under the provisions of this Act, his contributions to the fund, with interest at the rates prescribed in sections 241(a) and 281(a), shall be paid in the order of precedence shown in section 241(b).

(b) If a participant, who has at least five years of service credit toward retirement under the system, excluding military or naval service that is credited in accordance with the provisions of section 251 or 252(a)(2), dies before separation or retirement from the Agency and is survived by a widow or a dependent widower, as defined in section 204, such widow or dependent widower shall be entitled to an annuity equal to 50 per centum of the annuity computed in accordance with the provisions of paragraph (e) of this section and of section 221(a). The annuity of such widow or dependent widower shall commence on the date following death of the participant and shall terminate upon death of the widow or dependent widower, or upon the dependent widower's becoming capable of self-support.

(c) If a participant who has at least five years of service credit toward retirement under the system, excluding military or naval service that is credited in accordance with the provisions of section 251 or 252(a)(2), dies before separation or retirement from the Agency and is survived by a wife or a husband and a child or children, each surviving child shall be entitled to an annuity computed in accordance with the provisions of section 221(c)(1). The child's annuity shall begin and be terminated in accordance with the provisions of section 221(e). Upon the death of the surviving wife or husband or termination of the annuity of a child, the annuities of any remaining children shall be recomputed and paid as though such wife or husband or child had not survived the participant.

(d) If a participant who has at least five years of service credit toward retirement under the system, excluding military or naval service that is credited in accordance with the provisions of section 251 or 252(a)(2), dies before separation or retirement from the Agency and is not survived by a wife or husband, but by a child or children, each surviving child shall be entitled to an annuity computed in accordance with the provisions of section 221(c)(2). The child's annuity shall begin and terminate in accordance with the provisions of section 221(e). Upon termination of the annuity of a child, the annuities of any remaining children shall be recomputed and paid as though that child had never been entitled to the benefit.

(e) If, at the time of his or her death, the participant had less than twenty years of service credit toward retirement under the system, the annuities payable in accordance with paragraph (b) of this section shall be computed in accordance with the provisions of section 221 on the assumption

he or she has had twenty years of service, but the additional service credit that may accrue to a deceased participant under this provision shall in no case exceed the difference between his or her age on the date of death and the mandatory retirement age applicable to his or her grade in the Agency. In all cases arising under paragraphs (b), (c), (d), or (e) of this section, it shall be assumed that the deceased participant was qualified for retirement on the date of his death.

Voluntary retirement

SEC. 233. Any participant in the system who is at least fifty years of age and has rendered twenty years of service may on his own application and with the consent of the Director be retired from the Agency and receive benefits in accordance with the provisions of section 221 provided he has not less than five years of service with the Agency.

Discontinued service retirement

SEC. 234. (a) Any participant who separates from the Agency after obtaining at least five years of service credit toward retirement under the system, excluding military or naval service that is credited in accordance with the provisions of section 251 or 252(a)(2), may, upon separation from the Agency or at any time prior to becoming eligible for an annuity, elect to have his contributions to the fund returned to him in accordance with the provisions of section 241, or (except in cases where the Director determines that separation was based in whole or in part on the ground of disloyalty to the United States) to leave his contributions in the fund and receive an annuity, computed as prescribed in section 221, commencing at the age of sixty years.

(b) If a participant who has qualified in accordance with the provisions of paragraph (a) of this section to receive a deferred annuity commencing at the age of sixty dies before reaching the age of sixty his contributions to the fund, with interest, shall be paid in accordance with the provisions of sections 241 and 281.

(c) The Director may in his discretion retire participants in grade GS–14 and above. If so retired they shall receive retirement benefits in accordance with the provisions of section 221, provided they have in each case not less than five years of qualifying and a total of ten years of service with the Agency. Any individual so retired who does not meet these service requirements shall receive the benefits provided for individuals in grade GS–13 as set out in paragraph (d) of this section.

(d) The Director may in his discretion retire participants in grade GS–13 and below, and each such participant shall receive—

(1) one-twelfth of a year's salary at his then current salary rate for each year of service and proportionately for a fraction of a year, but not exceeding a total of one year's salary at his then current salary rate, payable without interest, from the fund, in three equal installments on the 1st day of January following the participant's retirement and on the two anniversaries of this date immediately following: *Provided*, That in special cases, the Director may in his discretion accelerate or combine the installments; and

(2) a refund of the contributions made to the fund, with interest as provided in section 241(a), except that in lieu of such refund such participant, if he has at least five years of service credit toward retirement under the system, excluding military or naval service that is credited in accordance with the provisions of section 251 or 252(a)(2), may elect to receive retirement benefits on reaching the age of sixty in accordance with the provisions of section 221. In the event that a participant who was separated from grade GS–13 or GS–12 and who has elected to receive retirement benefits dies before reaching the age of sixty, his death shall be considered a death in service within the meaning of section 232. In the event that a participant who was separated from grade GS–11 or below and who has elected to receive retirement benefits dies before reaching the age of sixty, the total amount of his contributions made to the fund, with interest as provided in section 241(a), shall be paid in accordance with the provisions of section 241(b).

(e) Notwithstanding the provisions of section 3477 of the Revised Statutes, as amended (31 U.S.C. 203), or the provisions of any other law, a participant who is retired in accordance with the provisions of paragraph (d) of this section shall have the right to assign to any person or corporation the whole or any part of the benefits receivable by him pursuant to paragraph (d)(1) of this section.

Mandatory retirement for age

SEC. 235. (a) Any participant in the system in grade GS–18 or above shall upon reaching the age of sixty-five be retired from the Agency and receive retirement benefits in accordance with the provisions of section 221, but whenever the Director shall determine it to be in the public interest, he may extend such a participant's service for a period not to exceed five years.

(b) Any participant in the system, other than in grade GS–18 or above, shall upon reaching the age of sixty be retired from the Agency and receive retirement benefits in accordance with the provisions of section 221, but whenever the Director shall determine it to be in the public interest, he may extend such a participant's service for a period not to exceed five years.

PART E—DISPOSITION OF CONTRIBUTIONS AND INTEREST IN EXCESS OF BENEFITS RECEIVED

SEC. 241. (a) Whenever a participant becomes separated from the Agency without becoming eligible for an annuity or a deferred annuity in accordance with the provisions of this Act, the total amount of contributions from his salary with interest thereon at 4 per centum per annum, compounded annually as of December 31, and proportionately for the period served during the year of separation including all contributions made during or for such period, except as provided in section 281, shall be returned to him.

(b) In the event that the total contributions of a retired participant, other than voluntary contributions made in accordance with the provisions of section 281, with interest at 4 per centum per annum compounded annually as is provided in paragraph (a) of this section added thereto, exceed the total amount returned to such participant or to an annuitant claiming through him, in the form of annuities, accumulated at the same rate of interest up to the date the annuity payments cease under the terms of the annuity, the excess of the accumulated contributions over the accumulated annuity payments shall be paid in the following order of precedence, upon the establishment of a valid claim therefor, and such payment shall be a bar to recovery by any other person:

(1) To the beneficiary or beneficiaries designated by such participant in writing to the Director;

(2) If there be no such beneficiary to the surviving wife or husband of such participant;

(3) If none of the above, to the child or children of such participant and descendants of deceased children by representation;

(4) If one of the above, to the parents of such participant or the survivor of them;

(5) If none of the above, to the duly appointed executor or administrator of the estate of such participant;

(6) If none of the above, to other next of kin of such participant as may be determined by the Director in his judgment to be legally entitled thereto.

(c) No payment shall be made pursuant to paragraph (b)(6) of this section until after the expiration of thirty days from the death of the retired participant or his surviving annuitant.

PART F—PERIOD OF SERVICE FOR ANNUITIES

Computation of length of service

SEC. 251. For the purposes of this Act, the period of service of a participant shall be computed from the date he becomes a participant under the provisions of this Act, but all periods of separation from the Agency and so much of any leaves of absence without pay as may exceed six months in the aggregate in any calendar year shall be excluded, except leaves of absence while receiving benefits under the Federal Employees' Compensation Act of September 7, 1916, as amended (5 U.S.C. 751 et seq.), and leaves of absence granted participants while performing active and honorable military or naval service in the Army, Navy, Air Force, Marine Corps, or Coast Guard of the United States.

Prior service credit

SEC. 252. (a) A participant may, subject to the provisions of this section, include in his period of service—

(1) civilian service in the executive, judicial, and legislative branches of the Federal Government and in the District of Columbia government, prior to becoming a participant; and

(2) active and honorable military or naval service in the Army, Navy, Air Force, Marine Corps, or Coast Guard of the United States.

(b) A participant may obtain prior civilian service credit in accordance with the provisions of paragraph (a)(1) of this section by making a special contribution to the fund equal to 5 per centum of his basic annual salary for each year of service for which credit is sought prior to November 8, 1960, and at 6½ per centum thereafter with interest compounded annually at 4 per centum per annum to the date of payment. Any such participant may, under such conditions as may be determined in each instance by the Director, pay such special contributions in installments.

(c) (1) If an officer or employee under some other Government retirement system becomes a participant in the system by direct transfer, such officer or employee's total contributions and deposits, including interest accrued thereon, except voluntary contributions, shall be transferred to the fund effective as of the date such officer or employee becomes a participant in the system. Each such officer or employee shall be deemed to consent to the transfer of such funds and such transfer shall be a complete discharge and acquittance of all claims and demands against the other Government retirement fund on account of service rendered prior to becoming a participant in the system.

(2) No participant, whose contributions are transferred to the fund in accordance with the provisions of paragraph (c) (1) of this section, shall be required to make contributions in addition to those transferred for periods of service for which full contributions were made to the other Government retirement fund, nor shall any refund be made to any such participant on account of contributions made during any period to the other Government retirement fund at a higher rate than that fixed by section 211 of this Act for contributions to the fund.

(3) No participant, whose contributions are transferred to the fund in accordance with the provisions of paragraph (c)(1) of this section, shall receive credit for periods of service for which a refund of contributions has been made, or for which no contributions were made to the other Government retirement fund. A participant may, however, obtain credit for such prior service

by making a special contribution to the fund in accordance with the provisions of paragraph (b) of this section.

(d) No participant may obtain prior civilian service credit toward retirement under the system for any period of civilian service on the basis of which he is receiving or will in the future be entitled to receive any annuity under another retirement system covering civilian personnel of the Government.

(e) A participant may obtain prior military or naval service credit in accordance with the provisions of paragraph (a)(2) of this section by applying for it to the Director prior to retirement or separation from the Agency. However, in the case of a participant who is eligible for and receives retired pay on account of military or naval service, the period of service upon which such retired pay is based shall not be included, except that in the case of a participant who is eligible for and receives retired pay on account of a service-connected disability incurred in combat with an enemy of the United States or caused by an instrumentality of war and incurred in line of duty during a period of war (as that term is used in chapter 11 of title 38, United States Code), or is awarded under chapter 67 of title 10 of the United States Code, the period of such military or naval service shall be included. No contributions to the fund shall be required in connection with military or naval service credited to a participant in accordance with the provisions of paragraph (a)(2) of this section.

Credit for service while on military leave

SEC. 253. Contributions shall not be required covering periods of leave of absence from the Agency granted a participant while performing active military or naval service in the Army, Navy, Air Force, Marine Corps, or Coast Guard of the United States.

PART G—MONEYS

Estimate of appropriations needed

SEC. 261. The Director shall prepare the estimates of the annual appropriations required to be made to the fund, and shall cause to be made actuarial valuations of the fund at intervals of five years, or oftener if deemed necessary by him.

Investment of moneys in the fund

SEC. 262. The Director may, with the approval of the Secretary of the Treasury, invest from time to time in interest-bearing securities of the United States such portions of the fund as in his judgment may not be immediately required for the payment of annuities, cash benefits, refunds, and allowances, and the income derived from such investments shall constitute a part of such fund.

Attachments of moneys

SEC. 263. None of the moneys mentioned in this Act shall be assignable either in law or equity, or be subject to execution, levy, attachment, garnishment, or other legal process, except as provided in section 234(e).

PART H—RETIRED PARTICIPANTS RECALLED, REINSTATED, OR REAPPOINTED IN THE AGENCY, OR REEMPLOYED IN THE GOVERNMENT RECALL

SEC. 271. (a) The Director may recall any retired participant to duty in the Agency whenever he shall determine such recall is in the public interest.

(b) Any such participant recalled to duty in the Agency in accordance with the provisions of paragraph (a) of this section or reinstated or reappointed in accordance with the provisions of section 231(b) shall, while so serving, be entitled in lieu of his annuity to the full salary of the grade in which he is serving. During such service, he shall make contributions to the fund in accordance with the provisions of section 211. When he reverts to his retired status, his annuity shall be determined anew in accordance with the provisions of section 221.

Reemployment

SEC. 272. Notwithstanding any other provision of law, a participant retired under the provisions of this Act shall not, by reason of his retired status, be barred from employment in Federal Government service in any appointive position for which he is qualified. An annuitant so reemployed shall serve at the will of the appointing officer.

Reemployment compensation

SEC. 273. (a) Notwithstanding any other provision of law, any annuitant who has retired under this Act and who is reemployed in the Federal Government service in any appointive position either on a part-time or full-time basis shall be entitled to receive the salary of the position in which he is serving plus so much of his annuity payable under this Act which when combined with such salary does not exceed during any calendar year the basic salary such annuitant was entitled to receive on the date of his retirement from the Agency. Any such reemployed annuitant who receives salary during any calendar year in excess of the maximum amount which he may be entitled to receive under this paragraph shall be entitled to such salary in lieu of benefits hereunder.

(b) When any such retired annuitant is reemployed, the employer shall send a notice to the Agency of such reemployment together with all pertinent information relating thereto, and shall pay directly to such annuitant the salary of the position in which he is serving.

(c) In the event of any overpayment under this section, such overpayment shall be recovered by withholding the amount involved from the salary payable to such reemployed annuitant, or from any other moneys, including his annuity, payable in accordance with the provisions of this Act.

PART I—VOLUNTARY CONTRIBUTIONS

SEC. 281. (a) Any participant may, at his option and under such regulations as may be prescribed by the Director, deposit additional sums in multiples of 1 per centum of his basic salary, but not in excess of 10 per centum of such salary, which amounts together with interest at 3 per centum per annum, compounded annually as of December 31, and proportionately for the period served during the year of his retirement, including all contributions made during or for such period, shall, at the date of his retirement and at his election, be—

(1) returned to him in lump sum; or

(2) used to purchase an additional life annuity; or

(3) used to purchase an additional life annuity for himself and to provide for a cash payment on his death to a beneficiary whose name shall be notified in writing to the Director by the participant; or

(4) used to purchase an additional life annuity for himself and a life annuity commencing on his death payable to a beneficiary whose name shall be notified in writing to the Director by the participant with a guaranteed return to the beneficiary or his legal representative of an amount equal to the cash payment referred to in subparagraph (3) above.

(b) The benefits provided by subparagraphs (2), (3), or (4) of paragraph (a) of this section shall be actuarially equivalent in value to the payment provided for by subparagraph (a)(1) of this section and shall be calculated upon such tables of mortality as may be from time to time prescribed for this purpose by the Director.

(c) In case a participant shall become separated from the Agency for any reason except retirement on an annuity, the amount of any additional deposits with interest at 3 per centum per annum, compounded as is provided in paragraph (a) of this section, made by him under the provisions of said paragraph (a) shall be refunded in the manner provided in section 241 for the return of contributions and interest in the case of death or separation from the Agency.

(d) Any benefits payable to a participant or to his beneficiary in respect to the additional deposits provided under this section shall be in addition to the benefits otherwise provided under this Act.

Mr. RIVERS of South Carolina (interrupting reading of the bill). Mr. Chairman, I ask unanimous consent that the bill be considered as read and open at any point to amendment.

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

There was no objection.

AMENDMENT OFFERED BY MR. RIVERS OF SOUTH CAROLINA

Mr. RIVERS of South Carolina. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RIVERS of South Carolina: On page 3, lines 13 to 16, strike out the first sentence of SEC. 203, and substitute in lieu thereof the following language: "The Director may designate from time to time such Agency officers and employees whose duties are determined by the Director to be (i) in support of Agency activities abroad hazardous to life or health or (ii) so specialized because of security requirements as to be clearly distinguishable from normal government employment, hereafter referred to as participants, who shall be entitled to the benefits of the system."

Mr. RIVERS of South Carolina. Mr. Chairman, the purpose of this amendment is to establish legislative criteria by which the Agency would determine those employees who would become participants in this system. The committee during hearings examined very carefully the question of what type of employees should be covered and which employees should remain under normal civil service retirement.

It was made clear that the purpose was to cover only career employees whose duties and responsibilities are predominantly concerned with the conduct and support of intelligence activities in foreign countries. It was also developed in the hearings, and with actual cases as examples furnished in executive sessions, that career employees whose duties are so specialized that they are placed at an unusual disadvantage when required to seek other employment would also be covered by this system.

A significant number of these actual cases were furnished the committee in the executive hearings to illustrate the types of employees who would be covered. One of the threads running through these cases was the hazard both to person and to health. Employees as well as their dependents have contracted diseases which would rarely, if ever, be found in the United States. We heard about cases where employees were wounded or killed by gunfire, and in some cases imprisoned.

In certain phases of the Agency's activities there are requirements for unusual specialties requiring long years of

arduous training, for which skills there could be no utilization in normal employment pursuits.

We learned of certain situations where, through no fault of the employee, his skills and he himself, became excess to the needs of the Agency or for certain reasons he could no longer be utilized effectively by the Agency. These are the people who will be covered—not the clerk, analyst, or researcher who spends his career in Washington.

In furtherance of the objective of concisely stating these criteria and furnishing statutory guidelines to the Director in selecting participants without at the same time imposing undue rigidity, language has been developed which is satisfactory to those members with whom I have consulted and is also agreeable to other members of the Armed Services Committee with whom I have consulted.

The specific language was inserted in section 203 and provides that the Director may designate employees "whose duties are determined by the Director to be (i) in support of Agency activities abroad hazardous to life or health or (ii) so specialized because of security requirements as to be clearly distinguishable from normal Government employment." I believe this language fulfills the objective desired, and recommend it for inclusion.

Specifically on page 3 of H.R. 8427, at lines 13 to 16, strike out the first sentence of section 203 and substitute in lieu thereof the following language:

The Director may designate from time to time such Agency officers and employees whose duties are determined by the Director to be (i) in support of Agency activities abroad hazardous to life or health or (ii) so specialized because of security requirements as to be clearly distinguishable from normal Government employment, hereafter referred to as participants, who shall be entitled to the benefits of the system.

AMENDMENT OFFERED BY MR. GROSS

Mr. GROSS. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Amendment offered by Mr. GROSS as a substitute for the amendment offered by Mr. RIVERS of South Carolina: On page 3, beginning on line 13, strike the first sentence and insert the following:

"SEC. 203. The Director may designate from time to time such agencies, officers, and employees whose duties are determined by the Director to be in support of agency activities abroad or in this country that are hazardous to life or health."

Mr. GROSS. Mr. Chairman, as I said before, the amendment offered by the gentleman from South Carolina in my opinion closes the door and then reopens it. I am not willing to leave to the Director of the CIA the full determination of normal Government employment. The language also reads to this effect, "so specialized because of security requirements." I do not know of any employee in the CIA who is not considered to be employed in a security agency. Therefore, they could all come under this language "so specialized because of security requirements." Why would not every employee of the CIA be under that label, definition and interpretation? As I said before, I am perfectly willing to provide a special retirement program for those who are engaged in work that is hazardous to life or health, but I am not willing to leave it to the Director of the CIA to include anybody else in this fast retirement program. That is the import of my amendment. It does not change the remainder of section 203.

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

Mr. GROSS. I yield to the gentleman.

Mr. CORBETT. I want to commend the gentleman for this substitute amendment that he has offered which would tighten up a very loose arrangement. In the first place, taking this kind of action without real deep consideration by the committee handling pensions is unusual.

Second, granting this discretionary power to one person in the CIA, the Director, to determine who shall get the pension protection and who shall not is a discretion that should not be in the hands of one individual. But if it has to be, this amendment of the gentleman from Iowa should be adopted because it at least puts some restrictions upon this discretionary authority. I commend the gentleman and support the substitute amendment that he has offered.

Mr. GROSS. I thank the gentleman. I am sure the gentleman being the ranking minority member of the House Committee on Post Office and Civil Service will also agree with me that we must watch carefully from here on out as to the number of persons and the expenditures that are made from the retirement fund because, I repeat, it is $38 billion in the red and going deeper in the red by billions of dollars every year.

Mr. CORBETT. And as this bill stands, you would not know how many are going to be able to draw on the pension—whether it is hundreds or thousands or what the figure might be; is that not correct?

Mr. GROSS. That is correct.

Mr. CORBETT. I think both in the interest of the fund and in the interest of fairplay for all the rest of the employees whose paychecks contribute to this retirement fund that this restriction ought to be passed.

Mr. GROSS. I again thank the gentleman from Pennsylvania, who is a veteran member of the Post Office and Civil Service Committee and who takes a leading part in the writing of all other retirement legislation.

Mr. BATES. Mr. Chairman, I rise in support of the amendment and in opposition to the substitute.

In the course of our hearings the doubts that were expressed by the gentleman from Pennsylvania and the gentleman from Iowa were also entertained by the members of the subcommittee. What they have said on this floor today is similar to the same statements which we ourselves made when we were in committee. Contrary to what the gentleman from Pennsylvania said, we did give this matter deep consideration. We went into it very thoroughly. So, when the representatives of the CIA came before us we asked them specifically what they had in mind relative to these unusual individuals to whom would accrue these retirement benefits. They spelled these things out in detail not only with reference to those engaged in hazardous work but also those engaged in fields so specialized that they were very difficult to obtain. Upon the completion of their remarks the members of our committee were unanimously satisfied with the answers to the questions and we understood fully who was to receive the entitlements of this particular bill.

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

Mr. BATES. I yield to the gentleman from Pennsylvania.

Mr. CORBETT. I would like to ask the gentleman, if he can, to say what are the specialized fields. The gentleman's amendment says here that if they engage in any activity abroad or in this country which will prove a hazard to life or health.

Mr. BATES. I understand the gentleman's question. Mr. Chairman, this is not the first time on this floor I have been in this kind of a position where the answer to the question—and the gentleman from Pennsylvania should know this—would impair the national security.

Mr. CORBETT. That is why I asked the gentleman in those words.

Mr. BATES. I will be glad to give this information to the gentleman.

Mr. CORBETT. I said if the gentleman could answer.

Mr. BATES. I will be glad to give this information to the gentleman personally.

Mr. CORBETT. Could you imagine some case that would not be covered by this?

Mr. BATES. Yes indeed, and I will be glad to give the information to the gentleman.

Mr. RIVERS of South Carolina. I can imagine one, and I will be glad to give it to you. We need electronics experts and people with unusual skills requiring all kinds of training.

Mr. CORBETT. If you need them, why do you retire them early?

Mr. RIVERS of South Carolina. Because the skills may disappear.

Mr. CORBETT. They may do what?

Mr. RIVERS of South Carolina. The need for them may disappear. That is why.

Mr. BATES. Mr. Chairman, I still have the floor here.

I would like to say that we did go into this matter very fully. Both on the record and off the record we were told of the type of individuals who do this work and the nature of the work which they perform. We were satisfied as representatives of this Congress with the answers which were given to us. Although we originally had certain doubts, when it was all over that doubt was dispelled. It seems to me if this Congress is to take action today, it should resolve the doubt so that the security of our country would not be impaired.

I am satisfied in my own mind as to the need for this second provision and the wording of the language. When we went before the Committee on Rules they had the same problem in their mind. This is language which has been cleared by the Committee on Rules and it spells out what we had in mind when the matter was considered by the committee. It

seems to me this is as far as we can go in considering the nature of the matter under discussion. Therefore, I ask that the substitute be defeated and the amendment of the gentleman from South Carolina be passed.

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

Mr. BATES. I yield to the gentleman from Michigan.

Mr. JOHANSEN. I wonder if some of the misgivings and concern that are being expressed here, and which I share, do not arise from the fact that the bill that the committee brings to the floor has a completely wide open door. Apparently the committee itself had a serious second thought on the matter and evidences that serious second thought by offering what purports to be a restrictive amendment.

Mr. BATES. I will say to the gentleman the thought we have is not a second thought but a primary thought. We thought about this originally. This matter which developed today is to be expected. Anyone who considers this bill would understand this would be the first thought that would come to their mind. After we went into it in great detail the committee received the assurances of the CIA as to what they had in mind. We were satisfied with these assurances.

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

Mr. Chairman, I just raise the question again—and I do not want to be unfair to or critical of the committee, but if, as the gentleman has said, this was a matter of such earnest thought, it seems to me that it would have been more timely to propose this corrective feature before the bill was brought out of the committee. But beyond that, the thing that concerns me—and I think I can conceive of a situation very readily in which it is impossible for security reasons to spell out or itemize the types of employment or position or job classification that are covered—but is it possible in some way, in expressions of members of the committee to give the clear legislative intent in connection with this particular matter which will preclude the very thing which the members of the Committee on Post Office and Civil Service are so much concerned about?

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

Mr. JOHANSEN. I am happy to yield to the gentleman from Virginia.

Mr. HARDY. I think the only way that that could be cleared up—and it cannot be expressed here on the floor—is this. I will say to the gentleman that the transcript of the hearings is complete, that all of these phases were discussed fully by the subcommittee over a long period of time. There are classified transcripts of the hearings that are in the committee safe, and they establish without question the intent of the CIA with respect to the application of this proposal.

Mr. JOHANSEN. I assume, therefore, that I have the commitment of the gentleman from Virginia that the subcommittee of the Committee on Armed Services will police the matter to see that that intent is not violated?

Mr. HARDY. I am assured by the chairman of the full committee that the matter will be policed.

Mr. RIVERS of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. JOHANSEN. I yield to the chairman of the subcommittee.

Mr. RIVERS of South Carolina. Mr. Chairman, I was going to give the gentleman the same assurance that the gentleman from Virginia [Mr. HARDY] gave. What I read was this: In certain phases of the Agency's activities there are requirements for unusual specialties requiring long years of arduous training for which in some cases there could be no utilization in normal employment pursuits.

If you need anything else, you may have it from our committee secret file.

Mr. JOHANSEN. I understand the gentleman in effect to say that there are what amount to temporary job requirements.

Mr. RIVERS of South Carolina. Positively. We cannot tell everything we know. We must ask you to believe that we have gone into these matters.

Mr. JOHANSEN. The gentleman I am sure knows that I am prepared, certainly, to believe him.

Mr. RIVERS of South Carolina. The gentleman has all the assurances that we have carefully policed this work.

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

Mr. JOHANSEN. I yield.

Mr. GROSS. The gentleman from South Carolina says that this early retirement is necessary in part to take care of specialties, and he mentioned electronics. I imagine we have several thousand specialists in electronics throughout the Government. If we are going to provide early retirement for all the specialists in electronics throughout the Government, that $38 billion that the retirement fund is in the red will be $50 billion if this is the criteria you are going to use to try to convince us that we ought to give early retirement to whomsoever the Director of the CIA may select.

Mr. RIVERS of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. JOHANSEN. I yield.

Mr. RIVERS of South Carolina. Mr. Chairman, in response to the gentleman from Iowa there are many specialties. I happened to mention electronics. There are many that we cannot mention. We know what they are. But we cannot here open up the heart of the CIA to everybody.

Mr. JOHANSEN. Of course, we do not expect the gentleman to do that and we would not request it for a moment. In taking this time I believe I have received what I asked for, which was the assurance that there was a clear legislative intent in the record of the subcommittee and the assurances of the committee and the subcommittee chairmen and the distinguished chairman of the full committee, that the matter would be carefully policed.

Mr. RIVERS of South Carolina. The gentleman has it.

Mr. JOHANSEN. I appreciate that. I will say too that I trust the gentleman understands a little bit of the distrust that some of us on the legislative committee have toward the bureaucracy.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Iowa, to the amendment offered by the gentleman from South Carolina.

The question was taken; and on a division (demanded by Mr. GROSS) there were—ayes, 20, noes, 67.

So the substitute amendment was rejected.

The CHAIRMAN. The question now recurs on the amendment offered by the gentleman from South Carolina.

The amendment was agreed to.

AMENDMENT OFFERED BY MR. JONES OF MISSOURI

Mr. JONES of Missouri. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JONES of Missouri: On page 2, line 15, strike the period and insert a semicolon followed by "such rules and regulations to become effective after approval by the chairmen and ranking minority members of the Armed Services Committees of the House and Senate."

Mr. RIVERS of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. JONES of Missouri. I yield to the gentleman from South Carolina.

Mr. RIVERS of South Carolina. We accept your amendment.

Mr. JONES of Missouri. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. JONES].

The amendment was agreed to.

Mr. MILLER of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I ask unanimous consent to speak out of order and to revise and extend my remarks.

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

There was no objection.

Mr. MILLER of California. Mr. Chairman, we have all listened now to a lot of interpretations concerning what Premier Khrushchev meant when he talked about the Soviet moon program on October 28. I would like to point out that most of the interpretations which have been enunciated thus far have come from those with no direct connection with, or responsibility for, the space program. I have taken the trouble to look up the exact transcript of Mr. Khrushchev's remarks and I heartily commend it to the attention of every Member of House. A careful reading of what Mr. Khrushchev actually said, to my mind, does not indicate that the Soviets are cutting down on their own space program; it does not indicate that they are not heading for a manned lunar orbit in the near future; it does not indicate that they are abandoning any part of their original plans.

Let me make one other point. The fact that we have not heard much lately concerning any deep space efforts on the part of the Soviets does not at all mean that they have not been attempting

them. We can be pretty certain that they have been making a number of complex attempts which in one way or another have not succeeded. They, like ourselves, have run into a very advanced technical area where the developmental going is rough. Very possibly they are having enough scientific and engineering troubles to keep them relatively quiet.

Mr. Speaker, the precise comments of Chairman Khrushchev follow:

Journalist Leopold Vargas, of Colombia asks: Can you tell us whether a flight to the moon by Soviet cosmonauts is planned for the not too distant future?

KHRUSHCHEV. It would be very interesting to take a trip to the moon. But I cannot at present say when this will be done. We are not at present planning flights by cosmonauts to the moon. Soviet scientists are working on this problem. It is being studied as a scientific problem and the necessary research is being done. I have a report to the effect that the Americans want to land a man on the moon by 1970–80. Well, let's wish them success. We shall see how they will fly there, how they will land on the moon and, more important, how they will start off and return home. We shall take their experience into account. We do not want to compete with the sending of people to the moon without careful preparation. It is clear that no benefits would be derived from such a competition. On the contrary, it would be harmful as it might result in the destruction of people. We have a frequently quoted joke: He who cannot bear it any longer on earth may fly to the moon. But we are all right on earth, to speak seriously, much work will have to be done and good preparations made for a succesful flight to the moon by man.

Mr. Chairman, I want to reiterate what I have said on this floor many times, that in sending a man to the moon we are doing so not because we are in competition with the Russians or anyone else but because this program is designed as a part of the scientific facet of the exploration of outer space. The information we develop from this program will be used in that exploration. I for one am not ready to see the leadership in this field surrendered to the Russians.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. THOMAS, 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. 8427) to provide for the establishment and maintenance of a Central Intelligence Agency retirement and disability system for a limited number of employees, and for other purposes, pursuant to House Resolution 543, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

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

Is a separate vote demanded on any amendment?

If not, the Chair will put them en gros.

The amendments were agreed to.

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

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

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

The bill was passed.

A motion to reconsider was laid on the table.

RETIREMENT OF LINDSLEY H. NOBLE

Mr. GARY. 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 Virginia?

There was no objection.

Mr. GARY. Mr. Speaker, on the last day of this month Mr. Lindsley H. Noble will retire from his position as Deputy Assistant Postmaster General and Controller of the Post Office Department. When Mr. Noble joined the Post Office Department on September 1, 1955, as its first Deputy Controller, the Post Office Department was then in the process of modernizing an accounting system it had used virtually without change for many decades. Under his leadership and guidance, the Post Office Department has made tremendous strides in developing a modern accounting system that is equal to any in Government. He will leave his mark on the financial planning and accounting of the post office—a mark that may well be there for a long time to come. His contribution to the accounting system of the post office stems from a long and broad background of accounting experience in various agencies of Government. This background has enabled him to bring that experience to bear upon the many problems confronting the Post Office Department in realigning its accounting system.

Mr. Noble is a certified public accountant and a graduate in accounting and business law from the Walton School of Commerce in Chicago. His professional affiliations include the American Institute of Accountants, the Federal Government Accountants' Association, and the National Association of Cost Accountants. His professional experience includes work as a member of the professional accounting staff of the Office of Price Administration and with the Tennessee Valley Authority. From 1947 to 1952 Mr. Noble served as Comptroller and Assistant Comptroller of the Atomic Energy Commission. He left that position to become Comptroller of the Panama Canal Company, which position he retained until joining the Post Office Department in 1955. During World War II he was finance and accounting officer in France for the American Friends Service Committee in a wartime relief program of the Quakers, of which he is a member.

The Federal Government Accountants' Association honored Mr. Noble in 1960 by awarding him their distinguished leadership award for his outstanding Government service.

As chairman of the Treasury-Post Office Subcommittee of the House Appropriations Committee I have had an opportunity to observe Mr. Noble's exceptional ability. He was an unusually well informed witness whenever he appeared before our committee and showed a remarkable knowledge of the entire operations of the Post Office Department.

The Federal Government will lose a very capable and highly effective official of government when Mr. Noble retires. His capability, leadership, and dedication have set a lasting example of service to his Government for those who follow him in the Federal service. I wish him health and happiness in a well-deserved retirement.

AN AMERICAN TIMETABLE FOR SPACE CONQUEST

Mr. EDMONDSON. 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 Oklahoma?

There was no objection.

Mr. EDMONDSON. Mr. Speaker, American history was founded and sustained by our determination of democratic self-rule with no foreign intervention in our internal affairs.

Within the last few days, a subtle attempt has been made by Chairman Khrushchev to influence American activity in the area of the U.S. space program.

Khrushchev's recent statement that at the present time Russia is withdrawing from the manned moon flight competition has led some individuals to say that America must also cut back and slow down its plans to achieve space superiority.

This is no time to withdraw our efforts at a lunar landing. More important, this is no time to permit the Soviet Union, through its devious pronouncements, to dictate American policy. Such American reactions can only lead to a policy of defeat.

Roscoe Drummond's column in today's Washington Post strikes at the heart of this matter. The columnist points out that "the overriding reason to keep NASA dynamically at its job and in high gear is not to beat the Soviets to the moon but to achieve preeminence for the United States in the mastery of outer space."

It is American preeminence in military, technological, and social matters that has made us the leader of the free world. Preeminence in space is a must for the United States.

Mr. Drummond graphically sums up what is at stake for the United States if we let Khrushchev influence our internal policies:

If for any reason, whether through lethargy, trickery, or indifference, we concede preeminence to the Soviet Union on the way to the other planets, we will be conceding preeminence to the Soviet Union on this planet. If we do not make it our priority objective to achieve mastery of outer space, we will not be first to the moon, we will not be first in space, and the time will come when we will not be first on earth. Then the problem of

the other unfinished business on the agenda of a better peace will really be secondary; then the unfinished business will be survival under the worst of all conditions.

I for one believe that Americans and not Russians are the best judges of whether or not it is worthwhile to continue our efforts at gaining and maintaining superiority in space. I hope no Member of Congress will be influenced by Khrushchev's newly declared position on the moon race.

BILL TO RAISE SALARIES

Mr. SILER. 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 Kentucky?

There was no objection.

Mr. SILER. Mr. Speaker, most of us have read in today's papers about the bill which soon will emerge from the House Post Office and Civil Service Committee providing $10,000 congressional salary increases.

The bill also provides salary increases for Federal and postal workers. I dislike to vote against needed increases for some of these workers but I will certainly do so if the bill incorporates $10,000 increases for Congressmen.

The proposal for congressional salary increase amounting to $10,000 annually is unscrupulous, unnecessary, untimely, unpatriotic and downrightly detrimental to the best interest of our great country.

This bill would rob the widows, orphans and pensioners of our Nation because it would put momentum behind the deadly spiral of inflation. It would compel Congress to accede to every pay increase demand of every group in America. Congress would no longer have any discretion in such a matter. The accusing finger of each demanding group would say, "You did it for your fat selves. How can you turn down my thinly clad children?" And Congress could not. It would have no discretion whatever.

Every great civilization of history has floundered upon the rock of selfishness and personal rapacity on the part of its leaders.

How can we adorn ourselves in self indulgence and luxurious living in the face of the many everyday needs of our people living out there in every congressional district throughout the land? I hope every Congressman who votes for this bill will be haunted by the stinted faces and scantily clad figures of thousands of his constituents who subsist right now not on $22,500, not on $10,000, not on $5,000, but on less than $2,000 throughout all America.

I hope many of you will join with me in demanding a rollcall on this measure.

I hope a hundred thousand letters of immediate protest will come this way in a great deluge from Maine to Montana and from Lansing to Louisiana imploring and demanding that all Congressmen think twice or perhaps 10 times before approving this selfish bill that will be saturated with destruction for this land we love, this United States of America.

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

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

There was no objection.

Mr. HAYS. Mr. Speaker, I want to say to the gentleman who just preceded me, Mr. SILER, of Kentucky, that I think I am going to offer an amendment which will make it possible for him to vote for the bill. I am going to offer an amendment to set the congressional salary at a minimum of $5,000 and a maximum of $35,000. At the beginning of each Congress each Member can come in and sign a certificate saying he thinks he is worth x number of dollars, and that is what he will be paid. Those Members who do not think they are worth over $5,000 can be accommodated and those of us who really perform up to the maximum can also be accommodated.

REPUBLICAN ATTEMPTS TO DESTROY INSTITUTIONS OF THE SOUTH

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

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

There was no objection.

Mr. FULTON of Tennessee. Mr. Speaker, it came as no surprise to me to learn, distasteful as it was, that a leading candidate for the 1964 Republican presidential nomination would like to sell the Tennessee Valley Authority to private power interests. This is Republican thinking. The people of the Tennessee Valley region do not take kindly to this type of thinking but they understand it, considering the source.

However, the Republicans are now attempting to destroy another institution of the people, a grand institution of the South which is loved across the Nation and throughout the world. Mr. Speaker, I am forced to report the Republicans are attempting to destroy or manipulate for their own partisan purpose, the Grand Ole Opry from Nashville, Tenn., my hometown.

This invidious plot came to light last night in a news report which appeared on page 1 of the Washington Star and I include the pertinent portion of this story with my remarks at this point:

"KO THE KENNEDYS": GOP SWINGING HARD TO WIN MISSISSIPPI

(By Paul Hope)

JACKSON, MISS., October 29.—Mississippi Republicans are mixing Goldwaterism, anti-Kennedyism, racism, and the Grand Ole Opry to give the Democrats the first hard run they've had in a gubernatorial race since reconstruction days.

If the Democrats aren't running scared they're at least walking worried toward Tuesday's election.

"KO the Kennedys" is the Republican cry.

"A two-party system in Mississippi would end our way of life," is the slogan of the Democrats who also are campaigning against the Kennedys.

POLITICS NOT IN SEASON

The Republicans think they can win. It would be hard to find anyone to put money on it, though.

But win or lose, the hard-working Republicans, who are really converted but unreconstructed Southern Democrats, are giving Mississippi a big boost toward a two-party system.

Fall in Mississippi isn't the time of year for politics. The Democrats usually have things settled long before now in their primaries, and the thoughts of Mississippians are on cotton, corn, Ole Miss football and whom to put up for Miss America next time. But this year things are different.

Above the noise of the delta cotton gins processing one of the State's best crops in years can be heard the campaign oratory of Republican Rubel Phillips, a handsome and articulate, 37-year-old Jackson attorney.

At night the strains of the Grand Ole Opry comes floating out from the courthouse lawns, beckoning the county folk with familiar tunes and some new words:

"Rubel, Rubel, we've been thinking
What a fine land this would be
If all the Kennedys were transported
Far beyond the Arctic Sea."

Mr. Speaker, this attempted character assassination of the Grand Old Opry through implied political affiliation is one of the most heartless acts of political skulduggery I have ever encountered.

The Grand Ole Opry is an honored family institution. It does not now, nor has it ever had, any political affiliation.

Mr. Speaker, I resent this deceitful attempt by the Republicans to associate themselves with the Grand Old Opry for petty political purpose. I resent it for the people of Nashville. I resent it for the Grand Old Opry, its artists and its stars. I resent it for the people of the South and I resent it for country music lovers, Democrat, Republican or Independent, across the Nation and throughout the world.

OUR FOREIGN POLICY

Mr. LIBONATI. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include a report with miscellaneous matter and tables.

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

There was no objection.

Mr. LIBONATI. Mr. Speaker, the American Colonies, from the very birth of the Nation as a Republic, had difficulty in formulating a foreign policy. As a matter of fact, in the true sense of the term, we actually did not establish what could be called a foreign policy until the Monroe Doctrine was enunciated to the world.

The travels of our first plenipotentiary—Benjamin Franklin—was sent to England to plead our cause. And, later, to Paris. From 1776 to 1777, he alone completed the Franco-American Alliance as a popular ambassador of goodwill; he procured arms and finances from King Louis XIV of France. This episode could be our first venture into foreign relations with another power. Later, in 1783, with John Adams and John Jay, represented

the United States as the Peace Commission.

During the War of 1812, we enjoyed the help and aid of France. Our importance as a nation was recognized through the foreign policy of France honoring our mutual friendly relations.

The Civil War did not add to our stature—it seemed that all of the European nations were awaiting the capitulation of the Union. England would then return to foist upon us her colonial yoke.

The Spanish-American War brought us into the circle of nations. It was the beginning of our recognition as a National Power, and the acceptance of our importance in international relations with the leading nations of the world. Our foreign policy had sputtered out here and there. Admiral Perry, opening the ports of China and Japan to commerce—President Theodore Roosevelt, with the Big Stick, vibrant for U.S. expansion into world markets and the Panama Canal incident.

Certainly, World War I gave us some insight into the itricacies of diplomacy and the establishment of foreign policy—at Versailles—President Wilson learned the heartaches of pursuing a constant and loyal force for peace—and the League of Nations, and finding our friends across the table wielding an unfriendly pen.

Whether political shades of judgment disagree—it was President Franklin Delano Roosevelt who formulated the present U.S. foreign policy, and its effects have saved the freedom-loving nations of the world. We have acted with continued consistency and followed his basic American established principles. They were, in essence, followed by Presidents Truman, Eisenhower, and Kennedy.

To the glory of the American image—no nation recipient of our aid in restoring their dignity as a nation has forgotten it. The restoration of bankrupt governments and the rebuilding of the economies, through the ECA and the Marshall plan, foreign aid, International Loan Bank, our alliances, including the U.N.-support of Laos, Vietnam, Korea, Okinawa, Germany, Greece, Iran, Taiwan, Thailand, Philippines, and so forth, has gained the respect of all.

NATO continues in military aid. The American frontier has moved east and west from our shores to Europe and Asia, respectively. The ruling powers of yesteryear—England, France, Italy, West Germany, and the United Kingdom, are no more. Only the United States and Russia remain in that category, with China, potentially, a near-great power.

The most important future issue is disarmament. President Kennedy, Dean Rusk, Governor Harriman, Governor Stevenson, Vice President Johnson, and Gov. G. Mennen Williams, have made every effort and continue to follow through, at every opportunity of a final settlement of the obstacle, to a council table arena of peace—the unification of the two Germanys, permitting the withdrawal of our Armed Forces on the Rhine, and the disintegration of a decaying Berlin wall. But, even if the hope for a disarmament agreement became a fact, and mutual friendly relations toward the West, a reality—the methods of negotiating its intricate operation and plans of its structural organization and systems of control, would meet serious, and, seemingly, insurmountable, obstacles.

Europe, in a quarter of a century, has changed—Stalin, Mussolini, and Hitler are gone. The issues, forces, and problems have changed with the upheavals and dismembering of empires as a result of World War II. The foreign policy of the United States must remain so flexible as to meet headon, in a few hours, the requirements of the shifting ideologies of nations and their leaders. Diplomacy, alone, can light the powderkeg that would destroy the peoples of the world in a matter of hours. A cautious and wary foreign policy may be the right one, today—and a stern, pugnacious, unbending, and coldly realistic policy, tomorrow. The ambitions of nations, as of men, must be curbed or cultivated as the issue unfolds itself. The doctrine of amelioration in treating with our enemies, or friendly nations, has kept the world from total hot war. To be sure, a cold war does not warm the cockles of the heart of humankind, but, an atomic war means extermination of millions of the human race. Patience is the watchword and fortitude and courage, without fear, the status quo of our defense. Our Nation, as a leader of the nations of freedom, stands prepared for any emergency under arms, and eager for any consultation for talk before action.

An analytical treatment of the subject of the foreign policy of the United States recently appeared in the Washington World (issue of October 28) as to the adequacy or inadequacy of the policy of the United States, by Representative BRUCE ALGER, of Texas, and Representative ROBERT N. C. NIX, of Pennsylvania. Each, in his own inimitable way, has approached the subject from a different viewpoint. These two estimable gentlemen have propounded interesting and challenging issues on the subject. Both of our distinguished colleagues have opened provocative vistas of thought in their masterful presentation of their views.

I, herewith, submit the articles for the RECORD.

DOES THE UNITED STATES SUFFER FROM AN INADEQUATE FOREIGN POLICY?

YES

(By Representative BRUCE ALGER)

(NOTE.—BRUCE ALGER, Republican, of Texas, is known as one of the truly outspoken conservatives in the House of Representatives. He is equally well known for saying "No" only after offering a suitable alternative.

(He was a World War II bomber pilot and now is a member of the powerful Ways and Means Committee, one of whose chores is to find means to help pay for America's foreign aid program. Before coming to Congress in 1954, he was active in business and in Dallas politics.)

The whole world is suffering today because of a basic infection—communism. The infection is spreading mainly because the United States has no policy in dealing with it. The total lack of a firm, understandable foreign policy is perhaps the greatest of the failures of the Kennedy administration.

In almost 3 years as President, John F. Kennedy has shown less understanding, has been guided by more misinformation, and has made more tragic failures, than any of his predecessors.

Nowhere has his failure been more costly than in foreign affairs. Because the President, either through ignorance or by design, has failed to meet the challenge of communism, Soviet imperialism has gained strength and has spread its influence more rapidly than at any time in the past. In spite of the sorry record of what happens when we try to deal with the Communists, the Kennedy administration is going to even greater lengths in "accommodating" the Soviet Union.

To understand better the probable results of further deals with the Communists, we should review how the growth and spread of the world sickness, communism, has been helped by appeasement, deals, trusting unwisely, indications of weakness, and the lack of a firm policy.

At Yalta, Teheran, and Potsdam, Roosevelt and Truman courted Joseph Stalin in the belief we could trust his allegiance after winning the war. Some of the results of the deals made at that time: a divided Germany and the encirclement of Berlin; the enslavement of free Poland, Czechoslovakia; Communist control of the Kuril Islands which set the stage for the present Communist influence in Asia; the death of free Cuba.

President Kennedy stood by while the Communists constructed the Berlin wall, even though this violated a number of agreements, including the basic right of free access.

The inability of the Kennedy administration to face up to Communist aggression in Cuba has resulted in the loss of a once-free nation, the establishment of an enemy military base within shooting distance of the United States, and a training ground and embarkation point for saboteurs and subversion throughout Latin America.

The recognition of a divided country in Vietnam gave the Communists a stronghold in North Vietnam and now American boys are fighting and dying in a war the Kennedy administration refuses to call a war.

Recognition of Communist control of North Korea resulted in war and 133,000 American casualties, humiliation and defeat for the United States, and increased prestige and strength of communism throughout Asia.

Our efforts to accommodate Soviet Russia in the setting up and operation of the United Nations made it possible for the Russians to have their own man as head of the military secretariat continuously, even during the Korean war, when Russia was openly supporting the enemy the U.N. was fighting. The Soviet Union has used the veto to sabotage the peace of the world, to block investigations of Russian aggression and to contribute to the rise of socialistic and communistic nations.

A POLICY OF INDECISION

Finally, through drift, lack of policy and indecision, the administration has put us in the position of accepting a test ban treaty that poses grave danger to our defense and security and Kennedy spokesmen are now doing their best to sell the American people on increased trade and even credit arrangements with the Soviet Union.

This chronology of our inability to map a foreign policy sufficient to meet the Communist challenge doesn't even take into consideration the whole ridiculous history of foreign aid through which billions of American taxpayer's money has been poured into waiting hands around the world, friend or enemy, with no strings. In many cases we have used our wealth to strengthen Communist countries, create Socialist economies, and aid neutrals who are neutral only in support of U.S. self-interest, but far from neutral

when there is an opportunity to side with the Soviets.

To win the cold war and to make freedom secure in the world, it is long past time that we come to grips with the problem and effect an understandable and firm foreign policy.

THE NATION'S NEEDS

It is imperative that the United States: (1) Recognize the world's sickness as communism. (2) Isolate the sickness, label it and refuse to deal with it. We should understand clearly that communism is based on Godless materialism and in any deals in which Godless materialism is engaged with the God-fearing, the evil will sabotage the trusting. (3) We should accept the challenge of the all-out war the Communists have declared on the free world. (4) We should stop supporting and aiding Communists, Socialists, and neutrals. We should provide foreign aid only to our friends and then on a self-help basis through loans with definite arrangements for repayment, and through our technical know-how to enable other countries to do for themselves those things they determine are in their self-interest. (5) We should withdraw recognition of Communist governments, brand them the outlaws of civilization they have proved themselves to be. We should not dignify them by negotiations and deals.

DOES THE UNITED STATES SUFFER FROM AN INADEQUATE FOREIGN POLICY?

NO

(By Representative ROBERT N. C. NIX)

(NOTE.—ROBERT NIX, of Philadelphia, a member of the House Foreign Affairs Committee and its Subcommittee on Africa, is considered by his Democratic colleagues as an outstanding member of both committees.

(Schooled in New York and Pennsylvania, he graduated from the University of Pennsylvania Law School and served in several State legal capacities.

(He was elected to Congress in 1958 and has served there since.)

This question undoubtedly arises from the tendency of critics of American foreign policy to oversimplify problem situations and alternatives in our foreign relations.

The fact that these critics fail to see the whole picture leads them to conclude hastily and erroneously that we do not have a foreign policy. They contend that we are operating without regard for any focus of objectives and actions, without any substantial degree of coordination. Their error is a function of their self-limiting frame of reference—the individual problem situation.

If one attempts to comprehend and criticize our foreign aid program, or our participation in the United Nations, or our nuclear weapons program, the constructive approach would be to consider these in proper prospective rather than as isolated decisions and actions. Likewise, it is not proper nor fruitful to attempt to assess our relations with the Soviet Union, Cuba, Vietnam, Honduras, or France on a strictly bilateral or unilateral basis since they are a part of our total foreign policy.

THERE IS A FOREIGN POLICY

The existence of a foreign policy of the United States is impossible to deny with any degree of validity or truth. This policy, first, is organized around the national interests of our country on the basis of several stated and generally agreed-upon objectives. Second, it reflects the fact that our relations with individual countries are shaped, as well as possible on our part, by those interests and objectives. Third, the basic policy is supplemented by specialized programs designed further to facilitate the attainment of objectives deemed to be in the national interest. Fourth, the policy which emerges is the product of having made the best conceivable use of contemporary international circumstances and national resources.

Our foreign policy, then, is not merely a unilateral response to a particular crisis but it is a reflection of past experiences, present conditions, and future expectations viewed in the context of political realism.

In the broad sweep of American history, our foreign policy has revolved around different interests and objectives at different times. Isolationism from Europe and New World expansion characterized the pre-1900 period. The extension of American private interests and influence outside the Western Hemisphere was a central feature of the period between 1900 and the end of World War II. Since then, the United States has been preoccupied with reshaping world politics in line with its firm commitments to defend the freedom and integrity of its own people and those of a major portion of the world.

Some critical realities exist today which are consequences of the emergence of new power elements on the world scene while former ones have declined. A new power structure, judged by different criteria than before World War II, reflects the undisputed rise of the Soviet Union and Communist China to positions of prominence in world affairs. The separate blocs of nations associated with the Western and Soviet camps and the host of uncommitted nations also are parts of the total picture to be drawn from the stark realities of contemporary international politics.

The United States has to deal with these elements, although it does not compromise its posture or subordinate its interests to them. We face, too, a new set of "rules of the game" which we have helped to determine in view of new tools and techniques of dealing with dynamic international situations and movements.

Out of all this, the United States has developed a coordinated and constructive approach to foreign relations. That approach represents the collective wisdom and determination of the Presidents of the last several administrations, the Secretaries of State, a bipartisan majority in both Houses of Congress, a host of nonpartisan advisers and critics outside the Government, and a resourceful aggregate of private organizations which concentrate on making constructive contributions to the evolution of foreign policy.

NO APPARENT DIVISION

There is no sharp dichotomy to be drawn which permits a judgment that we do not have a foreign policy, or that it is a "no-win" rather than a "win" policy, that it is a "soft" rather than a "hard" policy. Ours is a firm policy, centered in promoting the national interest within the context of political realism as it relates to world politics. It is dynamic and flexible and, above all, it is permissive of the widest range of favorable alternatives.

A distinguished fellow Member of the House of Representatives, Representative BRUCE ALGER, of Texas, has authored an argument on the other side of this question which is published on the previous page. I urge the reader to evaluate both his statement and mine in a critical manner, regardless of the reader's predisposition to agree or disagree with one or the other of us.

I urge that this evaluation stress careful examination of the positive as against the negative elements of the two arguments. Consider, for example, whether either article views foreign policy in its totality or whether there is negative criticism of "bits and pieces" of foreign policy without any effort to relate what is criticized to a coordinate policy.

REPORT 4: KOREA

Mr. LIBONATI. Mr. Speaker, in this series of reports submitted, Representative Roland V. Libonati of Illinois, Chairman; Representative John M. Slack, Jr., of West Virginia; Representative George E. Shipley, of Illinois; and George A. Wrian, Appropriations Committee aid; and Col. William D. Lynch, U.S. Army, escort officer at the invitation of the Secretary of the Army Elvis J. Stahr, Jr., visited several countries of the Orient, and Alaska, to study field operations, modernization, availability, training programs, including contributions of the services to the American image, the reaction of the people to American intervention and interest, the philosophical, historical, and social background of these states, together with a study of their economy, problems, and attitudes toward the Western nations.

We are fully cognizant of the fact that lack of appropriate space in the CONGRESSIONAL RECORD and the security rules of classified material prevent a full discussion of the facts and information imparted to us through our genial and distinguished host, General Meloy and his staff in the long briefing.

We cannot praise too highly the splendid services rendered to the group by our distinguished escort officer, Col. William D. Lynch. His constant vigilance and extraordinary abilities and experience in the trials and problems of travel and his profound knowledge in military science, reorganization, and modern operations were invaluable to us.

The United Nations Command at Seoul represented by Gen. G. S. Meloy, Jr., Commander in Chief, and the U.S. Ambassador Samuel D. Berger, whom the Koreans respect and admire warmly, greeted us at Kimpo Air Base, Korea.

Our visits with Byeng Koun Bak, ROK Minister of National Defense and Prime Minister Kim Hyun Chul were interesting and informative.

We were observers during the Army tests, accompanying General Meloy, Lt. Gen. Harvey H. Pischer, and Maj. Gen. Chester A. Dahlen, Infantry Division commanding general at a point overlooking site of attack by 1st Battle Group, 31st Infantry. The briefing on the missions of the 9th Cavalry was given by Lt. Col. Stanley Y. Kennedy, commander of the 9th Cavalry.

After maneuvers—the command was very considerate in grouping the servicemen hailing from our States—I had the honor of greeting Pfc. Garret A. Tansley, of Maywood, Ill., Sp4c. Irvin Jones, of Chicago, Ill., and Pfc. Robert L. Parker, Danville, Ill., members of the 1st Battle Group, 31st Infantry, 7th Infantry Division on the field. It was like home week for me and these patriotic defenders of our Nation from my beloved State. The other members felt elated too.

Our meeting with Lt. Gen. Herbert B. Thatchen, Chief of Staff, and Ambassador Samuel D. Berger at General Meloy's office added much to the kindness of our visit.

We were briefed for hours by the officer specialists on different phases of the organization, training, and field operations of our Army, Marines, Navy, and Air Corps; yet under circumstances beyond our control and for security rea-

sons, the classified material of the discourse and the interrogations presented by our group cannot be divulged for common consumption. But it is sufficient to say that the high caliber of the officers and the acute intelligence of the men trained in their military talents have given us, the American people, the most powerful and efficient military force in the world—the Korean officers and men are of the highest quality of any troops in the Western Pacific.

At the Yongsan Military Reservation in Seoul, we learned of the terrific military impact of the concentrated effort there of the contributions of our military leaders to the development of the military strength in Korea.

It is unfortunate that General Meloy received his retirement in July, for he is not only a distinguished soldier but truly a leader of men—loved and respected by his soldiers and beloved in the hearts of the Koreans.

One of the most thrilling experiences was the review of the 8th U.S. Army honor guard in honor of our visit. It was a great honor paid to us—standing beside General Meloy as the honor guard passed in review before us. The ceremony was a touching one that we will never forget. Our party with great humility thanked the general and his staff to be so graciously honored.

The problems of Korea have been with us for nearly two decades. Her internal political strife has warped her progress in developing economic independence. Her industries built by the United States suffer because of a complete lack of industrial leaders to direct and manage its productive operations. The military are in control and because of their lack of business proficiency, results are unsatisfactory.

The United States has extended every effort in dollars and expert advisers to give impetus to the commercial and business enterprises of the Korean economy but it still is engulfed in a stagnant dead center. Its economic and political troubles are of a historical heritage. For centuries Korea has been the victim of marauding conquerors suffering bloodshed, slavery, and privation. The Korean peninsula, extending 500 miles in length, lies open to attack and accounts for her turbulent history.

In Seoul, the capital, the political giants and military rulers dominate the life and future of the laborious thousands who seek to eke out a living. The farmers in the villages work their rice paddies from morning till dusk praying for an abundant rice crop—the difference between starvation and a meager living.

If honest political leadership would become assertive in dedicating their work to the public interest and foster needed reforms to promote the welfare of the 26 million people in an established democracy—only then would the nation prosper.

The Korean war, 1950–53, fought to seal off Communist aggression, cost the United States 54,246 American dead and 103,284 wounded. Further, millions of dollars of U.S. investment after World War II were destroyed in the conflict. The United States has invested $5.4 billion in military and economic aid—otherwise South Korea's status as a government would have failed.

The funds that were advanced by the United States to stabilize the economy have been diverted to feeding, clothing, and housing the impoverished population—thus diminishing the sums intended for investment in plants and equipment.

The strong 600,000 army also costs millions of dollars—but both our and their military leaders have to their credit perfected a military force that could be compared in strength and devastating power to the best armies in the world. The Korean soldier is a loyal patriot schooled in the art of war. We watched as observers their training—on bayonet runs, in guerrilla operations, mass formation drills in the field and dropouts while airborne—we were proud of their display of courage and efficiency. After all, these men are fighting on our side; otherwise, thousands of our soldiers, needed on other fronts, would be quartered here, and necessarily added thousands of American youths would be drafted to be trained for military duty for replacement.

The Korean troops—called ROKS—and the name is highly descriptive, have engaged in all sorts of construction work—the material furnished by the United States—barracks, mess halls, and various structures needed by the personnel.

The old type thatched (reed) roofed barracks were an insult to human beings. The reed-stacked roofs and walls were nests for all types of vermin. The wooden, rough hewn, boxed beds with straw and reed sacked bags were no comfort to hard trained soldiers in sun burnt fields all day long. During heavy rains the water would seep through, washing down on the men. Deaths and serious injuries would occur upon the collapse of the heavy-laden roof structure—which happened regularly. There is still need for new army barracks throughout the command.

The few new structures that were built were designed by the Army engineers and are a compliment to the American command that made these improvements possible.

We visited the observation posts facing the enemy (at the 38th Parallel demarcation line). The skills of manpower and millions of hours spent in tunneling hills to protect their freedoms; the many corridors and approaches to the firing, supply, quarters, kitchens, and detachment rooms throughout the positions are a revelation of man's ingenuity. It was a real stirring experience to look out of the firing slits with cannons and firing pieces in place for immediate action against the enemy. Men always on the alert.

The enemy must have known we were there—UNC Commander in Chief Gen. Guy S. Melony, Jr., who accompanied us, said that the music and propaganda emitted through their loudspeakers were always activated when visitors attended the diggings. We have only to look back to the end of World War II when open warfare broke out between Chiang Kai-shek and the Communist forces of Mao Tse-tung. The United States, through the Marshall mission, tried to promote a consolidation of all political sectors, including the Communists, and when frustrated, withdrew support from Chiang Kai-shek and placed an embargo on military aid to the Kuomintang regime, as to whether it was due to Soviet military aid to the Kuomintang or other aspects of Soviet and United States policy. In any event, the net result was that the Chinese Communist Party seized control of the mainland of China with the withdrawal of Chiang to Taiwan—Formosa.

The Chinese Communist intervention against the United Nations forces in Korea led by the United States is a bitter memory in United States-Red China relations. The U.S. policy of "leashing" the forces of Chiang Kai-shek on Taiwan was instituted when we refused Chiang's offer to send troops to Korea. At the same time we warned Mao against attacking Taiwan. This policy with variations has been followed ever since. President Kennedy stated—June 27, 1962—that the administration supports the policy of ex-President Eisenhower which had called for Communist China's agreement "to the mutual renunciation of the use of force" in the Taiwan area; in the event of aggressive action against Quemoy and Matsu the United States would take action necessary to assure the defense of Taiwan and the Pescadores as provided for in the Taiwan resolution adopted by Congress in 1955.

The prolonged Korean truce negotiations resulted in agreements about truce inspections which the Communists have consistently evaded; in agreements against military buildups which they immediately violated; in agreements to exchange military prisoners which the Communists have never carried out.

The political hubbub in Korea since World War II could be likened to a tug of war—the outs slugging the ins to succeed in gaining access to the public till to practice the corruption of those in power. Thus this lust for power does not contribute much to the realization of the establishment of the democratic principles of a democracy.

The students of Korea smashed the Sygman Rhee government and the military another, but no true leadership resulted in these changes.

Gen. Chung Hee Park headed the military regime for 2 years—with really no significant or startingly results. The dictator type of government divorces the interest of civilian politicians—especially the corrupt strain.

U.S. pressures resulted in the recently held elections. General Park was elected by a not-too-comfortable majority. His reforms promised the people, if carried out, a substantial contribution to a stable economy and the establishment of democratic principles in government.

General Park as chairman of the military junta ruled Korea for 2 years. Premier Kim Hyun Chul announced the return to civilian government this fall. General Park in his campaign for the

presidency listed his accomplished public reforms as chairman.

Korea now enjoys diplomatic relations with 60 countries—an increase of 39.

The nation has passed through a religious reformation and civic reforms—closing of vice lairs, improved sanitation, rehabilitation of dwellings, and the removal of rubbish and the debris of war-torn areas; all types of construction including factories, businesses, and homes.

The educational facilities of the country expanded the contributions to the strength of the economy by increasing factory production—exports increased to double the previous exports. The farmers for the first time received aid, improving their financial status.

The balloting for the national assembly will be held in November.

THE REVIEW OF THE KOREAN ECONOMY AS TREATED IN THE KOREAN REPORT

Although Korea suffered economic setbacks in 1962 due to raises of indirect tax rates and railroad freight charges, unsatisfactory economic circulation caused by the currency reform and the refund of illicit fortunes, and the shortage of electric power due to drought—the total value added by the manufacturing industry reached 37.2 billion hwan, an increase of 23.9 percent over 1961 current prices and over 16.1 percent over 1961 constant prices.

The factors that contributed to this increase resulted from the tightened ban on sales of specific foreign products, prohibiting the import of specific items, the lowering of rates on electric power for small- and medium-scale business, the releasing of fiscal funds and bank funds for credit to relieve a stagnant condition of small business. The other policies that stimulated basic industries were the establishment of the Investment Information Center and the enactment of the law concerning the payment of foreign loans and the special measures law concerning the introduction of foreign investments, the establishment of the Trade Promotion Corp., and the preparation of various construction plans for major basic industrial plants including an integrated steel works with a 310,000-metric-ton capacity—pig iron—a year, an oil refinery, a fertilizer plant, and thermal plants and other related industrial plants—all part of the Ulsan industrial complex.

Also the setting up of the industrial standardization 5-year plan to standardize 300 kinds of industrial products, the Government designated 40 more model small and medium enterprises in addition to the 10 already designated in 1961. The Korea Productivity Center was commissioned to conduct business management analysis and management guidance for these model enterprises.

A responsible operating system and independent account settling system were set up for Government-controlled enterprises by means of legislating the budget accounting system, thus unifying the accounting system.

The Korea Productivity Center and the Korea Business Management Research Center and several other domestic business management research institutes in a study and analysis of business management resulted in an adjustment of the financial structure and improvement in profits.

The major industrial plants constructed during 1962 under these modernized government policies were:

The Honan fertilizer plant, started May 1958 and completed December 1962, capacity 85,000 tons of urea a year, together with the Chungi fertilizer plant being constructed for completion next year, capacity 200,000 metric tons, will produce 40 percent of nitrogenous fertilizer needed for national demand. The investment of $27 million in foreign exchange and 1 million won represent the costs of construction. Its thermal power plant is capable of producing 25,000 kilowatts in excess of its needs—some 7,000 kilowatts—for power consumers in the Cholla Provinces.

Meanwhile the second kiln of the Inchon flat glass plant was started September 1960 and completed February 1962, with an annual capacity of 250,000 cases of flat glass. The plant addition cost $780,000 in foreign exchange and 30 million won in domestic funds and went into operation November 1962.

The Saenara automobile assembly plant, capable of turning out about 2,000 automobiles a year, was completed at the end of August last year, 5 months after the initiation of construction. It has the ultimate goal of meeting domestic demand for automobiles exclusively with domestically made ones.

Also, the Korea plywood plant, which will contribute to expansion of exports, was completed in December, 10 months after construction was initiated. It required $170,000 in foreign exchange and 30 million won in domestic funds and will be able to produce 3.6 million sheets of plywood a year.

An additional plant of the Sinhan bearing manufacturing plant, the only bearing producer in Korea, was completed in December with 30 million won in domestic funds, thus doubling the capacity of the company, in accordance with the increasing domestic demand for bearings.

The Taejon plant of the Taewon Paper Mill Co., aimed at substituting the importation of kraft paper used for manufacturing paper bags to hold sugar, fertilizer, cement, and other industrial products, was completed and test operated in December. It has annual capacity of producing 6,000 metric tons, and required $550,000 in ICA funds, $100,000 in government dollar holdings and 80 million won in domestic funds to build.

The Korea art papermill, constructed with $125,000 in ICA funds, went into operation from October. It has an annual capacity of 2,000 metric tons and produces high-grade printing paper for the first time in this country.

Moisture-proof tinfoil is being produced at a monthly rate of 10,000 reams by the Samjin aluminum plant which was constructed with $30,000 in ICA funds, $15,000 in foreign exchange, and 8 million won in local funds.

The Sampoong papermill, which produces newsprint, concluded a contract with Eascher Wyss Co. of West Germany for the receipt of a loan amounting to $292,000 for the expansion of its facilities to an annual capacity of 4,000 metric tons.

The progress status of the construction of major industrial plants outlined in the 5-year plan is as follows:

Trends of changes in annual manufacturing production index

	Value added	1961	1962	Change, percent	Change in 1961, percent
Manufacturing index	(100)	(104.3)	(121.8)	(+16.8)	(+4.3)
Foods	9.8	109.9	105.7	−3.8	+9.9
Beverages	4.2	105.1	99.2	−5.6	+5.1
Tobacco	4.1	108.6	121.2	+11.6	+8.6
Textiles	23.4	91.2	105.6	+15.8	−8.8
Wood and cork	5.7	93.5	111.5	+19.3	−6.5
Paper and paper products	3.1	122.3	145.4	+18.9	+22.3
Printing and publishing	4.8	80.9	99.7	+23.2	−19.1
Leather and leather products	.4	123.0	126.2	+2.6	+23.0
Rubber products	5.8	94.7	99.9	+5.5	−5.3
Chemicals	5.9	120.2	142.1	+18.2	+20.2
Petroleum and coal products	3.0	137.3	160.9	+17.2	+37.3
Glass, clay, and stone products	9.0	99.8	130.6	+30.9	−.2
Base metals	2.9	85.6	119.2	+39.3	−14.4
Metal products	3.1	107.7	134.1	+24.5	+7.7
Machinery	2.8	145.9	199.7	+36.9	+45.9
Electric machinery	1.3	134.9	248.8	+84.4	+34.9
Transportation equipment	3.2	146.8	148.2	+1.0	+46.8
Miscellaneous	7.5	101.2	144.0	+42.3	+1.2

As mentioned above, the Honam fertilizer plant, scaled at an annual production capacity of 85,000 metric tons of urea, went into test operation in December.

However, although an agreement has been reached with USOM authorities as to the kinds of fertilizer to be produced by, and the scale of, the third fertilizer plant—165,000 metric tons of urea, 100,000 metric tons of ammonuium superphosphate, and 55,000 metric tons of potassium chloride—imported—no decision has been made as to the source for procurement of foreign investment.

No consent has been obtained from AID authorities for a plan proposed for doubling the capacity of the Chungju fertilizer plant to a scale of producing 85,000 metric tons of urea a year.

A construction contract was concluded with the Fluor Co. of the United States for the establishment of an oil refinery to be scaled at processing 9.3 million barrels of various kinds of petroleum products a year, simultaneously with the establishment of the Korea Oil Corp. However, a plan for the supply of various kinds of petroleum products and for additional expenses is still undecided and

the construction of the oil refinery did not go into full swing within the year, although the primary and secondary ground-leveling work was finished in Ulsan Industry Centre.

Approval was obtained from DLF authorities for the construction of a soda-ash plant scaled at an annual production capacity of 28,700 metric tons, but approval is being awaited from the same authorities for an application filed for changing the site of the plant.

The promoter of a straw-pulp mill, whose construction was planned with a total anticipated scale of an annual production capacity of 15,000 metric tons, was not selected due to problems pertaining to the collection of raw materials, transportation, storage, and technology. But a loan contract scaled at $617,000 was concluded by the Samyang Paper Mill, which was selected as the promoter, with the Escher Wyss Co., of West Germany, for the construction of a semi-chemical pulp mill with an annual production capacity of 7,500 metric tons.

As for cement plants, whose market demand is increasing by 7 to 11 percent every year, a plan foresees the completion of the construction of three cement plants in 1964 with a total investment of 16.7 million in foreign exchange and 890 million won in domestic funds. By 1965 the national capacity of cement is expected to be boosted by 950,000 metric tons over that of the present capacity and ground-leveling work for the construction of the three cement plants was completed during 1962.

A newly integrated steel works under the principal argeement of November was not established because the Korean private promoter was not decided. The works is scaled at an annual production capacity of 310,000 metric tons of pig iron but the construction was interrupted at the ground-leveling stage.

MANUFACTURING PRODUCTION INCREASES DESPITE MANY AFFECTING FACTORS

Due to increases in indirect tax rates for some consumer goods effective the beginning of 1962, an unprecedented increase in production occurred at the end of the previous year in order to stockpile the commodities at a cheaper price. Consequently production activities slowed down at the beginning of the year as the demand for stockpiling disappeared.

However, from March, production activities gradually recovered a sound tendency because of the activated production activities for substituting imports following measures aimed at banning the sales of specific foreign goods and the import of such items, expanded financial support including the release of small-medium industry loans, and so forth, and the gradually increasing demand of both urban and rural areas for consumer goods. Thus, in May, the index number of manufacturing production reached 129, or 4.2 percent over the level of December of 1961.

Nevertheless, in June, when an increase was previously expected in production with the demand-increasing season, the index decreased to 119.7, a decrease of 9.3 percent from that of May, because of the blocked financial circulation and a decrease in the demand for consumer goods following the Emergency Currency Measure—currency reform—enforced in the same month, and the deteriorated supply of electric power.

However, because of the normalization of currency circulation following the defreezing of frozen deposits on July 13 and an increase in export demand for some items for covering the decrease in inventory during the currency reform, the index increased on a large scale in August, reaching 130.3, slightly higher than that of May, the peak before currency reform.

The stagnation of production caused by the currency reform was recovered earlier than expected because of the continued effect of the increasing tendency before the currency reform, the continued production of some large-scale enterprises with raw materials in stock, and the immunity of special demands such as those of the government including military procurements from the effect of the currency reform, in addition to the reasons explained above.

Such production activities, which started to mark a rising course with August as a turning point, continued to increase after September in many fields, because of various favorable demand conditions, an increase in general demand due to seasonal demand for winter goods, in addition to a favorable supply condition, that is, the satisfactory supply of imported raw materials, thus indicating an index of 133.6 at the end of the year, up 7.9 percent from the end of 1961. This was record high figure. Thus, the annual average production index showed an increase of 16.8 percent from that of 1961.

To break down such production activities by various industrial fields, textile and rubber industries, which showed declining tendencies during the past several years, increased 15.8 percent and 5.5 percent respectively, and saw milling, printing, and metallic industries which were inactive in 1961, each recorded about 20-percent increases. Decreases were noted in the production of food and beverages because of the increased commodity tax rates.

In addition, a high production increase rate of 84 percent was recorded in the field of electrical machinery manufacturing, and noteworthy progress was also made in basic and import substitute industries.

With the full-swing operation of a 160,000-metric-ton-capacity rotary kiln and a 180,000-metric-ton-capacity rotary kiln additionally installed in the previous year respectively in the Mungyong Cement Plant and in the Samchok Cement Plant to meet the increased demand owing to activated construction projects, the production of cement reached 790,000 metric tons in 1962, 10 percent more than the annual capacity—720,000 metric tons—thus covering 85 percent of the total estimated national demand for cement—930,000 metric tons of ordinary portland cement, excluding special portland cement used for military supply or dam construction.

The production capacity of flat glass was doubled to 500,000 cases, but the actual production decreased by 16.3 percent from 1961 because of the storage of 134,000 cases carried over from the previous year, and a decrease in the domestic demand for flat glass. Nevertheless, the second kiln of the Korea Flat Glass Co. went into operation from late in November, with the expected exports of 15,000 cases—worth about $100,000—to the United States and with the prospects for the export of about $35,000 worth of flat glass to South Vietnam following the conclusion of a trade agreement with that country. However, in order to develop this industry as an export industry, measures should be taken for subsidies to cover high production cost and for the achievement of a more efficient management.

In contrast to a decrease in production in the previous year, the textile industry which constitutes the largest single segment of the nation's industry, showed a production increase of 15.8 percent in 1962. The operation of this industry had been kept inactive until April due to the interruption of the issuance of cotton cloth for wages to National Construction Service workers and the decreasing demand resulting from the enforcement of the austere life and the refund of illicit fortunes, but a high rate of operation was maintained from May due to the domestic procurement of all military uniform materials, an increase in export demand and increasing demand in rural areas, especially for cotton products, because of improved rural income. Therefore, the production of cotton yarn and cotton cloth increased by 18 million pounds each. In addition, nylon materials, whose domestic demand increases by 30 percent a year, was produced in a total quantity of 20 million yards, about four times the production of 1961, by means of using thin yarns and responding to local tastes. However, the production of worsted yarns decreased by 980,000 pounds.

Thus, cotton textiles including cotton materials and silk, whose export records reached $941,000 and $2,730,000 respectively in 1961, became highlighted in this report year as export items, as their exports reached $3,083,000 and $4,419,000 respectively, due to increase in exports to the United States and Italy.

Owing to the Government's policy for a better living pattern, including encouragement campaigns for the use of flour, the production of wheat flour reached 328,000 metric tons, up 56 percent compared with 1961, but flour milling facilities were operated at only about 36 percent of their maximum capacity, 920,000 metric tons.

Meanwhile, the production of artificial ice, takchu (crude rice wine) and soft drinks increased, while other foods including alcoholic products and liquor showed decreased production due mainly to the sharp raise in indirect tax rates.

The sugar refining industry, which is one of the major industries depending on aid and holds excessive facilities along with flour milling, produced 54,000 metric tons, down 6.17 percent from 1961, thereby indicating a low operating rate of 22 percent of the full capacity of the existing facilities.

During the year, only three sugar refineries operated while four others were out of operation. Therefore, the sugar refining industry is expected to face continued inactivity unless problems pertaining to its markets are solved through such methods as processing exports or increasing domestic demand.

The paper milling industry maintained a rather stable growth rate during the past several years as an import substitute industry, and produced a total of 76,000 metric tons of paper, up 16.5 percent during 1962. However, the production of ribbed kraft paper decreased.

Newsprint, which is the most important item among all paper products, was produced in a total quantity of 38,000 metric tons, up 15.2 percent compared with 1961. This was because of the positive support of the Government's press policy, although the forest protection law was a big handicap to the supply of timber, the key raw material of newsprint.

The best quality woodfree paper, which had not been produced at all in this country until 1957, was produced in a total quantity of 17,000 metric tons, up 29.8 percent, thus showing a surplus status for the first time.

As explained above already, the production of kraft paper reached 9,687 metric tons, up 91 percent, due to expanded facilities.

Production of the chemical industry increased 18.2 percent following an increase in 1961, mainly because of an increase of 12 percent in the production of carbide, which expanded because of the active operation of plants other than the large Puksam chemical plant, which did not operate in 1962.

The increase was also partly attributed to an increase of 44.4 percent in the production of industrial explosives required for national construction projects, an increase of 25.6 percent in the production of urea fertilizer because of the improved operation of urea fertilizer plants, an increase of 47 percent in the production of soap due to the improved supply of tallow, increased demand, and so forth.

An increase of 84.4 percent in the production of electrical machinery resulted from an increase of 97.4 percent in the production of transformers due to renovations carried out by the Korea Electric Co., a large-scale increase in the production of electric power distribution equipment including fluorescent lamps, the increased production of dry batteries with regard to military supply, and the increased production of radio sets influenced by the campaign to send radios to rural areas.

In other fields, despite raised prices, an increase of 8.6 percent was recorded in the production of tobacco and its products following an increase of 11.6 percent in 1961, because of the strengthened control of foreign tobacco products.

Although the Samhwa Steel Works, the nation's only pig iron producing plant, was not operated throughout this year due to financial difficulty, the overall production of metal products increased by 24.5 percent. Responsible was the increased production of electrolytic copper, steel bar, steel wire, etc.

PRODUCTION CAPACITY INCREASES FOR UREA FERTILIZER AND FLAT GLASS

No great increase was noted in overall production capacity except in the fields of urea fertilizer and flat glass.

As for the operating rate of existing facilities, the manufacturing facilities of flat glass, sugar refining, alcohol, canneries, paint, nails, etc., were operated at a level below 30 percent as in previous years. However, the production facilities of cement, steel ingots and electric copper were operated in excess of the production capacity, and the overall operating rate of all manufacturing plants reached about 63 percent of the entire production capacity, indicating a rather great increase as compared with 1961.

As the urea fertilizer and flat glass plants, whose capacity was doubled during this report year, started operation or were fired toward the end of the year, little actual production records were achieved from those additional facilities.

However, industrial plants constructed with foreign aid showed an operation rate at about 70 percent, higher than that of old facilities. Thus, the operating rate of manufacturing industry during this report year increased by about 7 points compared with 1961:

Production capacity and operating rates of principal manufacturing products

Item	Unit	1961			1962		
		(A) Production capacity, estimated	(B) Production	Operating rate B/A (percent)	(A) Production capacity, estimated	(B) Production	Operating rate B/A (percent)
Canned goods	1,000 metric tons	35.0	7.6	21.7	35.0	5.4	15.4
Refined sugar	do	246.0	64.3	26.1	246.0	53.6	21.8
Wheat flour	do	902.0	210.6	23.3	902.0	328.1	36.4
Alcohol	1,000 sok	490.0	172.3	35.2	490.0	108.0	22.0
Cotton cloth	1,000,000 square yards	267.0	133.0	49.8	267.0	150.6	56.4
Cotton yarn	1,000,000 pounds	147.6	97.4	66.0	148.0	115.7	78.2
Worsted yarn	do	12.2	5.6	45.9	14.4	4.7	32.9
Rayon cloth	1,000,000 square yards	65.2	55.2	84.7	65.2	60.8	93.3
Newsprint	1,000 metric tons	36.0	32.7	90.8	38.0	37.6	98.9
Wood-free paper	do	16.4	13.9	84.8	19.0	16.9	88.9
Rubber shoes	1,000,000 pairs	70.0	40.9	58.4	70.0	51.3	73.3
Sneakers	do	32.0	12.6	39.4	35.0	12.5	35.7
Motor vehicle tires	1,000 each	300.0	160.2	53.4	300.0	179.2	59.7
Rubber belts	1,000,000 inch-ply	108.8	26.0	24.6	110.0	37.7	34.3
Oxygen	Cubic meters	2,100.0	1,402.0	66.8	2,460.0	[1] 2,250.0	91.5
Soap	1,000 cubic meters	67.0	23.5	35.1	69.0	33.1	50.0
Explosives	do	4.8	2.5	52.1	4.8	3.6	75.0
Paint	do	18.0	3.5	19.4	18.0	5.0	27.8
Urea fertilizer	1,000 metric tons	85.0	64.7	76.1	85.0	81.3	95.6
Caustic soda	do	.9	.7	77.8	2.5	2.3	92.0
Cement	do	720.0	522.8	72.6	720.0.	789.7	109.7
Flat glass	1,000 cases	25.0	309.7	123.9	500.0	259.2	51.8
Fire bricks	1,000 metric tons	55.0	16.4	29.8	55.0	24.8	45.1
Pig iron	do	64.0	9.1	14.2	64.0		
Steel ingots	do	69.0	46.7	67.7	69.0	72.1	104.5
Steel bars	do	100.0	34.0	34.0	100.0	41.9	41.9
Electrolytic copper	do	2.2	1.3	59.1	2.2	2.2	100.0
Nails	do	20.0	5.4	27.0	20.0	4.6	23.0
Uninsulated electric wire	do	3.5	.7	20.0	3.5	1.6	45.7
Bicycles	1,000 each	200.0	53.1	26.6	210.0	86.0	41.0
Pencils	1,000 gross	860.0	374.0	43.5	860.0	[1] 260.0	30.2

[1] Indicates estimate.

INDUSTRIAL FINANCE SYSTEMIZED TO BACK INVESTMENT AND PRODUCTION

In order to support investment and production activities of manufacturing industry, banking institutions (including the Reconstruction Bank) newly granted $2.3 billion won in equipment funds and $22.1 billion in operating funds during 1962. Thus, the average monthly outstanding amount of loans reached $23.3 billion won, up 26.5 percent compared with 1961.

While equipment funds increased only 7.6 percent, operating funds showed an outstanding amount of $14.4 billion won, up 41.8 percent.

Thus, the ratio between equipment funds and operating funds was 38 percent to 62 percent, the proportion of operating funds increasing by 7 points compared with 1961, when the ratio between the two was 45 percent to 55 percent.

TRADE PROMOTION EFFORTS REWARDED WITH RECORD EXPORT

The status of exports, one of the major factors of demand for industrial products, for this report year is explained as follows:

Due to such positive export promotion measures taken by the Government as enforcement of the export subsidy system and the barter trade system, the establishment of a bonded processing center, the legislation of laws and decrees for the promotion of exports, etc. In addition to the activation of domestic production activities, major industrial products were exported in an increased quantity.

Raw silk was exported to the United States and Italy in an amount of $4,419,000, up 62 percent and 64 percent.

Plywood and cotton materials were exported to the United States in amounts of $2,780,000 and $1,496,000 respectively, up 11.3 percent and 64 percent.

Wider markets were explored in Singapore, Thailand, Britain, Japan, and Hong Kong, for the export of agar-agar, thus exporting amounts worth $1,455,000, up 22.5 percent.

Canned food was exported in an amount of $404,000, up 208 percent, due to the development of markets in the United States, while tobacco was exported in an amount of $75,000.

However, herb medicines including ginseng extract, whose exports reached $653,000 in 1961, dropped to $143,000 due to the shrinkage of oversea markets.

CONTRACTS CONCLUDED OR APPROVED FOR INTRODUCTION OF FOREIGN INVESTMENT

During 1962, contracts for the introduction of foreign investments were concluded or contracts were approved to be concluded in a total amount of $28,829,000 in 14 cases. In the field of Government loans, a contract was concluded with AID authorities for the introduction of a loan amounting to $4,250,000 for the construction of a cement plant scaled at an annual production capacity of 150,000 metric tons. As for private foreign loans, contracts were concluded in a total amount of $21 million in 11 cases. Of the amount, $12,924,000 will be used for three projects outlined in the plan, two cement plants and a semichemical pulp mill, and $8,076,000 will be spent for the construction of eight plants such as an electrical machinery plant, a textile plant, soluble phosphate fertilizer plant, newsprint mill, high-speed ice plant, and so forth.

As for the introduction of technology, 11 cases were approved for the payment of royalty, ranging between 1 to 10 percent of sales, mainly pertaining to pharmaceutical and cosmetic manufacturing.

The following is the text of the congratulatory address delivered by Chairman Chung Hee Park at the Seoul Stadium ceremony in commemoration of the 18th Liberation Day and 15th anniversary of the founding of the Republic of Korea, August 1963:

Beloved patriots and fellow countrymen. On this day, the 18th anniversary of liberation, recalling the joy and stirring memory of national liberation with all patriotic countrymen, I dedicate my prayers to the souls of numberless patriots who shed their blood to fight Japan and achieve the freedom and independence of the fatherland, and to the fallen U.N. men and officers who assisted us.

This third anniversary of Liberation since the May 16th revolution is indeed meaningful in view of our difficult realities, with the task of transferring power to civilians ahead of us. In this national celebration we should resurrect our emotions and aspirations of 18 years ago today, providing a memorable moment in which we may reaffirm our resolution to construct a glorious tomorrow.

In retrospect, national liberation, which we welcomed 18 years ago with emotion and rapture, did not, unfortunately, give us, the Korean people, a new history of progress and glory. By imposing upon us another misfortune and tragedy, that of national division, liberation bequeathed us a new task, unification of South and North Korea. The democracy of Korea, which was transplanted onesidedly in an immature political climate, was distorted and misused in innumerable instances.

Chronic political depressions and poverty resulted, and finally necessitated two revolutions, April 19 and May 16. Particularly, the obstinate desperation and aggressive savagery of the Communists greatly obstructed the democratic construction of the fatherland, and listless politics of this country, fraught with confusion and retardation, brought about, in the name of democracy, extensive injustice, corruption, and economic waste.

However, instead of regretting or denying, from ornamental pretense or negative logic, the inevitability of the revolution which the dark past of ours necessitated, we must discover a new turning point in national reconstruction in the midst of these overwhelming ordeals.

Beloved people. In the course of various reforms during the postrevolutionary 2 years I have voiced upon a number of occasions new aspirations and convictions for the democratic reconstruction of Korea and its prompt economic development. All the policies aimed at realizing this have been resolutely carried out and the results have been, I am sure, epochmaking.

However, added to the numerous hindrances that have beat us, the natural disasters of the past year dealt a big blow to our economy and impeded the accomplishment of the revolutionary tasks.

But I want to assert that though our revolutionary achievements have not ripened completely, they have, nevertheless, suggested a new direction in reconstructing a new Korea, in achieving independence and autonomy upon the basis of troubled history. It is an undeniable fact that a firm foundation for national reconstruction has been provided. Consequently, the various reforms of the revolutionary government for the reconstruction of Korean democracy and economic independence should be carried on by the new civilian government. I earnestly hope that the revolutionary ideals of May 16 shall be faithfully and thoroughly respected.

Beloved people. Since liberation we have had the appearance of an independent nation, but have not achieved economic independence. Moreover, political corruption, tied with a purposeless aid-receiving posture, crippled the industrial structure of this country and drove the nation into a state of misery, almost despair. These inconsistencies of the Korean economy are clearly reflected in our present economic realities which are threatened with unprecedented natural disasters and ordeals notwithstanding the progress of the Five-Year Economic Development Plan. Fortunately this temporary period of trial is being gradually overcome thanks to the sincere cooperation of our ally, the United States of America, and the united efforts of the government and the people.

We must work out a basic solution to the Korean economy. Our economic independence is absolutely impossible without a far-reaching economic reform like the 5-year economic plan. I emphasize again that for such a bold economic reform, a new awakening of the nation's political leaders, and the people's awareness of the economic possibilities are of utmost importance. Liberation from poverty by means of economic independence is the way to foster our strength to defeat communism and achieve unification, the perfect way to achieve national independence.

Next, I want to mention our present task of rebuilding democracy. Without exaggeration, our past constitutional history may be said to have wavered between two extremes, violent oppression of freedom and disorderliness from an excess of freedom. We cannot ask for the revival of a degraded democracy, unaccompanied by self-discipline and responsibility. That which is most urgently required of us is the establishment of a democratic process which can insure stability and efficiency under a new civilian government. To insure rapid economic progress, political stability, and administrative efficiency are of utmost necessity. I call upon you, the people, once again to devote yourselves to the democratic reconstruction of the fatherland with a sound understanding of free democracy.

The birth of the Third Republic will occur through a general election to be held this autumn. As I have declared many times before, the revolutionary Government will, as its final contribution to the May 16th revolution, accomplish this historical task by holding the most exemplary and fair election in our constitutional history. In exercising this sacred democratic right, useless suspicions and injustice, present in past elections, shall not be permitted.

If each voter exercises his basic right wisely from an objective viewpoint with insight as to the past, present, and future, and if the Government does its best to guarantee and protect the exercising of this basic right, it is certain that the democratic government which we want surely will be born.

If, today, at this important historical point, all of us, the Government, politicians, and the people, really feel our mission and perform the tasks which history demands of us, we shall not repeat the shame of national sufferings, the worrying about injustice, about dictatorship and about corruption.

Today, ruminating on this joy and emotion of national liberation, I assure you, once more, that this historical task shall be accomplished successfully with firmness of faith in democracy, positive participation, objective and wise supervision, and judgment.

The memory of our martyred patriots shall direct us. The new democratic civilian government will, I firmly believe, realize without fail our prayers for a national renaissance.

The United States recently announced a supplemental aid program for $15 million, some $10 million less than was submitted by the Korean Government. Seventy-five million was previously budgeted for the fiscal year by the United States.

The scandals during his recent administration—attempt to control the stockmarket, the $5 million playground Walker Hill investment for tourist trade, and corrupt profit squeeze on the Japanese contract purchase of taxicabs by Koreans—brought forth a pledge of honest investigation and that any corruption would be revealed in the courts.

The Korean military leaders are now fearful that if the United States gets tough and withholds aid the people will topple General Park's regime. But now that a civilian regime is in office, elected by the people, the United States has informed General Park of his obligation to accomplish these aims; namely, a progressive economy and respect for democratic rule and promulgate the rights of the people.

General Park is a talented leader, loves his people and understands that the United States is purely desirous that he advance the fortunes of his nation so that it can take its place of independence among nations as a people of a stable government with credit based on a progressive and steady economy.

After all, we sent our troops to safeguard the freedom of her people against Communist aggression—certainly we are pledged to maintain against internal proselytization and corruptive practices of their leaders. As long as we are there, Koreans will be kept a free people whether friend or foe decrees otherwise. The President of the United States has made our position clear—either a democratic rule or we cut aid in direct proportion that will not hurt the nation too badly

militarily or in its domestic pursuits—but devise a withholding program that would bestir the populace to crashland the political regime in power. General Park knows that the United States and the other nations of the U.N. lost their sons on the bloody battle hills of the Republic of Korea—it was the cruelist war of modern times—inch by inch the lines advanced struggling for victory at the cost of thousands of lives. As long as the cold war continues, General Park realizes that the United States will hold the peninsula against all military odds—for it is the strategic stronghold for the protection of Japan and the free nations of the far western Pacific—the dependence of the Korean Republic on the United States adds to our many problems. It is the responsibility of General Park to help alleviate the terrific financial pressure on our people. He owes it to his own people to give them an honest, democratic government and raise their standard of living by stimulating the economy. Building a strong nation will stimulate the initiative of the people to greater gains in the economy and coupled with its present powerful army gain respect and acceptance in the circle of nations enjoying international trade and participation in the councils of the leading nations of the world.

The Korean conflict showed the communistic world that the nations of the U.N. were adamant in their determination to stop the encroachment of their armies upon the states that were freed in East Asia. The easygoing, kindly, carefree traits of the average American were misconstrued as being the national image of our people. History records how mistaken our enemies were in this concept. Seventeen nations furnished troops in this conflict. The United States shouldered the brunt of the fighting in engagements and strength of military units. The incidents leading to the conflict and subsequent developments are a matter of record.

The unnatural division of Korea into a northern and southern sector is a part and parcel of the Communist master plan to engulf the whole of Asia.

In Korea, World War II ended with the Soviet armies accepting the surrender of all Japanese troops north of the 38th parallel and the U.S. forces accepting their surrender south of the parallel. This temporary arrangement between the United States and Soviet military commanders was used by the Russians to create an artificial barrier and divide a country which had been unified for more than 1,300 years. The four-power pledge expressed at the Cairo Conference and in the Potsdam Declaration by the United States, the United Kingdom, the Soviet Union, and the Republic of China had assured a free and independent Korea.

Efforts by the free world adherents to the Potsdam Declaration during the years 1945–47 failed to achieve Korean unification. Agreement could not be reached even on the basic principles of procedure for discussing the integration of the two segments of the nation. The Soviet Union would not accept the principle of free elections for the establishment of a democratic, Korean government. Convinced of the futility of further direct negotiations, the United States submitted the entire Korean question to the United Nations General Assembly in September 1947. This world body of nations debated the Korean problem and in late 1947, adopted a resolution designed to provide a program for achieving a unified and independent Korea. The Soviet Union rejected the program. As a last resort, a commission established by the United Nations, unable to gain admittance to northern Korea, sponsored free elections in southern Korea in May 1948. From these elections emerged the Republic of Korea recognized today throughout the world, except by the Soviet bloc, as the only acceptable and legal government of Korea.

Any immediate hopes to unify Korea were shattered when the Soviet Union, countering the United Nations recognition of the government of the Republic of Korea, established a northern Korean puppet regime under the label "Democratic People's Republic of Korea" in September 1948. The frontier of freedom ended along the 38th parallel.

Early on June 25, 1950, the Soviet-trained, equipped and directed northern Korean military forces crossed the 38th parallel in great strength, on a wide front, and attacked the Republic of Korea. The United States had withdrawn its combat forces from Korea in June 1949, leaving only a lightly armed Republic of Korea militia to secure the southern area.

The United Nations Security Council, upon being informed of the unprovoked attack on the Republic of Korea, reacted quickly and adopted three resolutions in late June and early July 1950. The first of these resolutions called for an immediate cessation of hostilities; the second requested that the members of the United Nations furnish such assistance to the Republic of Korea as necessary to repel the armed attack and to restore international peace and security in the areas; the third prescribed that members providing military forces and other assistance make these available to a unified command to be established by the United States. Fifty-three nations responded to the United Nations request for assistance to the Republic of Korea; 16 nations furnished military forces.

The President of the United States, on July 8, 1950, acting on the Security Council's request, appointed General MacArthur as the unified commander. Thus the United Nations Command came into existence.

The United Nations Command destroyed the Korean People's Army in 1950, and in 1951 decimated the armies of the Chinese People's Volunteers which had illegally entered the Korean war. After 3 years of the most bloody fighting, the military commanders of both sides agreed to a cease-fire on July 27, 1953. The war failed, as had the joint United States-U.S.S.R. conferences, to unite a divided Korea either within the Soviet colonial orbit or as a member of the Free World community of nations.

The United Nations Command is still in Korea. A peace treaty has not been signed; an armed truce hangs uneasily over this divided country. The primary mission of the United Nations Command is to maintain the sovereignty of the Republic of Korea against Communist aggression and to ensure the continuance of the cease-fire agreement.

The purpose of this orientation is to acquaint you with the Armistice Agreement and the activities of the United Nations Command component of the Military Armistice Commission.

Limited in resources and, ultimately, objectives, the Korean war involved several million men in a bitter struggle of conflicting ideologies. At peak strength the United Nations forces in the field totalled almost three-quarters of a million men—about 400,000 South Koreans, 250,000 Americans, and 35,000 of other nations. In the 3 years of combat, U.N. forces sustained not quite half a million casualties. North Korean and Chinese Communists losses are estimated at 2 million men.

In addition to the sizable United States and Republic of Korea forces engaged, nations contributed ground troops to U.N. forces as follows: two United Kingdom brigades and one Canadian brigade—forming the 1st Commonwealth Division; Turkey—one brigade; Australia—two infantry battalions; Thailand, the Philippines, Colombia, Ethiopia, France, Greece, Belgium, the Netherlands—one infantry battalion each; New Zealand—one artillery battalion; Luxembourg—one infantry detachment; India, Denmark, Sweden, Norway, Italy—medical units. Some of these nations and others furnished naval and air contingents.

The phases of the war, the push and pull up and down the Korean peninsula, the alternating tides of fortune, are portrayed in the following pages of text by Maj. Martin Blumenson, USAR, a historian in the Office of the Chief of Military History, Department of the Army.

OUTBREAK OF THE WAR, JUNE 25 TO JULY 13, 1950

North Korean troops crossed the 38th parallel early on June 25, in three major columns, the main one striking toward Seoul, invaded the Republic of Korea. The United Nations Security Council denounced the aggression, and 2 days later requested assistance to restore peace. President Truman ordered U.S. air and naval forces to support the ROK, then authorized use of ground troops, air bombardment of military targets in NK, and a blockade of the coast. Though gallant ROK defenders had temporarily held up the central thrust, elsewhere the ROK army was overwhelmed. Seoul fell on June 28, and ROK troops streamed southward in retreat. The U.S. 24th Division reached Korea from Japan, Task Force Smith (21st Infantry) making initial contact on July 5 with the enemy near Osan, 30 miles south of Seoul; then it fought delaying actions as the NK pushed south. The 25th Division arrived. Upon U.N. Security Council request, Truman appointed Gen. Douglas MacArthur Commander in Chief of the U.N. Command. By July 13 the North Koreans had overrun half of South Korea.

PUSAN PERIMETER, JULY 14 TO SEPTEMBER 14, 1950

While U.S. personnel of KMAG worked to reconstitute the ROK Army (reduced to less than half its original 100,000 men), U.N. forces made a stand at the Kum River, lost Taejon on July 20, withdrew toward the Naktong. Holding the southeast corner of Korea, so desperately short of troops that

South Koreans augmented U.S. Army units in the KATUSA program, the U.N. forces fought a magnificent defensive battle. Three areas were critical: Pohang-dong, 63 miles north of Pusan on the east coast; Taegu, 55 miles northwest of Pusan on the main highway from Seoul; and Masan, 29 miles west of Pusan on the southern shore. Controlling additional forces—five ROK divisions, the 1st Cavalry Division (arrived July 18), 29th Infantry RCT (from Okinawa, July 26), 5th Infantry RCT (From Hawaii), 2d Infantry Division, and 1st Provisional Marine Brigade (from the United States), Walker shifted units to close off enemy penetrations. The British 27th Commonwealth Brigade arrived from Hong Kong and replaced the Marines, shipped to Japan for a pending operation. By mid-September, despite continuing NK pressure, EUSAK firmly held Pusan.

SOUTH KOREA CLEARED, SEPTEMBER 15-30, 1950

While EUSAK fought the battle of the perimeter, MacArthur prepared an amphibious assault on Inchon to cut the main NK line of communications. Troops of the 1st Marine and 7th Infantry Divisions, under Lt. Gen. Edward M. Almond's X Corps, began to come ashore on September 15. Next day Walker launched a breakout attack from the perimeter. The ROK I and II Corps drove north, Lt. Gen. Frank W. Milburn's I Corps advanced northwest along the main highway to make contact with X Corps; later Lt. Gen. John B. Coulter's IX Corps advanced westward to clear the southwest corner of Korea. Outflanked at Inchon, their main communications severed, squeezed from the south, the NK forces disintegrated. On September 26, as the Inchon and Pusan forces made contact, U.N. forces recaptured Seoul. Reinforced by a battalion each of Filipino and Australian troops, with the 3d Infantry Division and a Turkish brigade soon to arrive, U.N. forces cleared South Korea of the enemy. By the end of September, ROK troops on the east coast again stood at the 38th parallel, while other units were driving toward it without difficulty.

DRIVE TO THE NORTH, OCTOBER 1 TO NOVEMBER 25, 1950

Given authority on October 6 to pursue the defeated Reds across the 38th parallel and destroy them, U.N. forces drove north. The ROK I Corps advanced up the east coast. X Corps embarked at Inchon and Pusan for another amphibious assault. EUSAK's I Corps entered Pyongyang on October 19. The 187th Airborne RCT dropped 30 miles beyond. ROK's reached the Yalu at Chosan on October 26. X Corps landed on the east coast and pushed toward the Yalu. By the end of October the NK army had dissolved; 135,000 prisoners had been taken. But Chinese troops were striking overextended U.N. units. Though EUSAK consolidated along the Chongchon, X Corps reached the Yalu at Hyesanjin, ROK I Corps pushed into the northeast corner of Korea 60 miles from Siberia. The British 29th Commonwealth Brigade, a battalion from Thailand, and South African air units arrived in Korea. Victory seemed at hand when MacArthur announced on November 24 the final drive to the northernmost limit of the Korean peninsula. But within 24 hours the situation was to change with devastating suddenness.

UNITED NATIONS RETREAT, NOVEMBER 25, 1950, TO JANUARY 24, 1951

The "entirely new war" opened November 25 when Chinese Communists forces struck and crushed ROK II Corps on the EUSAK right, next to the mountains separating it from X Corps. Two days later the CCF attacked X Corps around Chosin Reservoir, main EUSAK forces on the west coast, thereby threatening both with encirclement. EUSAK retired overland, covered by action at Kunu-ri, and established defenses below the 38th parallel to protect Seoul. X Corps fought a heroic 13-day battle to the east coast for seaborne evacuation along with ROK I Corps to Pusan. X Corps came under EUSAK, commanded by Lt. Gen. Matthew B. Ridgway after Walker's death on December 23. Dutch, Greek, Canadian, and French infantry battalions and New Zealand artillery augmented the U.N. Forces. Pushed back again by the Chinese in their New Year's offensive, the U.N. lost Seoul on January 4, Wonju during midmonth. When the CCF ran out of gas, Ridgway, with EUSAK's three U.S. corps on the left and the ROK Army on the right, was ready to pass over to the attack.

UNITED NATIONS OFFENSIVE, JANUARY 25 TO APRIL 21, 1951

Ridgway's offensive, designed to damage the enemy rather than gain real estate, was a methodical, limited advance along a solid front developed from a reconnaissance in force into full-scale attack. Operations Thunderbolt, Killer, Ripper, and Rugged carried the U.N. forward. By February 10 forces on the left had taken Inchon and were within striking distance of Seoul. Forces in the center captured Wonju and were probing northward when the enemy struck in two places. The enemy reaction bent back the front and surrounded for 3 days the 23d Infantry (2d Division) and its attached French battalion at Chipyong-ni, where an outstanding action was fought. Enemy pressure relaxed along the front by February 19, and U.N. forces again advanced. A drive up the center outflanked Seoul, which came into U.N. possession again on March 15. An airborne assault on March 23 by the 187th RCT 20 miles northwest of Seoul proved the enemy in retreat. Ridgway succeeded MacArthur as CINCUNC on April 11, Lt. Gen. James A. Van Fleet becoming EUSAK commander. U.N. forces were advancing north of the 38th parallel virtually unopposed.

CHINESE SPRING OFFENSIVE, APRIL 22 TO MAY 19, 1951

The Chinese attacked during early evening of April 22, and cracked the U.N. line in the center, near Hwachon. Rather than expend his troops in a defensive stand, Van Fleet ordered a step-by-step withdrawal to permit the full force of artillery and air to be brought against the enemy. A battalion of the British 29th Brigade, isolated and virtually overrun on April 23, fought a gallant battle. Though Van Fleet had hoped to anchor his withdrawal on Line Kansas, a series of positions across the Korean Peninsula generally just above the 38th parallel, enemy pressure pushed the U.N. south of the parallel after a week. The Canadian 25th Brigade arrived to bolster U.N. forces. The enemy rested, then launched a second offensive on the night of May 15, pushing back the U.N. right, striking on May 17 on the U.N. left. Putting out thousands of tons of artillery ammunition in what came to be called the Van Fleet load, EUSAK stabilized the front. By May 19 the enemy was at a standstill, and it was the U.N.'s turn to take up the offensive.

UNITED NATIONS COUNTEROFFENSIVE, MAY 20 TO JUNE 23, 1951

Against generally light resistance the U.N. forces rolled forward. By the end of May the front was practically back on Line Kansas, and South Korea was again virtually cleared of enemy troops. Though the Joint Chiefs of Staff had limited EUSAK to the general vicinity of Kansas, local advances to gain more favorable ground were permissible. Van Fleet therefore ordered Kansas strengthened on June 1, while at the same time he directed attacks toward the Iron Triangle in the center and toward the Punch Bowl in the east. Though troops for the most part developed defensive lines, patrolled, and engaged in local skirmishes, violent action developed in these two areas, with the result that Van Fleet designated Wyoming in the Triangle area, along with Kansas elsewhere, as the main line of resistance. As the first year of conflict drew to a close, the fighting diminished, stalemate appeared, and political settlement began to seem preferable to military victory. When the U.S.S.R. delegate to the United Nations proposed on June 23 a cease-fire in Korea, EUSAK was well above the 38th parallel and ensconced on favorable terrain.

LULL AND FLAREUP, JUNE 24 TO NOVEMBER 11 1951

With the Chinese indicating an interest in a truce, President Truman authorized Ridgway to negotiate with the enemy military command. Meetings began on July 10 at Kaesong with the understandiing that hostilities were to continue until the armistice was signed. Yet neither side wished all-out warfare while peace talks progressed, and the fighting decreased in intensity. The troops improved positions, consolidated ground, exchanged artillery fire, tried to capture prisoners, raided, and patrolled. A battalion each of Colombian, Belgian, and Ethiopian troops joined the U.N. forces. The two British brigades and the Canadian came together to form the British 1st Commonwealth Division. In August the truce talks broke down. Late that month the Battle of Bloody Ridge commenced. It developed eventually into the Battle of Heartbreak Ridge, which did not end until October 14. Ridgway persuaded the enemy to reopen negotiations at Panmunjom on October 10, but a misdirected U.N. air attack interrupted the meetings. Late in October negotiations finally resumed. Yet the fighting, though subdued, continued.

STALEMATE, NOVEMBER 12, 1951, TO JULY 27, 1953

On November 12, Ridgway ordered Van Fleet to cease offensive operations. Warfare devolved into raids, local limited attacks, combat patrols, artillery fire. U.N. forces established outpost positions to screen the main defensive line, and sharp skirmishes occurred. Two National Guard infantry divisions (45th and 40th) arrived during December 1951 and January 1952, and the 1st Cavalry and 24th Infantry Divisions returned to Japan. Van Fleet retired in February 1953, and Lt. Gen. Maxwell D. Taylor became EUSAK commander. As the armistice negotiations entered their final and decisive phase in May, the enemy stepped up the action. Twice hostile forces struck, once in mid-June, again in mid-July, to erase bulges in the front. The U.N. forces recoiled, lost a few miles of ground, but inflicted great losses. The negotiators reached agreement on July 19, signed the armistice on July 27, and on that day, though the opposing forces remained in place, the warfare that had ranged up and down the Korean peninsula for 37 months ceased and perhaps came to an end.

HEADQUARTERS, UNITED NATIONS COMMAND, MILITARY ARMISTICE COMMISSION, APO 301—EXTRACT 70TH MEETING OF THE MILITARY ARMISTICE COMMISSION HELD AT MAC HEADQUARTER AREA, KOREA, MAY 31, 1956

The United Nations Command has made frequent formal requests in the Military Armistice Commission during these almost 3 years, most recently on February 25, 1956, that your side amend its behavior and comply with these provisions of the Korean Armistice Agreement regulating the introduction of combat materiel and equipment. Your side has failed to meet these demands and has given no indication of any intention

to do so. It must therefore be concluded that your side intends to continue to default on its reporting obligations. It must be further concluded that your side intends to continue its practice of exploiting the unneutral conduct of the Czech and Polish members in vetoing embarrassing inspections, and that the Neutral Nations Supervisory Commission will continue to be unable to detect and disclose the illegal introduction by your side.

The Governments of Sweden and Switzerland have proposed repeatedly during recent months, to appropriate Czech, Polish, and Chinese Communist authorities, the withdrawal of the inspection teams to the demilitarized zone where both sides would continue to report to the Commission. This reasonable proposal has been rejected repeatedly by your side. Most recently, in its note of April 9, 1956, to the nations represented in the United Nations Command, the Chinese Communist regime took the position that this problem could not be solved until the problems of unification of Korea and withdrawal of troops are solved. Consequently, it has become necessary to invoke the remedies available to the United Nations' side to meet the situation created by the defaults to which I have referred. Your side, and also the Czech and Polish members of the Neutral Nations Supervisory Commission, have failed to carry out faithfully important provisions of the armistice agreement. Therefore, the United Nations' side, as a party to that agreement, is entitled to take steps necessary to protect itself from the consequences of such unwarranted conduct. Accordingly, you are no longer privileged to take advantage of these provisions of the armistice agreement which have been violated and frustrated by your conduct, and that of the Czech and Polish members of the Neutral Nations Supervisory Commission.

The United Nations side has exhibited the greatest caution and forbearance in this matter. We have pursued every other practicable alternative course to redress the situation. The course we must now adopt is carefully adjusted to the violations and frustrations, and to the burdens and injury involved, and is the least we must do to protect our legitimate interests under the armistice agreement by lawful, peaceful, and reasonable steps.

Because of these obstructions and violations of your side, and the conduct of the Czech and Polish members of the Neutral Nations Supervisory Commission and Neutral Nations Inspection Teams, the United Nations Command is hereby notifying your side, and the Neutral Nations Supervisory Commission and its subordinate teams at Inchon, Pusan and Kunsan, that the United Nations Command will provisionally suspend, during the time that your side continues in default, performance on its part of these provisions of the armistice agreement governing the operations in the area under the control of the United Nations Command of the Neutral Nations Supervisory Commission and Neutral Nations Inspection Teams.

You are informed that this suspension will be put into effect in about 1 week and the United Nations Command will expect withdrawal of the teams from the area to be effected at that time.

The United Nations Command is taking only such steps as are indispensable to protection of its rights under the armistice agreement. The United Nations Command continues to regard the armistice agreement as in force and limits its action to the particular suspension described above.

Finally, since for the reasons above stated, the Neutral Nations Supervisory Commission teams in the north have not been able to accomplish their purpose, we see no purpose in their remaining there.

HEADQUARTERS, UNITED NATIONS COMMAND, MILITARY ARMISTICE COMMISSION, APO 301—EXTRACT 75TH MEETING OF THE MILITARY ARMISTICE COMMISSION HELD AT MAC HQ AREA, KOREA, JUNE 21, 1957

UNC

I have a statement to make. Almost 4 years have elapsed since the signing of the armistice agreement which ended the Korean conflict. The signatories of that document agreed to be bound and governed by a mutual application of the terms of the agreement.

With complete disregard for your obligations under subparagraph 13d of the armistice agreement, your side has continued to violate the provisions of that paragraph in the following particulars:

(1) You have introduced reinforcing combat equipment of the types referred to in subparagraph 13d in contravention of the provisions allowing only piece-for-piece replacement of equipment worn out and destroyed after the date of the armistice.

(2) You have also introduced combat equipment and weapons of entirely different types and capabilities from any you had in Korea at the time of the armistice.

(3) You have failed to report introduction of such equipment.

(4) You have introduced such equipment at ports of entry other than those specified in the armistice agreement.

The United Nations Command has again and again protested these violations by your side and has attempted in vain to have it comply with the provisions of the armistice agreement. All procedures established by the agreement for the settlement of disputes have been exhausted by the United Nations Command.

The United Nations Command intends to maintain the armistice agreement. However, the flagrant, repeated, and willful violations of that agreement by your side undermine the very provisions which were specifically designed to assure the stability of the military armistice. A cardinal purpose of these provisions was to insure the freezing of the military status quo by maintaining the relative military balance existing on July 27, 1953.

Your side, by its repeated violations of the armistice agreement, has seriously upset the relative military balance by modernizing the building up military capability in the area vastly superior to that which you had at the time the armistice agreement was signed. On the other hand, the United Nations Command, because of its scrupulous observance of the armistice agreement, has not increased its combat equipment and is still equipped with the same type of weapons it had at the time the armistice agreement was signed.

As a result of the long period of time since the armistice went into effect, the equipment and weapons of the United Nations Command have become obsolete and outmoded, and those needing replacement cannot be replaced from stocks on hand or currently in production. This situation aggravates the imbalance created by your breach of subparagraph 13*d* of the armistice agreement. The possibility that this situation would arise was not foreseen at the time the armistice agreement was negotiated and, indeed, it would not have arisen had your side proceeded to negotiate, within 3 months and in good faith a peaceful settlement as was contemplated by the armistice agreement.

In view of these facts and your gross violations of the provisions of subparagraph 13*d*, the United Nations Command considers that it is entitled to be relieved of corresponding obligations under the provisions of this paragraph until such time as the relative military balance has been restored and your side, by its actions, has demonstrated its willingness to comply.

The stability of the armistice and the maintenance of the relative military balance, which it was the primary purpose of these provisions of the armistice agreement to insure, can now only be restored and maintained by the replacement by the United Nations Command of its old weapons with new items currently available. The United Nations Command is taking appropriate steps to this end.

It should be clearly understood that:

1. The only purpose of the United Nations Command action is to restore the relative balance of military strength that the armistice was intended to preserve.

2. The United Nations Command emphasizes the fact that the replacement weapons are being deployed for defensive purposes only.

3. The United Nations Command intends as it has in the past fully to observe the cease-fire provisions of the Armistice Agreement. It intends also to observe all of the other provisions of the armistice agreement save to the extent to which it is entitled to be relieved from compliance because of your violations of subparagraph 13*d* and of those covered in its statement to the Military Armistice Commission of May 31, 1956.

(The authority for this statement: DEF 924655 and DEF 924736.)

ABBREVIATIONS

CINCUNC: Commander In Chief, United Nations Command.
UNC: United Nations Command.
EUSA: 8th U.S. Army.
FROKA: First Republic of Korea Army.
AA: Armistice Agreement.
AAD: Armistice Affairs Division, Headquarters UNC.
MAC: Military Armistice Commission.
UNCMAC: United Nations Command Component, Military Armistice Commission.
NNSC: Neutral Nations Supervisory Commission.
DMZ: Demilitarized Zone.
MDL: Military Demarcation Line.
JSA: Joint Security Area.
JOT: Joint Observer Team.
JDO: Joint Duty Officer.
KPA: Korean People's Army (Communist).
CPV: Chinese People's Volunteers (Communist).
KPA/CPV MAC: Korean People's Army/Chinese People's Volunteers Component, Military Armistice Commission.

ARMISTICE IN KOREA MARKED MORAL DEFEAT FOR THE WESTERN WORLD, GEN. MARK CLARK

(EDITOR'S NOTE: The following is an article written by Gen. Mark W. Clark, retired, who was commander in chief of the United Nations command and 8th U.S. Army at the time of the Korean armistice 10 years ago. The author is now president of the Citadel, the Military College of South Carolina, Charleston, S.C.

With the permission of North American Newspaper Alliance, Inc., which distributed this article, we are pleased to reprint it below for our readers.)

Ten years ago on July 27, 1953, at Munsan, Korea, I signed "Mark W. Clark, Commander in Chief, United Nations Command" to 18 armistice agreements negotiated at Panmunjom to terminate the war in Korea.

The Communists seemed to interpret our signing of the Korean armistice agreements as a signal for them to drive full-steam ahead, gradually taking over through subversive action additional areas of what we had considered the free world. Looking back over the era of Panmunjom, we can learn a great deal about this sinister enemy of ours that poses a challenge to our way of life which makes all other pale in comparison.

By the time I reached Korea in May of 1952 to become commander in chief, United

Nations Command, both the war and negotiations for an armistice were deadlocked completely. Moreover, it seemed to me that the aggressive spirit essential to victory had evaporated in Washington and the capitals of most allied countries contributing militarily to the Korean war.

NO AUTHORITY TO WIN

In this, our first hot war confrontation with the Communist enemy, I was provided neither the military resources nor the authority to achieve victory. This early evidence that I would not be able to wage the total war necessary for decisive victory was the beginning of the disillusionment that precipitated my request for retirement from the Army immediately after signing the armistice agreements.

I retired to become president of the Citadel so that at this military college I could help develop the cream of America's manhood into the kind of courageous leaders, both civilian and military, that were so sorely needed 10 years ago, are needed today, and will be needed even more desperately in the years of conflict with communism that we face in the future.

My philosophy which had been ingrained in me since my youth was eloquently expressed by Gen. Douglas MacArthur when he said on April 19, 1952, "in war, there is no substitute for victory." My acquaintance with General MacArthur began when I was 14 and he was a first lieutenant in the engineers. He visited our house regularly in those days to call on my father, Charles C. Clark, then an infantry major at the Command and General Staff School at Fort Leavenworth, Kans.

Fortunately, I had an opportunity to call on the general in Tokyo while I was on an inspection trip to the Far East more than a year before I was assigned to duty in that area. His friendly and wise counsel, as he briefed me on Korea, was later of immense help to me in evaluating the situation I found there in 1952.

PLAN FOR VICTORY

My conviction was that we should have won this war, our first test of arms with communism. After I was appointed commander in chief, Far East, I submitted a broad plan that would, in my opinion, have brought us victory with minimum losses in spite of the overwhelming superiority in manpower that the Communists enjoyed.

My plan called for full use of our hitherto restricted great air and naval power, which was technically tremendously more advanced than the practically nonexistent air and naval forces of the enemy. We could have employed these forces to attack his rear areas, the sanctuary from which he supplied his forces.

There was no doubt that victory secured by these means would have cost some American lives, but I was and still am convinced that winning would have cost far less in the long run than the losses we will have to sustain eventually in order to stem the tide of communism now lapping at our shores.

Pursuing a win policy in Korea would not, in my opinion, have enticed the Russians into the conflict or initiated world war III. Korea was not a battle area the Kremlin had selected for committing Russia's own troops, and the timing was not yet right by the clock on Red Square.

Once it was clear that we would not energetically seek complete victory, the advantages of an armistic were apparent. Even in the decelerated combat, which I called talking war, when we were discussing peace at Panmunjom and engaging in skirmishes and minor battles in a conflict nobody was endeavoring to win, there were casualties. U.S. casualties alone added up to 30,000 a year during this period.

Sustaining casualties at that rate was something we couldn't endure indefinitely. We were committed to nonmilitary victory, and at no point in my Far East tenure could I have launched successfully a major offensive with the resources available to me. Therefore, we had to reach some solution at the conference table. That is why we kept meeting with the treacherous Communist negotiators at Panmunjom in Korea.

THREE CHOICES

We had three choices: Withdraw from Korea, win the war, or secure an armistice. Our national and United Nations policy precluded the first two alternatives; so, we were forced to seek cessation of hostilities through armistice agreements.

When the free world turned its back on victory in Korea, it strengthened our Communist enemies by giving them increased confidence in their second-team armies. At the same time, our not winning created grave doubts in the attitudes of doubts in the attitudes of weaker and smaller non-Communist nations concerning free world ability and determination to safeguard them against Communist aggression.

Putting my pen to those armistice agreements 10 years ago, as I was forced to do in order to stop the killing of Americans in a war we chose not to win, sowed the seeds of what we are now repaying in Cuba and what we reaped around the world in Communist encroachments during the past 10 years.

I issued the following statement after signing those documents in 1953, "I cannot find it in me to exult in this hour. Rather it is a time for prayer, that we may succeed in our difficult endeavor to turn this armistice to the advantage of mankind. If we extract hope from this occasion, it must be diluted with recognition that our salvation requires unrelaxing vigilance and effort."

The world outlook for freedom did not appear bright to me then. It has looked progressively worse each year since, and now it appears dark indeed.

PROPHETIC WORDS

Syngman Rhee, then President of Korea, said to me just prior to the armistice, "The world requires great leadership. The Kremlin will think twice before it starts another war. Do not be weak. Do not turn back. Democracy must not go backward. Some day the United States will have to fight alone. Do not wait for that day." The passage of time has not altered the validity of Rhee's sentiments.

Reviewing the past decade, I see no sincere relaxation of the often-repeated threat of the Communists that they will bury us, but my hope for the coming decade is that we will have the courage to treat our Communist enemies as the international bullies they really are.

We must not be intimidated by the fact that Russia will start another world war if we fail to give in to every Communist demand. Otherwise, we may always succumb to Soviet advances because we fear that stopping them in their tracks will trigger a hydrogen holocaust.

For me, the lessons of Panmunjom are that peace will be given America only if she is strong, that communism will continue to advance until convinced that we have the courage and determination to use our military strength for achieving decisive victory if war is thrust upon us.

My prayer has changed little in these 10 years. It is still that a revivified America will courageously lead the free world to the conclusive defeat of communism. If we dedicate ourselves to this task, we can make the next 10 years a decade of decisive deliverances from the forces of tyranny for oppressed peoples throughout the world.

MEXICAN LABOR

Mr. COHELAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include an article and certain tables.

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

There was no objection.

Mr. COHELAN. Mr. Speaker, on tomorrow we will take up H.R. 8195, which is another attempt to extend the life of Public Law 78, which was defeated earlier this year by this body.

At the appropriate time I will have more to say, but at this time I would like to call to the attention of the House certain interesting and pertinent data on the subject:

[From the Western Fruit Grower, October 1963]

GROWER UNITY HEADS OFF A LABOR SHORTAGE

For 90 percent of the citrus growers in California's Fresno, Karn, and Tulare Counties, harvest labor supply has ceased to be a headache. They are harvesting their crops without supplementary labor, either braceros or "green card" workers.

A major reason is the unusually wide diversification of crops, especially in Tulare County, which attracts and provides work for a reasonably large farm labor force just preceding the late fall and winter harvest of Navels—an asset other citrus growing areas cannot boast. If one crop can be singled out as most advantageous in building to the peak labor force of 8,000 for the November-December orange harvest, olives, with harvest beginning in September, get top billing.

But wise management of this labor force has contributed materially too, and that has been achieved by growers of citrus, deciduous fruit, grape, and olive crops through a cooperative labor-alert organization called the Tulare County Farmers Association.

Putting together an organizatin like TCFA won't mean the end of labor difficulties for citrus growers in other areas, but the voluntary cooperation which has made it successful in a worthwhile example that can be followed widely by growers of citrus and other crops.

TCFA's most important single activity is the matching of men with jobs. Through its office in Exeter flows a constant stream of requests for workers, and referrals of workers and crews. In this process, poor workers are quickly detected, so the association's program has the general effect of upgrading the quality of farm laborers as well.

GROWERS CONVINCED

A pilot program conducted in 1961 in Tulare County to give farm workers the ultimate working time by careful transfer from one task to another convinced growers of the need for a permanent organization to coordinate the movement of workers. By placing this responsibility in one organization and thereby assuring themselves of the workers they need at harvest time, growers are able to concentrate on cultural and production practices to insure a better crop.

Walt Fahrney, manager of the TCFA, was hired shortly after the association was established in 1960, and is now gearing for his fourth harvest season with Navels. He represents an ideal match between man and job, as a veteran of more than 20 years in farm placement work in the San Joaquin Valley. Each year he has made a trek to northern California, and to Oregon and Washington when necessary, with a supply of handbills touting the abundance of farm jobs in the three-county area of central California.

Each year he gets increasing help from word-of-mouth news which supports the claims of his printed material. He is something of a pied piper, leading a procession of laborers to more profitable work areas as late summer harvest seasons end in the northern part of the State and Northwest.

The harvest of Navels continues in some degree most of the spring, but the peak usually occurs about December 1. As this demand subsides, the deciduous fruit and grape crops offer work in pruning, then various spray applications, cultivation, thinning and finally harvest.

Housing too is a factor. The association arranges for the opening and management of several single men's camps in the area, which were set up originally to house braceros. It also keeps track of available family housing and helps workers locate it.

Holding onto the workers who harvest Navels in the winter until the Valencias ripen in May is the association's chief weapon against competition from other areas for the same workers. When the Valencias are ready for picking, farm labor prospects are good in a lot of areas.

Many citrus growers are olive growers in these three counties. Also, many are growers of deciduous fruits, and some, growers of field and row crops with high hand labor requirements. Although citrus is the primary interest of the growers who first talked about organizing the association, their early conversations revealed that almost all of them were also growers of other crops. Today, most of the association's 1,700 members consider themselves citrus growers, primarily. But the membership also includes 90 percent of the area's olive growers and a high percentage of the growers of other major deciduous crops.

UNION RELATIONS

The association regards itself as an organization to help get the crops—all kinds—harvested. This breadth of interest enables smoother shifting from job to job and crop to crop to provide continuity of employment for labor crews.

The association found it necessary to concern itself with the union organizing activities of the Agricultural Workers Organizing Committee in 1961–62 because of their potentially profound effect upon the labor supply and relations between workers and employers. With AWOC efforts apparently almost at a standstill in the Central Valley this year, the association focused its attention on labor oriented activities, tried to open channels of communication between its members and appropriate legislators. It does not maintain continuing representation in Sacramento.

When he was first hired, part of Fahrney's prescription for good labor health was a general labor relations and public relations program. "A wedge had been driven between workers and growers," he recalls. "We explained to the worker that it was his job, while we emphasized the need for growers to pay a decent wage—to meet the worker half way."

"Growers generally were plagued by a bad reputation with news media, so we explained to the press that the association's purpose was to coordinate agricultural jobs and workers for the benefit of both workers and growers," Fahrney says. Significant gains were made during the pilot program in 1961, which became the subject of a study by agricultural economists Thor and Allee at the University of California.

In addition to its referral service for workers and its continuing program of labor relations and public relations, the association maintains a current analysis of all current labor laws and regulations which it circulates to members through a monthly bulletin or upon their request.

FUTURE PREDICTIONS

Fahrney believes that future programs will center around recruitment of workers and the general improvement of their skills and attitudes. "Expanding acreage here and the constant attempt by other areas of the State to attract our farm labor force make it necessary to keep building our supply of workers," Fahrney says.

Fahrney sees little hope for the bracero program in any acceptable form, and points to its loss as support for his prediction of future greater recruitment activities of the association. "Workers can't be moved like checkers. If Public Law 78 ends, our area will be hurt and hurt bad by the shortage of workers in other areas of the State."

Also in the future he sees a lengthening of the harvest season for both navels and valencias, and points to experiments already conducted with compounds that will hold fruit on the trees longer. Besides reducing the sharp, high peak of labor needs in a short time, holding oranges on the trees lengthens and levels out the marketing, handling and storage as well.

The Tulare County Farmers Association is operating this year on a budget of $33,000, raised by an assessment the members have levied on themselves of $1 per acre annually for all permanent plantings of everything but field crops, for which they pay 50 cents an acre.

President for 1963 is Exeter citrus grower John Dungan. Except for Treasurer E. F. Pinkham of Exeter, who is a grower of deciduous fruits and grapes, all five members of the executive committee are citrus growers. Besides Dungan and Pinkham they are H. L. Swarts, Porterville, vice president; A. C. Pixton, Lindsay, secretary; and Jim Hurley, Lindsay, member at large.

Fahrney admits that the dynamic action required to deal with the potentially explosive labor situation doesn't always produce instant harmony among association members. "Sometimes you'd think the roof is coming off when we meet. But when the discussion ends and the vote is taken, our members stick by it."

Farm wage rates, Oct. 1, 1963 [1]

State and region	Per month		Per week		Per day			Per hour		Composite rate per hour	Indexes of composite rates 1910–14=100 [2]
	With house	With board and room	With board and room	Without board or room	With house	With board and room	Without board or room	With house	Without board or room		
Maine	$212	$155	$40.00	$57.00	----------	----------	$10.50	----------	$1.20	$1.074	628
New Hampshire	235	169	46.00	63.00	----------	----------	10.40	----------	1.26	1.137	748
Vermont	207	160	42.00	57.00	----------	----------	9.70	----------	1.19	1.057	681
Massachusetts	255	170	49.00	63.00	----------	----------	11.00	----------	1.32	1.203	786
Rhode Island	250	171	49.00	63.00	----------	----------	11.30	----------	1.40	1.243	863
Connecticut	250	173	49.00	63.00	----------	----------	11.50	----------	1.42	1.255	857
New England	229	163	44.25	61.75	----------	----------	10.70	----------	1.27	1.136	735
New York	222	160	41.25	57.25	----------	----------	9.60	----------	1.19	.963	598
New Jersey	240	180	44.50	62.00	----------	----------	10.20	----------	1.23	1.019	728
Pennsylvania	204	147	38.50	51.00	----------	----------	8.70	----------	1.11	.889	703
Middle Atlantic	219	159	41.00	56.25	----------	----------	9.40	----------	1.17	.950	657
Ohio	188	134	----------	----------	----------	$6.80	8.70	----------	1.11	.895	622
Indiana	189	144	----------	----------	----------	7.50	9.10	----------	1.15	.932	673
Illinois	216	162	----------	----------	----------	8.00	10.00	----------	1.17	.978	677
Michigan	231	161	----------	----------	----------	7.40	9.40	----------	1.12	.945	636
Wisconsin	214	154	----------	----------	----------	7.50	9.40	----------	1.16	.958	607
East North Central	208	151	----------	----------	----------	7.40	9.30	----------	1.14	.941	641
Minnesota	203	161	----------	----------	----------	8.60	10.40	----------	1.18	.935	592
Iowa	221	177	----------	----------	----------	8.80	10.80	----------	1.23	.987	608
Missouri	177	128	----------	----------	----------	6.60	8.30	----------	1.09	.812	732
North Dakota	211	176	----------	----------	----------	8.10	9.80	----------	1.12	.918	513
South Dakota	203	159	----------	----------	----------	7.70	9.70	----------	1.10	.885	536
Nebraska	234	178	----------	----------	----------	8.50	10.70	----------	1.20	.978	659
Kansas	221	170	----------	----------	----------	8.30	10.30	----------	1.20	.957	766
West North Central	205	159	----------	----------	----------	7.90	9.80	----------	1.16	.912	635
Delaware	183	----------	----------	47.00	----------	----------	8.80	----------	1.04	.947	869
Maryland	194	135	37.00	50.00	----------	----------	8.80	----------	1.07	.971	981
Virginia	----------	----------	----------	----------	$5.70	----------	6.90	----------	.87	.756	808
West Virginia	112	82	----------	----------	5.40	4.75	6.30	----------	.84	.714	556
North Carolina	----------	----------	----------	----------	5.50	----------	6.50	----------	.79	.700	797
South Carolina	----------	----------	----------	----------	4.05	----------	4.70	----------	.57	.507	685
Georgia	----------	----------	----------	----------	4.60	----------	5.20	----------	.74	.613	677
Florida	----------	----------	----------	----------	5.70	----------	6.40	----------	.82	.713	728
South Atlantic	----------	----------	----------	----------	5.30	----------	6.20	----------	.78	.680	756

See footnotes at end of table.

Farm wage rates, Oct. 1, 1963 [1]—Continued

State and region	Per month		Per week		Per day			Per hour		Composite rate per hour	Indexes of composite rates 1910–14=100 [2]
	With house	With board and room	With board and room	Without board or room	With house	With board and room	Without board or room	With house	Without board or room		
Kentucky					$5.20		$6.90		$.96	$.883	677
Tennessee					4.55		5.50		.74	.691	612
Alabama					4.40		5.00		.66	.623	612
Mississippi					4.45		4.70		.59	.568	555
East South Central					4.60		5.30		.70	.657	599
Arkansas					6.20		6.80		.84	.813	691
Louisiana					5.20		5.80		.74	.711	693
Oklahoma					7.70		8.90		1.07	1.041	736
Texas	$170	$129			6.70		7.50		.88	.864	667
West South Central					6.40		7.10		.86	.837	686
Montana	245	193					10.20		1.24	1.061	524
Idaho	272	214					11.60		1.31	1.154	643
Wyoming	240	173					9.50		1.18	1.000	505
Colorado	242	170					10.20		1.19	1.020	661
New Mexico	209	148					8.50		.90	.818	672
Arizona	270	175					9.70		1.01	.947	644
Utah	255	215					10.20		1.32	1.118	691
Nevada	270	180					10.10		1.30	1.089	560
Mountain	251	184					10.10		1.16	1.020	621
Washington	293	220						$1.32	1.37	1.340	653
Oregon	265	189						1.25	1.32	1.283	632
California	322	240						1.25	1.33	1.308	611
Pacific	314	233						1.26	1.33	1.308	620
United States	204	159	$38.25	$47.75	5.80	$6.80	7.50	1.07	.99	.898	681

[1] Average rates paid on crop and livestock reporters' farms or in their localities for arrangements specified above. U.S. averages and State composite rates include estimates for unpublished State rates of small importance.

[2] Adjusted for seasonal variation.

Realized gross farm income, total production expenses, and expenditures for hired labor, United States and selected States

State	1962					1961				
	Realized gross farm income (million dollars)	Total production expenses (million dollars)	Expenditures for hired labor			Realized gross farm income (million dollars)	Total production expenses (million dollars)	Expenditures for hired labor		
			Million dollars [1]	As percent of—				Million dollars [1]	As percent of—	
				Realized gross farm income (real)	Total production expenses				Realized gross farm income (real)	Total production expenses
United States	40,792.0	28,202.0	3,008.0	7.4	10.7	39,912.0	27,109.0	3,048.0	7.6	11.2
Arizona	511.1	373.2	55.1	10.8	14.8	484.4	330.0	62.5	12.9	18.9
Arkansas	857.3	534.8	81.1	9.5	15.2	848.7	504.4	79.8	9.4	15.8
California	3,492.2	2,627.7	526.3	15.1	20.0	3,381.7	2,446.9	556.7	16.5	22.8
Colorado	744.9	616.4	53.8	7.2	8.7	712.2	560.2	52.6	7.4	9.4
Michigan	909.0	610.9	69.0	7.6	11.3	894.7	615.8	71.9	8.0	11.7
New Mexico	296.1	202.8	25.1	8.5	12.4	265.7	192.5	25.4	9.6	13.7
Texas	2,749.4	1,922.7	303.7	11.0	15.8	2,670.7	1,799.6	301.2	1.33	16.2

[1] Includes cash wages, perquisites, and social security taxes paid by employers.

Source: "Farm Income, State Estimates, 1949–62," U.S. Department of Agriculture Economic Research Service, August 1963.

Impact of adverse effect rate

State	Adverse effect rate	Hourly rate most commonly paid domestic workers		State	Adverse effect rate	Hourly rate most commonly paid domestic workers	
		1962	1961			1962	1961
Arkansas	$0.60	$0.50	$0.50	Montana	$1.00	[3]	[3]
Arizona	.95	.95	.75	Nebraska	1.00	$1.00	$0.95
California	1.00	1.00	1.00	New Mexico	.75	.75	.70
Colorado	.90	.90	.75	Nevada	1.00	1.00	.75
Georgia	.75	[1]	[2]	North Dakota	1.00	[1]	[3]
Illinois	1.00	[3]	[3]	Oregon	1.00	[3]	[3]
Indiana	1.00	1.00	.80	South Dakota	1.00	[3]	[3]
Iowa	1.00	[3]	[3]	Tennessee	.65	.55	.50
Kansas	1.00	1.00	1.00	Texas	.70	.60	.50
Kentucky	.80	[1]	.50	Utah	1.00	1.00	.75
Michigan	1.00	1.00	1.00	Wisconsin	1.00	[4] 1.15	.85
Minnesota	1.00	1.00	1.00	Wyoming	1.00	[3]	[3]

[1] No Mexican nationals employed in 1962.

[2] Mexican nationals employed only in piece rate activities.

[3] Based on only 1 survey (pea harvest).

Source: ES–232 Domestic Agricultural Wage Reports.

Adverse effect rates and peak employment of Mexicans, by State, 1960–62

State	Adverse effect rate	Peak Mexican worker employment [1]			State	Adverse effect rate	Peak Mexican worker employment [1]		
		1962	1961	1960			1962	1961	1960
		Thousands	*Thousands*	*Thousands*			*Thousands*	*Thousands*	*Thousands*
Arizona	$0.95	8.4	10.9	14.3	Nebraska	$1.00	1.6	2.0	2.3
Arkansas	.60	6.7	21.2	31.3	Nevada	1.00	.1	.1	.1
California	1.00	71.7	65.4	73.4	New Mexico	.75	2.0	8.0	11.3
Colorado	.90	6.4	6.6	6.6	North Dakota	1.00	0	.1	.1
Georgia	.75	0	.8	1.3	Oregon	1.00	.3	.3	.3
Illinois	1.00	.1	.1	.2	South Dakota	1.00	.1	.3	.2
Indiana	1.00	.4	.6	.6	Tennessee	.65	.2	.4	.7
Iowa	1.00	.2	.2	.1	Texas	.70	24.2	104.1	103.7
Kansas	1.00	.1	.1	[2]	Utah	1.00	.4	.3	.4
Kentucky	.80	0	.1	.2	Wisconsin	1.00	.6	.8	1.0
Michigan	1.00	12.7	14.3	11.2	Wyoming	1.00	1.3	1.6	1.2
Minnesota	1.00	[2]	.1	.1	U.S. total:				
Missouri		0	0	.5	Peak employment		114.2	208.5	234.1
Montana	1.00	2.1	2.3	2.6	Number admitted		195.0	291.4	315.8

[1] From ES–223 In-Season Farm Labor Reports. The term "peak" refers to the highest employment at any time during the year.
[2] Less than 50 workers.

TRIBUTE TO TOM CONNALLY

The SPEAKER. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 60 minutes.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks, and I also ask unanimous consent that any Member of the House may extend his remarks on the life of the late U.S. Senator Tom Connally, a former Member of this House.

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

There was no objection.

Mr. PATMAN. Mr. Speaker, for me who knew him well and served with him as a member of the Texas delegation, the death of Tom Connally—news of which just reached me—closes a remarkable and an important page in American history. This death touches me personally, of course, as it does others here in the House and in the Senate, who knew him and worked with him and loved him for his character and his devotion to the greatest advances of mankind in our generation. But beyond the personal bereavement is the recognition his death suddenly and powerfully brings into light of the immense contribution he made in a long legislative career to the agonizing and overwhelming problems of world peace.

This, of his many endeavors, was his greatest contribution to history.

It is this which brings him into the galaxy of the immortals.

It is for this—the cause not only of immediate world peace, but of enduring world peace—that historians will remember him and that untold tens of millions of mankind will be forever grateful.

Here was an American—a Texan I am proud to say—who had none of the Old World trappings of overrefined pretentiousness and diplomatic finesse, but who was a distinguished and an educated gentleman, and who operated on a personal level of candor, decency, and integrity. It was in his time that the United States of America found itself suddenly launched into the dizzying heights of world leadership. Tom Connally on strategic assignments of the utmost importance in this area of world politics found himself a negotiator, a counsellor, and the spokesman, frequently, of a new, fresh, wholly American, point of view to which the nations of the world are turning more and more for the truth and the security of the free world.

I do not hesitate to call this impact on the war-drenched civilization of our time the "Connally break-through" for Thomas Terry Connally after a fashion which was typically American helped to bring to realization the most powerful resources man now has for the preservation of the peace and the survival of life on this planet. This is his epitaph and few men in the last three decades can be said to equal or even approach the leadership, the vitality, the persistent and ceaseless enthusiasm and skill, the genuine diplomacy and statesmanship, Tom Connally brought to the superhuman task of peace after war and lasting peace in a war-ridden world.

The character in the man that made all this possible was, of course, inborn and began in many generations of Connallys before his birth. But I hold that his Texas education was a factor—the public schools, the high school in Eddy, Tex., Baylor University, and the law department of the University of Texas. It is something to reflect upon that Tom Connally was a veteran of the Spanish-American War and after his service in the State legislature of Texas was a captain in World War I. His political career afterwards made him a familiar and highly honored figure in the politics of the Democratic Party on the national level. Here again and again, as a member or as chairman of the Texas delegation in 1936 to the Democratic National Convention, and as vice chairman in 1948, he displayed the qualities of leadership that were soon recognized on the world stage when his country put him in the highest posts of international controversy and conflict.

London and Paris, New York and Rio, Ottawa and San Francisco, came to know him as one of the world's most powerful and outstanding statesmen and diplomats. His influence was felt as the special congressional adviser to the U.S. delegation to the Inter-American Conference on Problems of War and Peace at Mexico City in 1945.

He made monumental contributions on the policy level to the organization of the United Nations and was a member and vice chairman of the United States delegation to the United Nations Conference on International Organization at San Francisco also in 1945. Tom Connally was the representative of the United States to the first session of the General Assembly of the United Nations at London. He held the same post for the second session at New York in 1946. When the Council of Foreign Ministers met at Paris and New York and at the Paris Peace Conference in 1946 Tom Connally served as adviser to the Secretary of State. When there was an international conference for hemisphere peace—the Inter-American Conference for the Maintenance of Continental Peace and Security at Rio de Janeiro in 1947 the Connally wisdom and experience, his strength and his presence, again proved assets not only for the United States but for all the nations on the two sides of the Rio Grande. Four times he was elected to the U.S. Senate, and before that six times to the House.

It is my conviction, and it is my solace for these meager words, that much will be said in honor of Tom Connally in decades and centuries to come. For me as I view his service to mankind he created on the stage of world diplomacy a new image of the United States. This image is the pride and the honor of the American genius for government and for leadership. The whole world has lost one of its greatest builders for the peace and the security of mankind.

Mr. Speaker, I ask unanimous consent that any of the Texas Members who desire to extend their remarks in my time may do so at the end of my statement.

The SPEAKER pro tempore (Mr. LIBONATI). Without objection, it is so ordered.

There was no objection.

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

Mr. PATMAN. I yield to the gentleman.

Mr. MAHON. Mr. Speaker, I wish to join the dean of the Texas delegation in paying tribute to the memory of the late Tom Connally. I share the sentiments which the gentleman from Texas [Mr. PATMAN] has expressed and I am pleased that he has recounted some of the achievements of this great American.

Senator Connally made a tremendous contribution to our State through a long period of years. He made a great contribution to the Nation. He reflected credit upon our country and upon our State. He was a statesman in the truest sense of that word. His prowess in the Senate was the admiration of all Texas. When he rose to speak, he was obviously the master of the situation. He was our friend throughout his service here and the people of Texas held him in great affection. He was always held in great affection by the Texas delegation in Congress. He always cooperated with Members of the Texas delegation in behalf of our State.

Mrs. Mahon and I held him in the highest esteem and to his wife, who survives him and to his son, Judge Ben Connally we have extended our deepest sympathies. Our lives have been enriched through our friendship with the late Senator and his family. I would say that Tom Connally has left to those who survive him a heritage of which they can be proud. He has left a heritage to the people of Texas and to the people of this Nation of which they can be proud. I am pleased to join with my friends in this tribute to one of the great Americans of our time, Tom Terry Connally.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield to me?

Mr. PATMAN. I am very glad to yield to the distinguished Speaker of the House of Representatives, the Honorable JOHN MCCORMACK.

Mr. McCORMACK. The passing of our late friend, Tom Connally, has taken from our midst one of the great Americans and one of the outstanding legislators of our Nation's history. For 36 years he served in this body and in the other body with great distinction, serving during a most trying period of our Nation's history. For 11 years he occupied the very responsible position of chairman of the Senate Committee on Foreign Relations and, as I said, at a most trying period of our Nation's history.

Tom Connally not only served during a historic period, but he played a leading part in the making of history. His ability to penetrate the future and see the course of history was amazing. We all grieve at his passing and we extend to Mrs. Connally and to his son, Judge Connally, our deep sympathy in their bereavement.

Mr. PATMAN. I thank the Speaker.

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

Mr. PATMAN. I yield to the distinguished gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Speaker, one of the greatest and possibly the last of the "silver-tongued" orators of Texas has passed to his great reward. Our country and the whole world has lost a great statesman. Texas, and particularly the 11th District of Texas, has lost its most distinguished citizen, and I have personally lost a beloved friend.

Thomas Terry Connally was born near Hewitt, a short distance west of Waco, in McLennan County, Tex., on August 19, 1877. He grew to manhood on a farm near Eddy, Tex. He graduated from Baylor University in 1896 and from the law department of the University of Texas in 1898. He served as a sergeant major during the Spanish-American War, and as captain and adjutant in World War I. In 1900 he was elected to the Texas Legislature. In 1906 he became prosecuting attorney of Falls County. In 1916 he was elected to represent the 11th District of Texas in the Congress of the United States. He served in that capacity 12 years. In 1928 he was elected to the U.S. Senate where he served until his retirement in 1952.

Few men ever equalled Senator Connally as a speaker or debater. As chairman of the Senate Committee on Foreign Affairs, as the vice chairman of the U.S. delegation to organize the United Nations at San Francisco, and as representative of the United States in the General Assembly of the United Nations, Senator Connally was known throughout the civilized world. He contributed materially to the building of an organization for the collective maintenance of peace. Although he became a world figure in the finest sense, he never ceased to be concerned with and speak for the people of his own State and district.

He is survived by a son, the Honorable Ben Connally, judge of the Federal court at Houston, and by his widow, the former Mrs. Morris Sheppard, and by a sister, Mrs. Sparks McKay. To them I would extend my sympathy. We will not soon see Tom Connally's equal.

Mr. PATMAN. I thank the gentleman.

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

Mr. PATMAN. I am glad to yield to the distinguished gentleman from Texas [Mr. CASEY].

Mr. CASEY. Mr. Speaker, I, too, have lost a friend in the passing of that great statesman, Tom Connally. Although I was not privileged to know the distinguished Senator as long as some of my colleagues, my first contact with the distinguished statesman was when I, as a representative of the county government in Harris County, Tex., made my first initial trip to Washington seeking advice and assistance with some of the county problems. There a great man, with the burdens of responsibility as chairman of the highly busy Committee on Foreign Relations of the Senate took time out and talked to me about my problems and offered his assistance and advice to the people of my county. I soon saw that he truly epitomized the statement that great men have time for small things when they consider that they are important to the person seeking their aid.

Senator Connally was a man who was tenacious and faithful to his beliefs. He was interested in the security of his country and was jealous of this country's national image as well as its national independence. Many bills and amendments bear his name of which we, not only as citizens of Texas, but as Americans may be proud.

I am privileged to have his very distinguished son, Judge Ben Connally, as my close friend and constituent. He is making an illustrious career as judge, of which his father may well have been very proud.

The honorable and distinguished Senator Tom Connally has left his footprints on the sands of time and I tell you, Mr. Speaker, those footprints will not soon be erased.

I wish to extend to Mrs. Connally and the other members of the late Senator's family my sincerest condolences and deepest sympathy.

Mr. PATMAN. I thank the gentleman.

Mr. ALBERT. Mr. Speaker, will the gentleman yield to me?

Mr. PATMAN. I am glad to yield to the distinguished majority leader, the gentleman from Oklahoma [Mr. ALBERT].

Mr. ALBERT. Mr. Speaker, I join the distinguished dean of the Texas delegation and his colleagues in this expression of deep regret over the death of one of the great men of this century. I had the honor of becoming acquainted with Senator Tom Connally when I first came to Congress. He was a friend of my then senior Senator, Elmer Thomas.

I have had the privilege now and then since his retirement of talking and visiting with Senator Connally. I have listened to him debate in the Senate where he had a very individualistic, a very unique form of wit which stood out and made him one of the finest debaters in the other body. He was keen and intellectual, articulate and courageous.

I had the honor of meeting his son, Judge Connally, when I was a young man at the University of Oklahoma and he was a young man in school in Texas. I had the honor of meeting him again during World War II. To him and to Mrs. Connally I extend my personal sympathy. This country has indeed lost one of its great public figures.

Mr. THOMPSON of Texas. Mr. Speaker, passing of Senator Tom Connally takes out of the world one of its most colorful and ablest public servants. It has been remarked frequently in the last day or so that he was a Senator's Senator. He looked the part and if one who had never met him had seen him in a casual crowd of men, Senator Tom is the one the observer would have picked as a true Senator type.

I came to know him first when I served with him in the 73d Congress. He was then just coming into his prime and I used to marvel at his tremendous force and effect in the Senate. He always seemed to dominate the Chamber when he was present. In later days, I used to see him from time to time on the campaign trail in his native and beloved Texas. An orator of the old school, I believe, to this day, he could project his voice over a greater audience without an amplifier than I can with the loud speaker system of the present day. He had a remarkable sense of humor and invariably delighted his audiences with his keen witticisms and pithy expressions. However, even an after dinner speech from Senator Tom, while it might contain much of humor and the lighter vein, invariably left in the minds of the listeners home profound message of wisdom.

I can picture the Senator today sitting among old friends of his, Sam Rayburn,

Alben Barkley, Senator Vandenberg, and countless old cronies of both parties. He is probably spinning some tales of the good old days when together they pounded out the foundation of the structure in which we younger men shall live. Those of us who have known him will always miss him but we shall remember his words and deeds, and they shall guide us as we attempt to follow the road which he helped to lay out.

Our sympathy goes to his devoted Lucille and to his son, Judge Ben Connally. With them, we share the feeling that it was great to have known him.

Mr. YOUNG. Mr. Speaker, in the history of nations and of men, each State may point with great pride to a select few native sons who distinguish themselves by records of exceptional leadership.

I wish to join my colleagues today in pausing to pay tribute to the memory of such a native son of Texas, Senator Tom Connally, who devoted more than half a century of his life to public service. *Senator Connally* was a Member of this body from 1917 until 1929, and served in the Senate from March 1929 through January 3, 1953. He received innumerable honors during the span of his service and was chairman of the Senate Committee on Foreign Relations at the time of his retirement.

A colorful and competent gentleman, Senator Tom Connally was held in high regard by his contemporaries and in deep respect by his State and the Nation he so ably served.

Mr. BECKWORTH. Mr. Speaker, when I came to Congress in January 1939, it was rather apparent that Hitler and other dictators were going to give freedom-loving people a bad time. The late Senator Tom Connally was a well-known and experienced Member of the Senate at that time. Already he had done much effective work as a U.S. Representative for our State of Texas, the Nation, and the freedom-loving people of the world. It was fortunate indeed that he supplied the type of congressional leadership needed so desperately by the forces of and for freedom. He had a great part in the passage of legislation to aid our allies before our country entered World War II after Pearl Harbor, and he had an even greater part in aiding legislatively the allied cause as we undertook to arm ourselves and our allies. He was a true and genuine leader on many fronts. Because of his long experience in the House and the Senate and his awareness of the state of danger in the world, Senator Connally knew well that it was imperative that our country undertake to work within the United Nations. He effectively helped to bring this about.

Senator Connally has left an outstanding record of public service and the results of his great career are destined to endure.

Senator Connally was my personal friend. He helped me much and helped the area in Texas I represent much. To his wife and his son, Ben, and his other relatives, some of whom live in the congressional district I am honored to represent, I express my sincere sympathy in the passing of Senator Connally. We, his personal friends, shall miss Senator Tom. The people of our State and the people of the Nation shall miss him. The freedom-loving people of the world have lost a true friend and an outstanding leader in behalf of causes worthy to endure.

Mr. PURCELL. Mr. Speaker, the loss of Tom Connally is not only a great loss to his home State of Texas, it is a loss to the entire free world. For our beloved former Senator from Texas was one of the principal architects of the United Nations.

Tom Connally served his Nation well. In doing so, he served Texas equally well. His influential position as chairman of the Senate Foreign Relations Committee during the trying days of World War II was a wonderful stroke of fate. His service in that capacity, which he began in July of 1941, speaks more effectively than words ever can of his contribution to the United States. Tom Connally sponsored ratification of the United Nations Charter in the Senate. He was a member of the first U.S. delegation to the first United Nations General Assembly meeting back in 1946.

Tom Connally decided in 1952 not to seek reelection because of his health. Thus ended a 24-year Senate career. Previously he had served in the House for 12 years. This great Texan and outstanding American had dedicated his life to service of his country. His 36 years of leadership and guidance was the greatest gift he could have given.

Mr. Speaker, we miss Tom Connally. However, we can give thanks that he has gone on to a higher reward than we could ever give him.

Mr. FISHER. Mr. Speaker, the death of Tom Connally comes as a blow to all of us. He served with great distinction in both the House of Representatives and in the U.S. Senate. He devoted a full life to the service of his country. Few men in our time have done so much for so many. He will be remembered, for example, for the Connally-Smith Act, enacted during World War II to curb strikes in defense industries. In that instance he displayed courage and statesmanship. As chairman of the Foreign Relations Committee of the Senate, he was instrumental in promoting a bipartisan foreign policy, and joined in the negotiation of many important agreements of which this country became signatories.

One of the highlights of his service, for which this Nation will be forever indebted to him, was the so-called Connally reservation in 1945 in connection with our acceptance of membership in the United Nations. There it was provided that in the event of a dispute as to whether the World Court has jurisdiction over a matter, it shall be resolved by the decision of the United States and that jurisdiction of that Court "shall not apply to disputes with regard to matters which are essentially within the domestic jurisdiction of the United States of America."

Senator Connally was loved and appreciated by the people of Texas, and his contribution to the public interest was nationwide. I join my colleagues in this expression of sincere appreciation for the public service that was rendered by Senator Connally and in an expression of condolence to the widow and the family.

Mr. GONZALEZ. Mr. Speaker, a man who was a patriotic American, a stanch and true son of Texas, and a famous Senator of the United States has been lost to us. Tom Connally will never be forgotten. His humanity, his wisdom, his flair for achieving personal and oratorical color, his deep love for his State and his country will never leave our recollection. His legislative triumphs are part of the enduring structure of this Government.

He once said that there were two legislative roles of which he was particularly proud. One was as a defender of the Supreme Court against the attempt to enlarge it in 1937. The other was in the creation of the United Nations. It was his especial concern that the United States not repeat the withdrawal from world affairs which it made after the First World War. This motive led to his long and effective labors in behalf of the U.N. As chairman of the Senate Foreign Relations Committee he was the moving force in obtaining the support of the Senate to the treaty which made the United States a U.N. member. Yet Tom Connally was never anything less than realistic about American participation in international bodies.

The New York Times has said of him that:

> On the floor of the Senate and in its committee sessions, Senator Connally soon achieved national prominence as a colorful personality, a powerful speaker, and a razor-tongued debater.

In reviewing his distinguished legislative career we must not forget that he served 12 years in the House of Representatives where he began his lifelong commitment to the study and direction of the relationships of the United States with the other countries of the world as a member of the Foreign Affairs Committee.

In addition to the dedication to country which he showed in his entire 36 years on Capitol Hill, his patriotism was also demonstrated by his service in both the Spanish-American War and the First World War. He left his seat in the House to serve in World War I, and when the House voted to pay him and other veterans their congressional salaries during their service Tom Connally had his name eliminated from the appropriation. Similarly, he never applied for his World War I bonus.

Although he was a lion in debate, in private conversation he was a model of gentle charm, old-fashioned courtesy, and paternal benevolence. He was beloved by those who worked for him. He was also beloved by those who voted for him, and they were many indeed.

Texans are proud of their past and of their great men. They revere those who led them as a republic and fought for their State, Austin, Houston, Bowie and the rest. To those heroic names of the past must now be added that of Tom Connally. His State and his country mourn his passing.

Mr. THOMAS. Mr. Speaker, under leave heretofore granted to revise and

extend my remarks, I want to join my colleagues in lamenting the passing of our great and distinguished Senator Tom Connally. Senator Connally was one of the giants that Texas has produced. He was a giant not only in Texas but in the Senate and throughout the Nation. His long service in the House and the Senate enabled him to leave a record of accomplishments that will endure for years and years to come. He was an authority on foreign affairs, his judgment in that field always commanded the highest respect, and it was sought not only by his colleagues but by the executive branch of our Government. I want to extend to Mrs. Connally and the other members of the family my deep sympathy and understanding in their great loss. All of Texas joins them in their sorrow.

Mr. BURLESON. Mr. Speaker, with the passing of former Senator Tom Connally also passed an era. He really had no contemporary. At the same time he exemplified the role of elder statesman, both in looks, manner, and seasoned statesmanship, he was also a man of vision and perspective. He looked into the modern future with the eyes and spirit of a young man and was usually far ahead of those considered to be his contemporaries and legislative associates. At the same time, his judgment was tempered by his long devoted service to the world, our Nation, and the people of our great State of Texas.

For as many years as many of us can remember our interest in matters politic, the name of Senator Connally was first on the list in issues both foreign and domestic. He was a household and street-corner image in many places other than the State of Texas, but especially in our State.

Many of us have lost a friend, but the world and the Nation lost an illustrious leader when he retired from the U.S. Senate.

It was common to hear, after Senator Connally was off the active scene in Washington, that if he had been in the position which he held so long, certain matters of Government would have been different. This is said in all deference to those who have since attempted to fill his role.

Many of you experience, as I do when meeting certain issues of the day, the occurrence of the name of Senator Connally, who had such a great part in formulating laws now on the books, and particularly as many of them apply to foreign policy. Most notably at the present time is the so-called Connally amendment, or Connally reservation, in the World Court. He guarded the sovereignty of our Nation in authorizing this particular legislation, and I use it as a specific example of his services, not to be forgotten.

I join my other colleagues in expressing sentiments to his memory and sympathy to Mrs. Connally.

Mr. KILGORE. Mr. Speaker, the death of former Senator Tom Connally brings personal sorrow to those of us who were inspired in our own lives by his long career of public service.

Senator Connally had retired from the Senate 2 years before I entered Congress. But he was a famous Texan and I, as a Texan who had chosen to enter politics, was early aware of his many contributions to his State and his Nation.

Tom Connally was a man versed in statesmanship, a public official who rendered vast service to his Nation in peace and war, and a gentleman of the old school in the best and highest sense of that term. This earth is the poorer for his having gone from among us, and richer for his having lived and served.

LEAVE TO EXTEND REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may have 5 legislative days in which to extend their remarks on the life and service of the late Hon. Tom Connally.

The SPEAKER pro tempore (Mr. LIBONATI). Is there objection to the request of the gentleman from Texas?

There was no objection.

CAN PAUL H. NITZE POSSIBLY DISCHARGE THE DUTIES OF SECRETARY OF THE NAVY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Louisiana [Mr. WAGGONNER], is recognized for 15 minutes.

Mr. WAGGONNER. Mr. Speaker, I do not ordinarily ask that my periodical newsletters be printed in the CONGRESSIONAL RECORD, but in the past few days I have come across information which I sincerely believe to be vital to the security and defense of this Nation and I feel bound by the oath of office which I took when I became a Member of this body, to bring this information to my colleagues here and the Members of the other body.

The matter concerns the fitness and capability of Mr. Paul H. Nitze to discharge the duties of the Secretary of the Navy, a position for which he has been nominated by the President.

I do not, at this point, take the position that he is not fit and capable, but I bring to the attention of all the material I have unearthed and with it, I pose the question.

This information is contained in the newsletter I am sending out tomorrow and I take this means of providing an advance copy to all readers of the RECORD.

[Newsletter, October 1963, Washington, D.C., issue No. 9]

CAN PAUL H. NITZE POSSIBLY DISCHARGE THE DUTIES OF SECRETARY OF THE NAVY?

Under what can only be described as a cloud of doubt, Secretary of the Navy Fred Korth has now resigned. Rumors in Washington are many as to why he suddenly gave up his post. Most center around his connections with a Texas bank involved in the TFX controversy and the writing of indiscreet letters on official stationery. I am not, in this newsletter concerned with Korth's resignation. I am concerned only with the qualifications of the man President Kennedy has nominated to take his place, Paul Henry Nitze.

I was aware that the Senate once before had blocked the appointment of this man to a high post in the Navy and so I researched his record. The post he was slated to have under the Eisenhower administration (but which was blocked "in the name of the Senate majority") was the exact same position he was appointed to on December 24, 1960, by President-elect Kennedy: Assistant Secretary of Defense for International Security Affairs. This time, the nomination met with no opposition. In digging into this man's past to learn his attitudes, his philosophy and the probable character of his work if the Senate now confirms him as the new Secretary of the Navy, I have come across a most astounding document. Its title is, "Christian Responsibility on a Changing Planet" and was published by the National Council of the Churches of Christ in the U.S.A. It is a report of the Council's "Fifth World Order Study Conference" held in Cleveland, Ohio on November 18–21, 1958. The Council took extreme steps to make plain in the report that the views expressed at this "conference" might not necessarily reflect those of the Council. And well they should have disclaimed any association with these "views," for they are a running theme of appeasement, coexistence, and surrender, the like of which probably cannot be found in any other document this side of the Iron Curtain.

One of the six study commissions which laid the groundwork for the conference had as its chairman, Paul H. Nitze, the same man now nominated to be Secretary of the Navy. The following excerpts are quoted word for word from that report. These extracts are neither summaries nor impressions. These, we must presume, are the views of Paul H. Nitze, since, as chairman, he was responsible for the report. The title of Mr. Nitze's report is "the Power Struggle and Security in a Nuclear-Space Age."

Writing of how the United States should launch its counterattack following a nuclear attack on us, the Nitze report says: "Since we as Christians could not ourselves press the buttons for such destruction, we must now declare our conviction that we cannot support the concept of nuclear retaliation or preventive war." (In view of this, could Mr. Nitze be trusted to push the Navy button in the event of a nuclear attack on the United States even when ordered to do so by the Commander in Chief?)

Mr. Nitze's report advocates that we should not have in our possession nuclear weapons capable of a quick response to an attack upon us and that there should be time after any such attack "for political consideration, for negotiation, for the exercise of third-party judgment, and for the force of moral opinion of mankind to be brought to bear before a decision would have to be made as to the appropriate reaction in such a crisis." (What nation or group of nations would be acceptable to Mr. Nitze? Is the question of our very existence as a nation and a people to hang on the thin thread of a third party's opinion? Does he advocate scrapping the Navy's submarine-launched Polaris missile?)

On the subject of our refusal to recognize Red China or seat her in the U.N., Mr. Nitze's report states: "To continue to treat this great power as an outcast can serve only to deepen existing tensions and to further developments in China which we must deplore. Moreover, continuation of such a policy by the United States is indefensible." In the same vein, it continues: "At the same time, our policy should move in the direction of an acceptable solution of the problems of participation by the People's Republic of China in the councils of the United Nations and the establishment of diplomatic relations with that Government by the United States." (This is in direct contrast to the long established U.S. policy of "No seat in the U.N. for Red China." How does Mr. Nitze reconcile this opposing view * * * or can he reconcile it?)

On the subject of Berlin, the Nitze report urges us to back out of our pledge to the Europeans and to the Germans of that beleaguered city in these words: "We see no means of materially reducing tensions in this part of the world while remaining faithful to our obligations to the people of West Germany and of Berlin particularly, other than in unification." (A man's word and a nation's pledge are their bond. In how low a regard does Mr. Nitze hold this pledge of honor of the United States?)

Addressing himself to the subject of our military preparedness, Mr. Nitze's report states that "We are agreed that, if military force is to be used it should be sanctioned by and under the control of the United Nations." (This, too, is in contrast to our stated national policy. Does he advocate giving to the U.N. control and command of the Navy of which he would be Secretary?)

In other parts of the Nitze report, it is advocated that Chiang Kai-shek should abandon Quemoy and the Matsu, nuclear testing should be stopped unilaterally, if necessary, regardless of what Russia does, that the draft should be discontinued and that special consideration should be given economic assistance to India regardless of the fact that their military policy does not agree with ours, a difference we should "welcome."

It should be borne in mind that Paul Nitze has been nominated by the President for the post of Secretary of the Navy because of these views, not in spite of them. His confirmation would be a giant step down the road in the appeasement, no-win and surrender policy now eating away at the security and the defenses of this Nation.

This man has stated that he believes we should not try to build our military might * * * that, if there has to be a military force, it should be under the control of the United Nations * * * this man maintains we should not have a quick nuclear strike-back power * * * that, once struck by the enemy, we should negotiate, consider and sound out world opinion before deciding how to react * * * this man has stated that he cannot push the button to retaliate. Such a man whose stated beliefs are so contrary to our national welfare is not capable of discharging the duties of the Secretary of the Navy which include responsibility for the policy, administration, and control of all matters within the Navy and the welfare and morale of all its men.

Since the House does not have a voice in approving or disapproving the Nitze appointment, I am sending a copy of this Newsletter to every Member of the Senate. I am making my views known to the President and am writing to each Senator asking that Nitze be examined on the views contained in this document. If it cannot be established beyond any possible doubt that his views have taken a 180° turn, I am urging that he not be confirmed and, further, that they recommend to the President that he be discharged from the sensitive position he now holds.

JOE D. WAGGONNER, Jr.,
Member of Congress,
Fourth District, Louisiana.

THE POWER STRUGGLE AND SECURITY IN A NUCLEAR-SPACE AGE

REPORT OF SECTION II [1]

Chairman: Paul H. Nitze; cochairman: Kenneth W. Thompson; rapporteurs: Harold E. Stassen, Raymond E. Wilson, George W. Rathjens, Jr.

(This report was "received by the conference and referred to the churches for study and appropriate action" by vote of the conference.)

[1] For official actions of the National Council of Churches related to the topics dealt with in this section report, see app. A, sec. II and app. B.

I. THREATS TO SECURITY

We remind ourselves, in considering this subject that we are thinking and speaking, not only as citizens but more particularly as Christians. Ours must be a sustained effort to relate the love of God as revealed in Jesus Christ to the complex problems of our time. Two temptations must be resisted: on the one hand, the temptation to be so impressed with complexities and difficulties that we fail to say clear words on issues that require moral judgment; and on the other hand, the equally strong temptation to overleap concrete problems in the enunciation of general principles.

Christians have a loyalty which transcends the Nation. The security they seek cannot be limited to any nation or group of nations. Their obligation is to God-given life. All of it. But this, again, does not mean that Christians should be indifferent to the survival of the Nation. For the survival of a nation may be important to the defense of human personality, as the Christian faith understands it.

In the contemporary world situation, the question for Christians in the United States is not simply whether the Nation is righteous but also whether our national existence is valuable, both to the people of this country and to the life of mankind. Some aspects of life in the United States could, without loss, perish, just as some characteristics of life in nations opposing us are worthy of survival. Nor should Americans claim that this Nation, taken as a whole, is better for human life than any other nation. We can, however, say that the present and potential character of our country makes it possible for the United States to be of continued service to human welfare. Not to try to preserve the security of our Nation could be moral dereliction to mankind. Although the Christian's national loyalty is always qualified, it may, nevertheless, be a part of his loyalty to mankind. This does not exclude recognition of the possibility that mankind may be served and enriched by a wide variety of social forms and cultures.

It is implicit in what we have said that security should not be thought of primarily in national terms. The Christian obligation to mankind and the technical developments of our time now combine to make a purely national concept of security wrong from every point of view. Freedom, justice, social welfare and security are indivisible. And the nationalistic approach to these goods is both morally and practically obsolete.

What today threatens our security? The manifold aspects of the revolution of our time constitute both a profound challenge and a threat to the basic security of the United States and others of the older nations. The continuing security problems comes from the age-old problem of nations struggling for strategic advantage and competing in national armaments, in a situation lacking order and often approaching anarchy. The growth of Russian and Chinese military power controlled by and coupled with the Communist movement and ideology constitute the present focus of this struggle.

The Marxist-Leninist view of man and society, coupled with a national and personal urge to worldwide power, make the contemporary struggle profoundly serious. The Communist powers are resolved to win the worldwide struggle. They expect to win. They will acquiesce in a genuine "coexistence" only when their own continued existence clearly demands it, or when, with the passing of time, some of their basic convictions have been eroded.

That the intransigence and aggressive tactics of the Communist powers are caused, in part, by fear for their own security is not to be denied. The tragic experience of the Russian people in two world wars and the history of Western imperialism must be taken into account if we are to understand contemporary Communist attitudes. American nuclear stockpiles and widely scattered military bases, some of them near the borders of the Soviet Union, arouse apprehension. Accordingly we, on our part, must try, more earnestly than we have done, so to conduct ourselves that Communist nations will have less cause to fear our intentions. But their fear also arises out of a legitimate Western response to their aggression. The aggressive aims of the Communists are a real and formidable factor in world tensions and a responsible national policy must take this into account.

From some such appraisal of the threat to security, all considerations of the most effective methods of dealing with the threat should start. It should be added that our response to communism should always include the recognition that the whole Western World, and particularly the Christian church in prerevolutionary Russia, carries heavy responsibility for the movement's emergence, because of an inadequate emphasis on social justice and human welfare. Communism is, in part a judgment upon our sins of omission and commission. Humility and repentance are incumbent upon us. But to underrate the threat is no service to human well-being or to world peace.

II. THE SECURITY ROLE OF THE UNITED NATIONS

Neither the United States nor any other nation can insure its security in the years ahead through the unilateral development of military or other power. It is our firm conviction that the best hope for the creation of a system of world order lies in an increase in the power of the United Nations to assume wider responsibilities. Very frequently it may appear that actions taken by that body, in the resolution of disputes, will not be, from the short term point of view, to the best interests of the United States. We hold, however, that there must be an increased recognition that U.S. interests can find their long term satisfaction only within a far wider structure of interests that includes those of the rest of mankind. The United States should show a greater willingness than has heretofore been demonstrated to resolve disputes through the organs of the United Nations including the World Court.

We are agreed that if military force is to be used it should be sanctioned by, and under the control of the United Nations.

The United Nations in deterring aggression and in resolving disputes relies upon the authority and moral force of its recommendations backed by the support of those nations committed to the principles of the charter.

Much more emphasis must be placed upon the development of economic and political stability, efforts to settle disputes as early as possible, and the amelioration of situations before they break down into armed conflict or result in situations that invite aggression.

Our basic goal would be a system of international disarmament and security to supersede continued reliance upon military pacts and alliances such as SEATO and the Baghdad pact.

III. TOWARD THE CONTROL, REDUCTION, AND ABOLITION OF ARMAMENTS

Progress toward the goal of universal disarmament is of major importance in the achievement of world order, in reducing the threat of war, and in lessening the tensions of the power struggle. It is urgent that greater emphasis and multiplied efforts be made by the United States and other nations to reach disarmament agreements because of the rapidly increasing destructiveness of nuclear weapons and intercontinental missiles; because of the growing difficulty of bringing these weapons under adequate inspection and control; and because of the

large sums now being spent on armaments compared to aid and technical assistance, in a world characterized by widespread hunger, disease and illiteracy.

It is not possible at a conference such as this to spell out the process of arms reduction and control in detail, but the following are suggestions for continued efforts. In its efforts toward world disarmament, the United States should:

1. Assume greater initiative toward bringing national armaments under international inspection and control in a process directed toward their consequent limitation, reduction and eventual abolition.

Toward this end, we should follow up on the progress of the United Nations negotiations and the successful Geneva scientific talks and keep pressing for an early agreement to stop nuclear weapons tests and to install a United Nations inspection system to verify the fulfillment of the agreement, along the lines recommended by the conference of scientists at Geneva. We believe the U.S. Government should continue its present suspension of tests, unilaterally if necessary, for a sufficient period of time to permit full exploration of the possibilities of arriving at a definitive international agreement.

2. Follow up this significant first step of inspection and limitation by additional steps of international control and reduction.

3. Continue to seek an international agreement setting up a U.N. agency for the peaceful exploration of outer space, and a control system to assure the use of outer space for peaceful purposes.

4. Cooperate in establishing the proposed inspection system of the International Atomic Energy Agency in the hope that this may help furnish the pattern necessary for supervising worldwide cessation of production of nuclear weapons.

5. Continue negotiations with the U.S.S.R. for a mutual aerial and ground inspection system to guard against surprise attack and thus seek to aid in creating a climate where more far-reaching disarmament negotiations may be undertaken.

6. Recognize the close relationship between political settlements and disarmament and be more willing to broaden the framework of disarmament negotiations. These discussions might include the possibility of mutual withdrawal of nuclear forces from points of closest proximity, and disengagement in areas such as the Middle East or central Europe.

7. Work to reopen, as soon as possible, disarmament discussions within the U.N. for the purpose of prohibiting production of nuclear weapons and other weapons of mass destruction, to transfer nuclear weapons stockpiles to peaceful purposes, and to begin the process of reducing arms and armed forces.

8. Press for the creation of a permanent U.N. police force for border patrol, inspection, and the various functions of a genuine international police system.

Within its governmental system, the United States should:

1. Enlarge the staffs and strengthen the programs of the executive branch for studying the problems of world disarmament and formulating workable plans for its accomplishment. The proposal of a carefully worked out, safeguarded, comprehensive disarmament plan by the United States would serve as a focus for specific negotiations and for rallying world opinion.

2. Expand and make permanent the important work of the Special Subcommittee on Disarmament of the Senate Foreign Relations Committee.

3. Undertake a coordinated program among Government agencies to work in cooperation with management and labor for making the transition in as orderly a manner as possible, to an economy less dependent on military expenditures, and to remove the fears that disarmament steps will result in a depression.

4. Offer to devote a substantial percentage of the savings from armaments to allocations for development of underdeveloped countries, using the United Nations as far as feasible.

5. Abolish the system of military conscription and allow the authority of the Selective Service System to draft men to lapse on its expiration next June. The Government should consider ways of encouraging recruitment to meet those of its manpower requirements as would result from following the interim military policy suggested in the next section of this report.

IV. INTERIM MILITARY POLICY

Until substantial progress has been made toward disarmament, we must use all our influence to see that wisdom and imagination are used in limiting and controlling military force.

As citizens we have a natural concern for the security of our Nation. As Christians we have a wider concern for the security of mankind. We cannot therefore, view with equanimity peparations for nuclear war which might result in the genetic distortion of the human race as well as widespread destruction of civilized life. Since we as Christians could not ourselves press the buttons for such destruction, we must now declare our conviction that we cannot support the concept of nuclear retaliation or preventive war.

During the interim period prior to a strengthened system of world order, law and disarmament:

1. We urge our Government to consider all methods for contributing to world security other than reliance upon nuclear weapons.

2. If the Government continues to rely in any way upon nuclear defenses, we urge that it be only for the deterrent effect that their possession by us may have on their possible use by anyone else.

3. If any such weapons are to remain in U.S. possession, we urge that the U.S. Government shift the character of the nuclear weapons it is developing away from systems implying very rapid and inadequately considered decision in the event nuclear warfare is believed to have, or has been initiated by others. Weapons systems more nearly invulnerable to surprise attack would permit time for political consideration, for negotiation, for the exercise of third party judgment, and for the force of the moral opinion of mankind to be brought to bear before a decision would have to be made as to the appropriate reaction in such a crisis. Such a shift in weapon systems would materially reduce the danger of nuclear war arising from misunderstanding or error.

With respect to providing military aid to other nations, the United States should give due regard to the character and objectives of the recipient governments, the effects of the aid on their economic and political systems, and the effects on neighboring states.

V. PEACEFUL COMPETITION AND INTERNATIONAL COOPERATION

The nuclear stalemate prompts both U.S.S.R. and ourselves to shift competition to nonmilitary fields. Presumably, American leaders ought to welcome peaceful competition in ideas, institutions and opposing conceptions of the good life. Yet, up to the present, national initiative has not been equal to the task. Why have American policies been unsuccesful in this sphere?

Five reasons are advanced for these failures. First, American attitudes have been too one sided in seeing the cold war in simple, military terms. The power of communism rests in part in its offering opportunities for rapid economic development to technologically underdeveloped nations. In the next decade, the results of Chinese and Indian experiments will be watched for the object lessons they carry for other new nations.

Second, we have hesitated to accept the fact of living with two major Communist nations for an indefinite period and of recognizing that hostile grimaces and provocative acts will be of no avail.

Third, we have not seized every opportunity to react creatively to more hopeful developments within the Communist world, particularly within the so-called satellite nations.

Fourth, Americans are disposed to see the present struggle as a conflict between good and evil. A simple black-and-white moralistic approach may impair the effectiveness of our policies toward satellite countries or those whose political goals are not immediately our own.

Fifth, many assume that the world is and must be divided into two ideological blocs. In fact, an important part of the world's peoples are not alined with either side. More understanding and effective policies must be evolved for cooperation with this part of mankind.

The United States should:

1. Seek continuation over a 5-year period of the International Geophysical Year.

2. Extend trade and travel with mainland China, Eastern Europe, and the Soviet Union.

3. Encourage association and fellowship of various professions and groups across the Iron Curtain; for example, exchange of farmers, students, and religious groups.

4. Explore more effective use of its surplus food for distribution in Communist countries and in underdeveloped nations.

5. Evolve more seminars and conferences for social scientists and scientists from the Soviet bloc and the West. We commend the Department of State for persisting in negotiating an agreement for expanded exchange of persons with the Soviet Union and urge the lifting of restrictions on the travel of Soviet visitors in the United States.

6. Implement programs for common attacks on basic human problems of disease, such as malaria, and threats to crops such as wheat rust, that may be carried across national boundaries.

7. Invite wider participation by the U.S.S.R. in U.N. technical assistance programs.

8. Encourage private investments in underdeveloped areas with appropriate safeguards both for the private investor and for the host nation.

9. Encourage the religious and philosophic dialog above the level of present political struggles. In particular, we urge that all opportunities be utilized, through the World Council of Churches and other channels, for meetings of churchmen from the Soviet nations and the West.

VI. POINTS OF POLICY WITH RESPECT TO SPECIFIC AREAS

Several of the areas of the world pose particular challenges to American foreign policy at this time.

With respect to China, United States policy has not been responsive to the realities. While we cannot condone many of the things for which communism stands, it is the part of wisdom to admit that we see no reasonable alternative open to us other than to recognize that Communist China is a nation of tremendous and growing importance with whom we must live. To continue to treat this great power as an outcast can serve only to deepen existing tensions and to further developments in China which we must deplore. Moreover, continuation of such a policy by the United States is indefensible. We feel that the stiffness of our attitude has already cost us dearly in world opinion, and has made the resolution of our difficulties with China more difficult than might have been the case had there been official channels of communication from the beginning.

The section would urge a more flexible approach to the Far Eastern problem in the interest of a more adequate representation of American purposes and objectives. In the interest of greater stability in the Far East, Washington should encourage the Chinese Nationalist Government to evacuate exposed positions that may be militarily unsound and politically detrimental, and submit to the U.N. the question of securing peace and security in the area of Formosa. The people on Formosa should be protected in their right freely to determine their own future.

At minimum, the Western world should not be prevented from liberalizing trade relations with any Far Eastern country. The United States should liberalize its policies with respect to travel of Chinese nationals in the United States and of U.S. citizens within Communist China. At the same time, our policy should move in the direction of an acceptable solution of the problems of participation by the People's Republic of China in the counsels of the United Nations and the establishment of diplomatic relations with that government by the United States.

We feel that, with respect to peaceful competition with communism, one of the most crucial contests is that being waged in India. Inevitably, all of the underdeveloped nations of the world will compare progress in India with that in China; it will be tragic if the comparision is unfavorable. We, therefore, urge that special consideration be given to providing India with sufficient economic and technical assistance to insure the success of her development program. The fact that India has been unwilling to identify itself with us in our military policy should not deter us in this. Rather, we should welcome the fact that free, uncommitted nations can exist in the world today, and that they may facilitate settlement of disputes in which any of the great powers is involved.

At the heart of any settlement of European problems is the question of the two Germanys. Moreover, the continued isolation of West Berlin is clearly a source of great vulnerability to the West. We see no means of materially reducing tensions in this part of the world while remaining faithful to our obligations to the people of West Germany, and of Berlin particularly, other than in unification. We, therefore, urge that our Government continue to support the unification of Germany.

We are deeply concerned that Christians better understand the involved and explosive situation in the Middle East. With humility and penitence we confess that our own lack of understanding and sympathy, both in our reluctance to resettle in Christian countries the oppressed Jews of Europe, and in our disregard of Arab rights, has contributed to the tragedy of Palestine. We believe that Christians must join with Muslims, Jews, and others in a continuing search for just and durable peace in the area. We urge that every effort be continued to find agreement by negotiation whether under the U.N. or by direct consultation among the governments immediately concerned. Particularly we call for the implementation of the U.N. resolutions providing for the return, where possible, of the Arab refugees to their homes; and, where not possible, for adequate compensation for their loss. We believe the Christian community should stand ready to assist in the repatriation or resettlement of the Arab refugees.

We call on our Government to support the legitimate aspirations of the Arabs for unity; and of Israel to survive in peace.

We firmly record our support of the U.N. recommendation providing for the internationalization of Jerusalem and its environs.

In general, we feel that our attitudes toward the whole Middle East should be conditioned less by our fear of Soviet expansion into the area and become more responsive to the needs of the peoples of the region. We must recognize the aspirations of the people in the area for independence and economic development. The United States should generously support a widespread program for economic development of that region. We feel that the Baghdad Pact and the Eisenhower doctrine are not responsive to the major problems of the area, and that the former in particular, may have hindered the development of peaceful solutions to Middle East problems.

VII. CALL TO THE CHURCHES

We call upon the members of the Christian churches:

To dedicate themselves to the task of working in a spirit of Christian love for the healing of the nations;

To pray for a spirit of penitence for the selfishness of our affluent society in a world of hunger and need;

To make common cause with the disadvantaged and dispossessed for the realization of their hopes and freedoms;

To transfer the conflict of ideas and ideologies from the battlefield to the realm of peaceful competition and the rule of law;

To translate into reality the old Russian proverb, "Mountains may never come together but men can";

To multiply their efforts toward beating swords into plowshares and achieving a warless world.

CONGRESSMEN AND PRESS PRAISE WORK OF TVA

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. EVINS] 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 Oklahoma?

There was no objection.

Mr. EVINS. Mr. Speaker, the Tennessee Valley Authority—at the height of its service to the Nation—has come under attack again with the suggestion, no doubt fostered by special-interest, private-power lobbies, that the TVA should be sold by the Federal Government.

This is a shortsighted proposal which borders on the ridiculous. The TVA, through its 30-year history, has withstood many bitter attacks and no doubt will withstand this latest challenge. This recent threat, however, serves as a reminder that there are always special interest groups ready to shackle America for their own selfish purposes and against the public interest.

The October 28 issue of the Nashville Tennessean quoted all Members of the Tennessee delegation including both Democrats and Republicans as being unanimously opposed to selling TVA as advanced by a Member of the other body.

Mr. Speaker, I ask that an editorial from the Tennessee Public Power Association News in this connection, and the article from the Nashville Tennessean be reprinted in the RECORD.

The editorial and article follow:

HOUSE HEARINGS—TVA

When TVA officials have appeared before the House Appropriations Committee, they have not always had a friendly reception from all members of the committee. But this year, while the appropriations hearing brought out detailed questions about TVA operations and policies, there was an unusual amount of praise for the job TVA is doing.

Committee Chairman CLARENCE CANNON, Democrat, of Missouri, a stanch and longtime TVA supporter, called TVA "the greatest engineering project in the world today and undoubtedly the most successful in attaining the objectives for which it was established."

Even with this "magnificent work," Chairman CANNON declared, "strange to say, we have bitter opposition on the part of the predatory interests." He made it clear that he would include the private power companies among "the predatory interests" he was referring to.

Said Chairman CANNON: "They do not want TVA; they do not want REA's. They want a monopoly of the fertilizer business; they want a monopoly of the production and distribution of power. And so the only conditions under which they will consent to an intertie is when you let them have control. * * *" This last remark of the Chairman was directed at TVA's interchange agreement with a group of private power companies in the Southwest, under which up to 1,500,000 kilowatts will be seasonally exchanged between the two areas.

Another leading member of the House Appropriations Committee, Representative JOE EVINS of Tennessee, praised TVA "not only as a symbol of democracy in action throughout the United States but as a monument of progress to other nations of one world."

But there were words of praise heaped on TVA by members of the committee who have not always been noted for favoring TVA. For example, Representative JOHN PILLION, Republican, of New York, expressed approval of the arrangement between TVA and the city of Memphis under which TVA leases the Memphis steamplant with an option to purchase at the end of 20 years. Said Representative PILLION: "I think it is a good deal for both TVA and for Memphis."

And Representative BEN JENSEN, Republican, of Iowa, historically one of TVA's most consistent foes, commenting on TVA's fertilizer research contract with Iowa State University, said: "I am very glad to know that TVA has recognized the importance of having the Iowa State College cooperate with them in this very important matter." Later in the hearing, Representative JENSEN declared: "I know your fertilizer program has been very popular. I have said on numerous occasions I thought it was the best of TVA."

At one point in the hearing, the committee was discussing the interchange agreement between TVA and the private power companies in the Southwest. Representative EVINS then threw a tough question to TVA manager of power, G. O. Wessenauer.

With this new power exchange agreement with the power companies, Representative EVINS asked: "Are the private companies on the perimeter of TVA loving you any more now than they used to?"

Mr. Wessenauer replied: "I don't know how to answer that. We have always had mutual arrangements with them for interchange of power. I don't believe that they have changed their minds about the way they think power ought to be supplied, so to that extent I think they still have the same viewpoint but I think we have respect for each other and we work together where it is mutually advantageous."

Some of the facts brought out in the hearings include:

The power requirements of the Tennessee Valley are growing at the rate of about 1 million kilowatts a year.

Signing of the exchange power arrangement with the Southwest private power companies has enabled TVA to delay start of construction on new generating capacity.

Of an estimated $20 million increase in revenues from the sale of TVA power during the present fiscal year, more than $10 million of the increase is expected to come from sales to the municipal and cooperative distributors of TVA power.

Payments to the U.S. Treasury by TVA in fiscal year 1964 are estimated at $48.2 million, which will bring total TVA payments to the Treasury nearly up to the half-billion dollar mark.

GOLDWATER HIT AGAIN ON TVA

Tennessee Congressmen continued to criticize Senator BARRY GOLDWATER'S view that the Tennessee Valley Authority should be sold yesterday.

None, including the three GOP Representatives to Congress, has agreed with the Arizona Republican that private industry should take over the valley complex.

Only Senator HERBERT WALTERS of Morristown has not gone on record about GOLDWATER'S statements. Efforts to reach him Saturday and yesterday at his home in Morristown and his Washington residence were unsuccessful.

GOLDWATER, apparent frontrunner for the 1964 Republican presidential nomination, stated his sell-TVA position in a letter to Representative RICHARD FULTON, Democrat, of Nashville, which was released over the weekend.

Representative CLIFFORD DAVIS, Democrat, of Memphis, said the proposal to sell TVA "is absolutely ill-founded, unwise, and will never happen in this country."

DAVIS said that even the private power people in this country admit it (TVA) is efficient and well managed."

Representative HOWARD H. BAKER, Republican, of Knoxville, reacted with:

"I am absolutely opposed to the sale of TVA. It is doing a fine job."

BAKER said the Tennessee Valley Authority "must be looked at as a system as a whole," mentioning flood control, power, and navigation, and said flood control and navigation should never be in private hands.

"I wholeheartedly disagree," said Representative JOE L. EVINS, Smithville. "He (GOLDWATER) doesn't even have the facts on what TVA means to the Nation."

EVINS, a member of the House Appropriations Committee, called GOLDWATER "very short-sighted and provincial in opposing TVA."

While the Arizona Senator is doing this, EVINS said, he often comes to the committee with requests for reclamation projects for his arid West.

Representative TOM MURRAY, Democrat, of Jackson, said of the proposal to sell TVA: "Certainly not—not at all.

"It's operating fine now. We should continue it."

Asked in what areas it is operating fine, MURRAY answered:

"All over."

He called it perfect.

Representative ROBERT A. (FATS) EVERETT, Democrat, of Union City, said, "It seems that Senator GOLDWATER should see the benefits that TVA has rendered to the valley before he capitulates to the private power lobby.

"I certainly think the people of the valley appreciate the benefits that have been afforded them from an agency that is paying its own way."

EVERETT said that had it not been for TVA and the Rural Electrification Administration, young men and young women would never have remained in the farm areas to make the contributions they are now making.

"Either Senator GOLDWATER is misinformed," EVERETT said, "or he cares not for the people of the valley."

Tennessee's other Congressman agreed Saturday that TVA should not be sold, most of them vigorously defending the agency.

GOLDWATER made his statement to FULTON after the fifth district Representative had inquired of the Senator if he was correctly quoted in a magazine article about selling the valley agency.

GOLDWATER'S letter, reproduced in the Sunday editions of the Nashville Tennessean, agreed.

FOREIGN SECURITIES TAX PROPOSAL COULD WORSEN U.S. BALANCE OF PAYMENTS

Mr. BOW. 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, during his appearance before the House Ways and Means Committee, on October 21, in support of the administration's proposal to tax American purchases of foreign securities, Secretary of the Treasury Dillon warned that rejection of the legislation would force the United States to adopt measures of direct control over capital movements.

While the Secretary may consider his warning a useful tactic in support of the so-called interest equalization tax proposal, it is highly damaging insofar as the broader objective of maintaining world confidence in the strength and stability of the dollar is concerned. A statement by one of the administration's highest officials to the effect that the United States—the world's banker—may have to resort to direct capital controls will surely have the effect of further impairing international confidence in the dollar. It could also seriously worsen our balance of payments by triggering a major outflow of capital from the United States in anticipation of direct controls.

The fact of the matter is that the proposed foreign securities tax is neither necessary nor desirable. The administration is seeking to throw up an artificial wall to the free flow of private capital with long-run effects that would be damaging to both our domestic economy and our foreign economic policy.

More attention should be directed to grappling with the basic cause of the outflow of U.S. funds, which is an unfavorable investment climate in this country arising from a weakness in business confidence based upon a continuing profits squeeze, chronic Federal budget deficits and slow but steady erosion of the value of the dollar. Confidence and the healthier business climate which accompanies it will not be restored until the administration imposes discipline upon itself in the conduct of its fiscal affairs.

Aside from these objections to the principle underlying the proposal there are serious questions as to whether the tax—particularly since it is riddled with exemptions and loopholes—would achieve its objective. As has been noted by Prof. Lawrence Krause of the Brookings Institution:

You must always distinguish between improving the balance of payments and stopping a capital flow. These are not identical. You may deter some capital flow and you pay for it in lower exports or some other feedback in the balance of payments.

The program to tax American capital investments abroad thus may offset the benefits of our efforts to increase U.S. exports.

As was pointed out in a special article entitled, "Monetary Boomerang," in the October 3 New York Times:

As a nation increases its capital exports, its exports of goods and services also will increase; and conversely, decreased capital exports will bring on decreased exports of goods and services.

The article notes that many economists have demonstrated that—

Much of the capital exported by the United States has been used for purchases of American goods and services. This has helped provide the United States with a continuing balance of trade—a surplus of exports over imports.

A major study on the U.S. balance of payments recently published by six Brookings Institution economists said:

Capital outflows from the United States to non-European areas, as we have noted, are especially likely to lead to offsetting receipts in other items in the balance of payments. Thus, it would not be safe to conclude that the increased outflow of private capital in recent years was responsible for the deterioration of the basic balance which began in 1958 without first examining the possible compensating effects of private outflows in other items.

Interestingly enough, the Brookings study also pointed out that the Department of Commerce program to induce businesses to make an initial effort to export their products may also induce more firms to make foreign investments. As the Brookings study says:

There is a historical pattern whereby firms become acquainted with foreign markets through exporting, and then move into foreign licensing arrangements or direct foreign production. There is no reason to believe this pattern will change.

The Brookings report also points out that investment outflows in one year create assets which create dividends and interest receipts in later years. The study points out that, "Recent new U.S. investments abroad already seem to be contributing to higher return flows to the United States. The Brookings economists foresee that the average outflow of the last few years will not be exceeded, and in all likelihood will decline.

According to the Brookings economists, long-term capital transactions of the United States will contribute strength rather than weakness to our balance of payments. A cessation of long-term capital outflows, the study says, would improve the balance of payments in any single year, but this improvement would be more than offset by subsequent losses. As the study says:

The U.S. balance of payments has already felt the strain of adjusting to an increased level of capital outflows, and now it is moving into a position where it will reap benefits from these outflows. Only in the very unlikely event of an accelerated growth of outflow of new funds would long-term capital transactions be a negative force.

Aside from these considerations, it should be noted that even if the tax proposal were to raise the cost of borrowing in the United States by 1 percent, as is intended, long-term interest rates in most major industrial countries would still remain above those in the United States. The cost of floating new issues is also higher abroad than in the United States, and in any event, the highly developed U.S. capital markets—as Secretary Dillon has often pointed out—will continue to be an important reason for foreign borrowing in our money markets. All of these factors cast serious doubt upon the effectiveness of the administration's proposal.

An editorial in the Wall Street Journal of October 23 commented upon some of the objections to the tax, and I include it under unanimous consent in the RECORD at the conclusion of these remarks.

THESE CRAZY AMERICANS

A good many Europeans always have had trouble understanding those crazy Americans. And things aren't getting much easier.

To many of our foreign friends, one of the solider elements in America's balance of payments long has been the growing amount of private U.S. investments around the world. For these are not stacks of idle dollars; they are generating a rising flow of interest and dividends to the United States.

By last year this flow of income was running well ahead of the outflow of new investment funds. As the foreigners survey the scope of the investments, they surmise that the flow to the United States could become a flood in a decade or two. Naturally, therefore, with the U.S. Government increasingly concerned about its payments deficit, they assumed it would surely strive to preserve this source of strength.

But no. The administration proposes instead to slap a penalty tax on people who invest in foreign securities. If Congress refuses to go along with that idea, Treasury Secretary Dillon declares the Government will have no alternative but to adopt direct controls over private U.S. investments overseas. Otherwise, he says, we would "demonstrate to all the world" an unwillingness to take those actions needed to end our balance-of-payments deficit.

The world is watching, all right. No one abroad has any reason to doubt that either the investment tax or direct controls (are they really so different?) would indeed slow the outflow of investment dollars from the United States. Just as obviously, either measure would slow the inflow of investment income from overseas.

As one European financial editor phrased it the other day, "It's a little like trying to economize by quitting your job. After all, you do save the money you used to spend getting to work."

TAX CREDIT FOR EDUCATION AND FOR CONTRIBUTIONS TO INSTITUTIONS OF HIGHER LEARNING

Mr. BOW. 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, the real pinch in the cost of education is at the parent level because parents bear both the basic cost as parents and the supplemental cost as taxpayers. To ease this cost burden somewhat and to aid and encourage education at the postsecondary school level, I introduced a bill, H.R. 3393, earlier this year, which is similar to the measures I have introduced in prior Congresses. As I mentioned in my remarks at the time I introduced H.R. 3393, appearing on page 1849 of the CONGRESSIONAL RECORD of February 5, 1963, I chose the mechanism of a sliding scale credit against tax as a means whereby the desirable goal of aiding education would be attained without encountering the major objections to other forms of aid to education.

Today I am introducing a bill which is a refinement of my previous bill. One refinement in the legislation that I am proposing is that a person is entitled to use this credit against tax only when the student is a candidate for a degree, or is taking courses required for the attainment of educational, professional, or vocational objectives. Another refinement offered in this bill is one which allows the taxpayer to take a credit against tax as well as a deduction, if he is entitled to the deduction as a trade or business expense. I feel that with these two added provisions, plus the revision of the technical language, the objectives of my first bill can be more readily attained.

A second section of the bill that I am introducing gives a credit against tax for contributions made to nonprofit institutions of higher learning by either individuals or corporations. There is an upper limit, $100 for an individual and $10,000 for a corporation, to the amount of this credit in any 1 year. The taxpayer, under this section, is permitted to take a deduction for charitable contributions, as well as the credit provided.

I feel that by adding this section to the bill, a stimulus is provided for increasing contributions to our colleges and universities, which are characteristically in extreme financial straits and having great difficulty in expanding facilities, increasing faculty salaries, and sponsoring more research. This provision, I believe, will alleviate to a considerable extent the plight of those colleges and universities which do not have large endowment funds, or other similar means by which the costs of education are absorbed.

I am very pleased that my distinguished colleague in the other body, the junior Senator from Arizona, BARRY GOLDWATER, is introducing today a companion bill.

At this point in the RECORD I would like to include the text of the bill which I introduced and an analysis of its provisions:

The text of the bill is as follows:

A BILL TO AMEND THE INTERNAL REVENUE CODE OF 1954 TO ALLOW A TAX CREDIT FOR CERTAIN TUITION AND FEES PAID BY INDIVIDUALS TO INSTITUTIONS OF HIGHER EDUCATION AND TO ALLOW A TAX CREDIT FOR CERTAIN CONTRIBUTIONS MADE BY INDIVIDUALS OR CORPORATIONS TO INSTITUTIONS OF HIGHER EDUCATION

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowable) is amended by renumbering section 39 at 41, and by inserting after section 38 the following new sections:

"SEC. 39. TUITION AND FEES PAID TO INSTITUTIONS OF HIGHER EDUCATION.

"(a). GENERAL RULE.—There shall be allowed to an individual, as a credit against the tax imposed by this chapter for the taxable year, an amount (determined under subsection (b)) of the tuition and fees paid by him during the taxable year to one or more institutions of higher education in providing an education above the twelfth grade for himself or for any other individual with respect to whom he is entitled for such year to an exemption under Section 151.

"(b) LIMITATIONS.—

"(1) AMOUNT PER INDIVIDUAL.—The credit under subsection (a) for tuition and fees paid in providing an education above the twelfth grade for any individual during the taxable year shall be an amount equal to the sum of—

"(A) 100 percent of so much of such tuition and fees as does not exceed $100,

"(B) 30 percent of so much of such tuition and fees as exceeds $100 but does not exceed $500, and

"(C) 20 percent of so much of such tuition and fees as exceeds $500 but does not exceed $1,500.

"(2) PRORATION OF CREDIT WHERE MORE THAN ONE TAXPAYER PAYS TUITION OR FEES.—If tuition or fees for any individual are paid to one or more institutions of higher education by more than one taxpayer during the taxable year, the credit allowable to each such taxpayer under subsection (a) shall be the same portion of the credit determined under paragraph (1) which the amount of the tuition and fees for such individual paid by the taxpayer during the taxable year is of the total amount of tuition and fees for such individual paid by all taxpayers during the taxable year.

"(c) DEFINITIONS.—For purposes of this section—

"(1) TUITION AND FEES.—The term 'tuition and fees' means only—

"(A) tuition and fees required for the enrollment or attendance of a student at a level above the twelfth grade at an institution of higher education, and

"(B) fees required for courses of instruction above the twelfth grade at an institution of higher education.

Such term does not include any amount paid, directly or indirectly, for meals, lodging, or similar personal, living, or family expenses. In the event an amount paid for tuition or fees includes an amount for meals, lodging, or similar expenses which is not separately stated, the portion of such amount which is attributable to meals, lodging, or similar expenses shall be determined under regulations prescribed by the Secretary or his delegate.

"(2) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' means only a duly accredited educational institution—

"(A) which normally maintains a regular faculty and curriculum and normally has a regularly organized body of students in attendance at the place where its educational activities are carried on,

"(B) which regularly offers education at a level above the 12th grade, and

"(C) contributions to or for the use of which constitute charitable contributions within the meaning of section 170(c).

"(d) SPECIAL RULES.—

"(1) ADJUSTMENT FOR CERTAIN SCHOLARSHIPS AND VETERANS' BENEFITS.—The amounts otherwise taken into account under subsection (a) as tuition and fees paid for any individual during any period shall be reduced (before the application of subsection (b))

by any amounts received by such individual during such period as—

"(A) a scholarship or fellowship grant (within meaning of section 117(a)(1)) which under section 117 is not includible in gross income, and

"(B) education and training allowance under chapter 33 of title 38 of the United States Code or educational assistance allowance under chapter 35 of such title.

"(2) NONCREDIT AND RECREATIONAL, ETC., COURSES.—Amounts paid as tuition or fees for any individual shall be taken into account under subsection (a)—

"(A) in the case of an individual who is a candidate for a baccalaureate or higher degree, only to the extent such tuition or fees are attributable to courses of instruction for which credit is allowed toward a baccalaureate or higher degree, and

"(B) in the case of an individual who is not a candidate for a baccalaureate or higher degree, only to the extent such tuition or fees are attributable to courses of instruction necessary to fulfill requirements for the attainment of a predetermined and identified educational, professional, or vocational objective.

"(3) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) to the taxpayer shall not exceed the amount of the tax imposed on the taxpayer for the taxable year by this chapter, reduced by the sum of the credits allowable under this subpart (other than under this section and section 31).

"(e) CORRELATION WITH SECTION 162.—

"(1) IN GENERAL.—Deduction shall not be denied under section 162 (relating to trade or business expenses), for tuition and fees otherwise allowable as a deduction under such section, by reason of the fact that such tuition and fees are taken into account in determining the credit allowable under subsection (a).

"(2) REDUCTION OF CREDIT.—If the amount allowable (but for this paragraph) for any taxable year as a credit under subsection (a) for tuition and fees paid by the taxpayer in providing an education above the twelfth grade for himself, when added to the amount by which the tax imposed by this chapter for such taxable year is less by reason of the allowance of a deduction under section 162 for such tuition and fees, exceeds the amount of such tuition and fees, then the amount allowable as a credit under subsection (a) shall be reduced by an amount equal to such excess.

"(f) Regulations.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the provisions of this section.

"SEC. 40. CONTRIBUTION TO INSTITUTIONS OF HIGHER EDUCATION.

"(a) GENERAL RULE.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount (subject to the limitations of subsection (b)) equal to the amount of contributions by the taxpayer, payment of which is made within the taxable year, to or for the use of one or more institutions of higher education.

(b) LIMITATIONS.—

"(1) INDIVIDUALS, ETC.—In the case of a taxpayer other than a corporation, the credit under subsection (a) for any taxable year shall not exceed $100.

"(2) CORPORATIONS.—In the case of a corporation, the credit under subsection (a) for any taxable year shall not exceed $10,000.

"(c) CONTRIBUTIONS TO WHICH APPLICABLE.—Subsection (a) shall apply to a contribution to or for the use of an institution of higher education only if—

"(1) such contribution is a charitable contribution within the meaning of section 170(c), and

"(2) if such contribution is made for the use of an institution of higher education but is not paid to such institution and is not made available to it by the recipient, such contribution may be used by the recipient only for the same purposes for which such institution of higher education may expand its funds.

"(d) INSTITUTION OF HIGHER EDUCATION DEFINED.—For purpose of this section, the term 'institution of higher education' has the meaning assigned to it by section 39(c)(2).

"(e) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) to the taxpayer shall not exceed the amount of the tax imposed on the taxpayer for the taxable year by this chapter, reduced by the sum of the credits allowable under this subpart (other than under this section and section 31).

"(f) CORRELATION WITH SECTION 170.—"(1) IN GENERAL.—Deduction shall not be denied under section 170 (relating to charitable, etc., contributions and gifts), for contributions to institutions of higher education otherwise allowable as a deduction under such section, by reason of the fact that such contributions are taken into account in determining the credit allowable under subsection (a).

"(2) REDUCTION OF CREDIT.—If the amount allowable (but for this paragraph) for any taxable year as a credit under subsection (a) for contributions to institutions of higher education, when added to the amount by which the tax imposed by this chapter for such taxable year is less by reason of the allowance of a deduction under section 170 for such contributions, exceeds the amount of such contributions, then the amount allowable as a credit under subsection (a) shall be reduced by an amount equal to such excess.

"(g) REGULATIONS.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the provisions of this section."

"(h) The table of sections for such subpart A is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 39. Tuition and fees paid to institutions of higher education.
"Sec. 40. Contributions to institutions of higher education.
"Sec. 41. Overpayments of tax."

SEC. 2. The amendments made by this act shall apply to taxable years ending after the date of the enactment of this act.

SECTION-BY-SECTION ANALYSIS OF GOLDWATER-CURTIS BILL

SEC. 39—TUITION AND FEES PAID TO INSTITUTIONS OF HIGHER EDUCATION

(a) Taxpayer is allowed to take as credit against his final tax the amount of tuition and fees paid by him during the taxable year to one or more college or institution of higher education for himself or for any other individual for whom he can claim an exemption.

(b)(1) Credit for tuition and fees shall be allowed on the following schedule:

(a) 100 percent of the first $100.
(b) 30 percent of the next $400.
(c) 20 percent of the next $1,000.

For example, a parent pays $1,350 in tuition and fees to a college on behalf of his son. Thus the parent would be entitled to a credit of $390 as follows:

(a) 100 percent of first $100	$100
(b) 30 percent of next $400	120
(c) 20 percent of next $850	170
Total	390

The maximum credit allowance under this provision would be $420.

(b)(2) Where more than one taxpayer pays the tuition and fees the credit allowance shall be prorated among the taxpayers. For example, a parent pays $500 and his son pays $1,000 in tuition and fees to a college. The credit allowance would be $420, of which the parent would be entitled to one-third or $140, and the son would be entitled to two-thirds or $280. (NOTE.—The application of this subsection would be very limited inasmuch as each taxpayer must be able to claim an exemption for the individual for whom tuition and fees are paid. In the case cited above, the parent could continue to claim his son as an exemption even though the son is himself a taxpayer provided that the parent contributes more than one-half of his son's support while the son is a student).

(c)(1) Define "tuition" and "fees" as those required for enrollment or attendance or required for courses of instruction at an institution of higher education. It excludes amounts paid for meals, lodgings and other personal, living, or family expenses. If the tuition and fees include an amount for meals, lodging, etc., not separately stated, the portion of the amount attributable to meals, lodging, etc., shall be determined by the Secretary of the Treasury.

(c)(2) Defines "institution of higher education" as one which:

1. Normally maintains a regular faculty and curriculum;

2. Normally has a regularly organized student body in attendance where the educational activities are carried on (thereby excluding correspondence schools);

3. Offers education at a level above 12th grade; and

4. Gifts made to it constitute charitable contributions within the meaning of the code.

(d)(1) If an individual receives a scholarship or fellowship grant (which are not included in gross income) or receives an education and training allowance under the Korean GI bill or War Orphans Educational Assistance Act, the amount of such grant or allowance is deducted from the amount paid for tuition and fees in determining the credit allowance. Thus, if the amount paid for tuition and fees is $1,500 and the individual receives a grant or allowance of $800, then the credit allowance is based on $700, and not $1,500.

(d)(2) In the case of an individual who is a candidate for a college degree, credit allowance will be given only for tuition and fees paid for courses for which credit is allowed for a college degree. In the case of an individual not a candidate for a degree, credit allowance will be given for tuition and fees paid for sources required for the attainment of an educational, professional, or vocational objective. For example, a Foreign Service officer, transferred to a new post, may take a limited course of instruction in the language, culture, and history of the country to which he has been assigned, or a lawyer may wish to enroll in several graduate law courses to upgrade and enlarge his legal skills. Under both examples, it is intended that credit for tuition and fees paid would be allowed. On the other hand, a certified public accountant who enrolls in a course on Shakespeare merely for his own enlightenment and entertainment would not be entitled to a credit for tuition and fees paid, since the course in Shakespeare would not be part of an educational, professional, or vocational objective.

(d)(3) Provides that the credit allowance cannot exceed the amount of tax owed by the taxpayer. If the credit allowance is $420 and the amount the taxpayer owes is $400, then the credit allowance is reduced to $400. This provision is simply a technical amendment to prevent a claim by the taxpayer that the Government owes him $20 or the amount in excess of his tax.

(e) If a taxpayer is entitled to a deduction under section 162 (relating to trade or business expenses) for tuition and fees paid, he may continue to claim the deduction and the credit allowance as well. However, the deduction and the credit together

cannot exceed the amount actually paid for tuition and fees. For example, a taxpayer in the 30-percent bracket pays $150 in tuition and fees. He reduces his tax by $45 (30 percent of $150) by way of the deduction and is entitled to $115 as a credit. Since the total amount of the credit and the deduction is $160, the credit is thereby reduced to $150.

(f) Secretary of the Treasury is given authority to prescribe regulations to carry out this provision.

SEC. 40—CONTRIBUTIONS TO INSTITUTIONS OF HIGHER EDUCATION

(a) Provides a credit against his final tax for an individual for the amount of his contributions to one or more institutions of higher education during the taxable year.

(b) The credit cannot exceed $100 in the case of an individual or $10,000 in the case of a corporation.

(c) Such credit will apply only if the contribution to or for the use of an institution of higher education is deductible as a charitable contribution. Where the contribution is made not to a college or university but to an agency, foundation, or institution, such contribution may be only used by the agency for the same purposes that a college or university may use its funds.

(d) Definition of "institution of higher education" same as section 39(c)(2).

(e) Same as section 39(d)(3).

(f) Permits taxpayer to continue to take a deduction for charitable contributions as well as the credit provided by this section. In no event shall the deduction and the credit together exceed the actual amount of the contribution. Similar to the example set forth in section 39(e)(2).

(g) Secretary of the Treasury authorized to issue regulations to carry out provisions of this bill.

(h) Technical amendment—renumbering of code sections.

SEC. 2: Provisions shall apply to taxable years ending after the enactment of this act. If this bill becomes law in December 1963, a taxpayer may take advantage of the credits provided herein in filing his income tax return for the taxable year 1963.

A NATIONAL TRANSPORTATION MUSEUM IS NEEDED IN THE NATION'S CAPITAL

Mr. BOW. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. WIDNALL] 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. WIDNALL. Mr. Speaker, the New York Times reminds us in a timely editorial this morning that "until the first blow fell no one was convinced that Penn Station really would be demolished or that New York would permit this monumental act of vandalism against one of the largest and finest landmarks of its age of Roman elegance." The editorial says, with keenly felt disgust:

> Any city gets what it admires, will pay for, and, ultimately, deserves. Even when we had Penn Station, we couldn't afford to keep it clean. We want and deserve tin can architecture in a tinhorn culture. And we will probably be judged not by the monuments we build but by those we have destroyed.

In an attempt to prevent the same thing from happening in the Nation's Capital to the stately and dignified Union Station building designed by Daniel H. Burnham, one of our Nation's greatest architects, I introduced a bill, H.R. 8234, to provide a transportation museum as part of the Smithsonian Institution.

A national Air Museum was authorized some years ago as part of the Smithsonian Institution. This was, I am told, encouraged and very actively supported by the air and space industry leaders until it was passed by the Congress.

It seems to me most remarkable that the Congress could, without giving much more thought to the problem than it obviously has so far, authorize a museum for one aspect of transportation and, indeed, only the most glamorous and publicized aspect of transportation, and blandly ignore the need for a complete museum to show the compelling, often heartbreaking, and always magnificant story of mankind's transportation history.

I do not think that the Congress, or this Democratic administration, can justify a $40 to $50 million museum dedicated only to the air and space age, a museum which will be built at the taxpayers' expense, and a museum which, by its very limited statement of purposes, cannot but fail to give only an exceedingly small-size picture of mankind's history of transportation.

The Congress must recognize the absolute need to provide suitable and adequate facilities for the whole history of transportation. The Smithsonian Institution is dedicated to the increase and diffusion of knowledge, and surely some attempt must be made by this administration to assure that the knowledge dispensed is reasonably complete, is not distorted, and does not amount to special treatment of one industry.

My bill would provide a transportation museum which would tell the entire story of transportation, and of mankind's exciting story in its development from the invention of the wheel to the invention of the wing and beyond.

The railroads have several times tried to give the Union Station Building in the Nation's Capital to the Government. I have reason to believe that the railroads which own Union Station are favorably disposed toward my own proposal since it is one which would assure that this great structure, which has had an important and central part in railroad transportation, would have an equally important future for the benefit of all of the people of this Nation.

Exhibits in such a national transportation museum as my bill would provide should include exhibits of the great age of railroads, important exhibits of our river and sea transportation, of the Conestoga wagon with which our own West was settled and won, and of the development of the automobile.

One can say, without any possibility of successful contradiction, that if this Nation were to rely solely on air and space travel from this moment on, and ignore its roads, its railroads, the automobile, and truck, and all other forms of transportation other than that in air and space, that our economy would grind to a halt, not slowly, but at once.

I include the New York Times editorial, and the text of my bill to provide a National Transportation Museum:

FAREWELL TO PENN STATION

Until the first blow fell no one was convinced that Penn Station really would be demolished or that New York would permit this monumental act of vandalism against one of the largest and finest landmarks of its age of Roman elegance. Somehow someone would surely find a way to prevent it at the last minute—not-so-little Nell rescued by the hero—even while the promoters displayed the flashy renderings of the new sports arena and somewhat less than imperial commercial buildings to take its place.

It's not easy to knock down 9 acres of travertine and granite, 84 Doric columns, a vaulted concourse of extravagant, weighty grandeur, classical splendor modeled after royal Roman baths, rich detail in solid stone, architectural quality in precious materials that set the stamp of excellence on a city. But it can be done. It can be done if the motivation is great enough, and it has been demonstrated that the profit motivation in this instance was great enough.

Monumental problems almost as big as the building itself stood in the way of preservation; but it is the shame of New York, of its financial and cultural communities, its politicians, philanthropists, and planners, and of the public as well, that no serious effort was made. A rich and powerful city, noted for its resources of brains, imagination, and money, could not rise to the occasion. The final indictment is of the values of our society.

Any city gets what it admires, will pay for, and, ultimately, deserves. Even when we had Penn Station, we couldn't afford to keep it clean. We want and deserve tin can architecture in a tinhorn culture. And we will probably be judged not by the monuments we build but by those we have destroyed.

H.R. 8234

A bill to supplement the National Air Museum of the Smithsonian Institution with a National Transportation Museum in order to make the complete history of transportation available for the benefit of the people of the United States, and to provide space for a National Visitor and Student Center in order to assist the seven million people who visit the Nation's Capital each year

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Transportation Museum Act".

SEC. 2. For the purposes of this Act—

(a) The term "Board" means the Board of Regents of the Smithsonian Institution.

(b) The term "Commission" means the National Transportation Museum Commission as provided for in this Act.

(c) The term "Museum" means the National Transportation Museum established by this Act.

(d) The term "gift" includes a gift, bequest, or devise, whether outright or in trust, and any legal instrument by which the gift is affected.

SEC. 3. (a) There is hereby established in the Smithsonian Institution a bureau which shall be known as the National Transportation Museum.

(b) The Museum shall function as a public museum for the exhibition of vehicles and equipment used in all forms of transportation except for air and space transportation.

(c) Nominal charges may be levied for admission to the National Transportation Museum and the National Air Museum to assist in financing such museums, and de-

creasing the cost of such museums to the taxpayers.

SEC. 4. There is hereby created the National Transportation Museum Commission. The number, manner of appointment, and tenure of the members of the Commission shall be such as the Board may from time to time prescribe except for the ex officio members who shall be three Members of the House of Representatives who shall be appointed by the Speaker of the House of Representatives, and three Members of the Senate who shall be appointed by the President of the Senate. The Board may delegate to the Commission any function of the Museum or any function of the Board with respect to the Museum. The Board may make rules and regulations for the conduct of the affairs of the Commission and the operation of the Museum, and to the extent and under such limitations as the Board deems advisable, the Board may delegate to the Commission the power to make such rules and regulations.

SEC. 5. (a) The Board is authorized to accept for the Smithsonian Institution gifts of any property for the benefit of the Museum.

(b) Legal title to all property (except property of the United States) held for the use or benefit of the Museum shall be vested in the Smithsonian Institution. Subject to any limitations otherwise expressly provided by law, and in the case of any gift, subject to any applicable restrictions under the terms of such gift, the Board is authorized to sell, exchange, or otherwise dispose of any property of whatsoever nature held by it, and to invest in, reinvest in, or purchase any property of whatsoever nature for the benefit of the National Transportation Museum.

SEC. 6. For the purpose of carrying out any function authorized by section 3 of this Act, the Board may—

(1) purchase, accept, borrow, or otherwise acquire items for preservation, exhibition, or study. The Board may acquire any such item on the basis of its general historical interest or its importance in the development of transportation.

(2) preserve or restore any item acquired pursuant to paragraph (1).

(3) display, loan, store, or otherwise hold any such item.

(4) sell, exchange, donate, return, or otherwise dispose of any such item.

SEC. 7. (a) The Board may appoint and fix the compensation and duties of a director of the Museum, and his appointment and salary shall not be subject to the civil service laws or the Classification Act of 1949, as amended. The Board may employ such other officers and employees as may be necessary for the efficient administration, operation, and maintenance of the Museum.

(b) The Board may delegate to the Secretary of the Smithsonian Institution, as well as to the Commission, any of its functions pursuant to subsection (a) of this section.

SEC. 8. (a) The Administrator of General Services shall acquire the Union Station in the District of Columbia for the use of the Smithsonian Institution for the purposes of the National Transportation Museum, upon such terms and conditions, which may include leases or other means of reservation to railroad and terminal companies of rights to use a part or parts of the Union Station, as may be appropriate.

(b) The Administrator of General Services may make available for the purposes of a National Visitor and Student Center, upon such terms and conditions as may be appropriate, such space in the Union Station as may be not needed for the purposes described in subsection (a).

SEC. 9. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

THE SUPREME COURT AND FREEDOM OF THE PRESS

Mr. BOW. Mr. Speaker, I ask unanimous consent that the gentleman from Maine [Mr. TUPPER] 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. TUPPER. Mr. Speaker, I would like to acquaint the Members of the House with an extremely enlightening speech entitled "The Supreme Court and Freedom of the Press" delivered at the University of Maine in Portland on October 25, 1963, by Dr. Edward G. Hudon, Assistant Librarian of the Supreme Court of the United States.

Dr. Hudon, a native of Brunswick, Maine, is an outstanding legal scholar; he holds five academic degrees: B.S., LL.B., LL.M., M.S. in L.S., S.J.D.

He is the author of "Freedom of Speech and Press in America" published by Public Affairs Press, Washington, D.C., during this year.

Dr. Hudon's remarks follow:

THE SUPREME COURT AND FREEDOM OF THE PRESS

(By Edward G. Hudon)

(Remarks delivered at the Annual Newspaper Forum held at the University of Maine in Portland, October 25, 1963.)

When I received Professor Hamilton's invitation to speak here today my immediate reaction was one of pleasure mixed with quite a bit of fear. Pleasure because it offered me an opportunity to spend a little more time in Maine than I usually do each year. As some of you know, this is my native State. I was born and brought up here. Washington may be where I earn my living, but this is home. Some day I hope to be back to stay.

I mentioned fear not because I am afraid of being run out of town, but because I recognize that it takes more than simply to write a book to become an expert on something as complex as the law of speech and press—particularly when one is called upon to speak to an audience such as this one that is made up of the working press. All that I have done is scribble a bit about this law and the freedom it protects, you live by it.

As members of the press, I am certain that you are all Mark Twain scholars and that you are familiar with Pudd'nhead Wilson's New Calendar—particularly the entry that reads as follows:

"It is by the goodness of God that in our country we have those three unspeakably precious things: freedom of speech, freedom of conscience, and the prudence never to practice either of them.

Now I am sure that Pudd'nhead Wilson meant to include freedom of the press as well and for that reason I take issue with his entry—not because of anything that I have read, but because of personal experience.

Not long after my book on "Freedom of Speech and Press in America" was published this spring, a UPI reporter wrote a review of it that appeared in a number of newspapers. The review was wonderful, but the headlines that local editors attached to it were something else. One read: "Supreme Court Gets Advice From Its Own Librarian"; another one: "Advice for the Justices." So it went. Nevertheless, I am still on the Supreme Court payroll, or at least I was when I left Washington yesterday to come here. And that, I believe, is proof of more than the fact that we have freedom of the press in this country. It also proves that the Supreme Court practices what it preaches when it insists that there be freedom of expression for the individual.

My subject is "The Supreme Court and Freedom of the Press." Perhaps we can extend that a bit and go a little further back to examine the origin of the concept of freedom of the press as we know it.

To start off, we can say that the Founding Fathers knew what they wanted to cast to one side when they wrote and talked of freedom of speech and press. They wanted no more of the law of speech and press as it had existed in both England and America before the American Revolution when the only rights that an individual had were those that the ruling authority permitted him to have. You might call it the "trickle-down" theory of liberty. The Government was all powerful. There had to be, Blackstone wrote, "a supreme, irresistible, absolute, uncontrolled authority in which * * * the rights of sovereignty reside." Whatever the motive, to criticize this authority meant punishment. During the more violent years, while the licensing statutes were in force, there were even instances when authors and printers of books considered obnoxious were hanged, quartered, exposed in the pillory, flogged, or simply fined and imprisoned.

After the licensing statutes expired in 1695, liberty of the press consisted of printing without any previous license, subject to the consequences of the law. And there were consequences if one had the audacity to criticize the Government. James Franklin, Benjamin Franklin's brother, was made aware of this when he was imprisoned in 1722 because of a satire against the Government that he printed in his newspaper. This was but one of a number of similar instances.

The reason for such a state of affairs was simple. Any criticism of ruling authority was considered to create a danger that had to be dealt with promptly. This was the law of seditious libel as it had developed over a period of several centuries. It dated all the way back to 1275—to a statute called De Scandalis Magnatum that provided for the imprisonment of anyone who should disseminate false news or tales that could create discord between the king and his people.

But if the Founding Fathers knew what they wanted to leave behind, they did not all agree on how this should be done. Indeed, during the Federal Convention of 1787, proposals for specific guarantees for the press were voted down twice. At the end of the Convention, two of the delegates, George Mason and Elbridge Gerry, refused to sign the proposed Constitution because of the absence of a bill of rights that would have safeguarded freedom of the press among other things.

Once the Constitution was presented to the States for ratification, the first great debate started. Those who favored ratifying the Constitution as it was claimed that the Constitution itself was a Bill of Rights. They claimed that under it the people surrendered nothing to the Government and therefore had no need to reserve to themselves anything in particular. A bill of rights might even be dangerous, they said—it could but contain reservations not granted in the first place and, as a consequence, it might provide a pretense to any desirous of usurping power later. In the Federalist Papers (No. 84), newspaper articles written by Hamilton, Jay, and Madison in defense of the Constitution, doubt was expressed that a definition of freedom of the press could be written that would not leave the utmost latitude for evasion.

Those who favored a bill of rights offered equally convincing arguments. There were some like Jefferson who mistrusted the majority and feared for the rights of the

minority if these were left without specific protection. Monroe was afraid of the necessary and proper clause. It might, he felt, be used to infringe on the liberty of the press or any other right that was not excepted from its general power. Patrick Henry expressed his displeasure by exclaiming: "By this Constitution, some of the best barriers of human rights are thrown away." He even advocated that Virginia reject the Constitution. In the South Carolina Convention that met in 1788 to consider the Constitution, the question was asked: "The liberty of the press was the tyrant's scourge—it was the true friend and the firmest supporter of civil liberty; therefore why pass it by in silence?"

As we all know, the Constitution was ratified, but in the process quite a bit of fire and brimstone had been cast about. Three States even appended bills of rights to their ratifications. A fourth drew one up but failed to send it along. To calm the fears of some and the resentment of others, the First Congress passed 12 amendments to the Constitution, 10 of which were adopted by the States to become the Bill of Rights. The first one with which we are concerned here provided in part:

"Congress shall make no law * * * abridging the freedom of speech, or of the press."

Certainly there is nothing ambiguous about these words. Nevertheless, the interpretation given to them has been anything but consistent. Different theories have been applied at different times. Much has depended on the temper of the times at various intervals, and even on the membership of the Court.

Within a decade after the first amendment was adopted, the Alien and Sedition Acts became law and the Alien and Sedition Act trials took place. Men were again fined and imprisoned for writing, printing, and publishing criticisms of those in authority—this time, of the President of the United States and other high officials.

There was no difference between this and what had happened under British rule. Again, freedom of the press meant no more than the absence of previous restraint. Once more, the motivating force was fear. We were having difficulties with France and the furor over the XYZ affair was still rampant. War seemed imminent and the Federalists, the party in power, did not particularly relish the insults that were hurled at them by the opposition—by Jefferson and his followers who used the Alien and Sedition Acts to capture the Presidency.

When Jefferson took office, he released all who had been imprisoned for violations of the acts and he suspended further prosecutions under them. For that reason, none of the Alien and Sedition Act cases ever reached the Supreme Court as such. But enough of the Justices presided over Alien and Sedition Act trials as circuit judges or expressed their opinions in various other ways that there is little doubt that the acts would have been upheld had the cases gone that far.

Why should freedom of the press have taken so much of a beating so soon after so many had insisted that it become a part of the Constitution? It has been said that "people long submerged, who finally win their independence, seem at times to lose their moorings." (Douglas, "The Bill of Rights Is Not Enough," Madison Lecture, New York University Law School, 1963.) Possibly, that is the explanation. But at any rate, Congress later recognized the injustice of it all and remitted the fines that had been imposed.

Perhaps it should also be mentioned that even Jefferson could "lose his moorings." Although he treated the Alien and Sedition Acts rather harshly in the Kentucky Resolutions that he drafted, he was not above getting quite riled at the press when he was on the receiving rather than the pitching end of criticism. In 1803, while he was President, he wrote to his friend, Governor McKean of Pennsylvania, complained of the licentiousness and the lying of the press, and advocated a few selected prosecutions of the more prominent offenders. Not too many—that would have looked like persecution—just a few to restore the integrity of the press.

Insofar as the Supreme Court itself is concerned, its experience with the speech and press provisions of the First Amendment dates back only about 45 years. This experience started with the World War I Espionage Act cases. Before that, the law of speech and press was largely a State matter. But during the past 45 years at least four different theories have been used.

First there was the Use-Abuse or Liberty versus License theory of the 1920's. According to this, a sharp line was drawn between speech and press that was considered right and speech and press that was considered wrong. "Reasonable tendency" and "bad intent" were the yardsticks. It was this theory that served to uphold the convictions in the foreign language newspaper and the pamphlet cases of World War I. It also served in the latter part of the 1920's in the State Syndicalism Act cases.

Fundamental to this theory was the idea that great weight and every presumption of constitutionality must be given a legislative determination that certain acts constitute such a danger to peace and security that they cannot be permitted. It was the probable effect of the written and spoken word that was important. Thus, in *Abrams* v. *United States*, a case decided in 1919 that involved 9,000 circulars, some printed in Yiddish and some in English, it was held that "men must be held to have intended, and to be accountable for the effect which their acts were likely to produce." In *Schaefer* v. *United States*, decided in 1920, the actual effect of printed matter could not be shown, but that was held immaterial—it was the tendency of the articles that counted. The defendants in the case published a German-language newspaper of limited circulation in which they republished news taken from other newspapers, sometimes with omissions, additions, and changes.

Perhaps there can be no better assessment of these and other cases that followed than Mr. Justice Frankfurter's assertion that in some instances the Court had "too readily permitted juries to infer deception from error, or intention from argumentative or critical statements." *Dennis* v. *United States*, 341 U.S. 494, 539 (1951).

Of all the speech and press cases that were decided during the 1920's, one *Gitlow* v. *New York*, stands above all the others in importance. This one changed the course of history for civil rights litigation. In it, in 1925, the Supreme Court held for the first time that first amendment rights apply to the States through the due process clause of the 14th. The issue revolved around a pamphlet again, but the statute involved was a State statute and the conviction was by a State court. As both the statute and the conviction were upheld and were said not to violate the constitutionally protected right of freedom of speech and press, the floodgates were opened for the ever-increasing stream of civil rights litigation that we know today.

Nineteen thirty marked the start of a new and different era. Charles Evans Hughes became Chief Justice of the United States. Five years earlier he had expressed concern over the growth of an intolerant spirit in this country—the demand for uniformity which he considered to be "the most ominous sign" of the time. (Hughes, "Liberty and Law," 50 A.B.A. rept. 183). Consistent with this, the Hughes court recognized that a government must be able to protect itself from any "who indulge in utterances which incite to violence and crime and threaten the overthrow of organized government by unlawful means," but, under the leadership of the Chief Justice, it also recognized that "the maintenance of the opportunity for free political discussion to the end that government may be responsive to the will of the people and that changes may be obtained by lawful means * * * is a fundamental principal of our constitutional system." *Stromberg* v. *California*, 283 U.S. 359, 369 (1931).

Within a year, in *Near* v. *Minnesota* (1931), the Hughes court discarded "use-abuse" or "liberty versus license." To replace this it revived the age-old doctrine of "previous restraint" and refashioned it into a theory that is still with us and serves whenever nothing else seems to fit.

The statute in the case, which the Court held to be an unconstitutional restraint on publication, treated as a nuisance any "malicious, scandalous and defamatory newspaper, magazine, or other periodical." Truth was a defense, but only if publication was shown to be with good motives and for justifiable ends.

Writing for the Court, the Chief Justice acknowledged that a State may enact laws to promote the health, safety, morals and general welfare of its people. But, he continued, there are limits to this sovereign power which must be determined with appropriate regard to the particular subject of its exercise. And in this particular instance, the object of the statute was not punishment in the ordinary sense, but suppression. It violated the constitutional right of the press to be free from previous legislative as well as executive restraint.

Throughout the Hughes era, freedom of speech and press depended not so much on formulas as it did "on a correct appraisal of the actual effect of conduct" about which he had written in 1928 in his book "The Supreme Court of the United States" (pp. 165, 166).

If I may go back a bit. In 1919, Mr. Justice Holmes wrote for a unanimous Court in *Schenck* v. *United States*, a World War I anti-draft leaflet case:

"The question in every case is whether the words are used in such circumstances and are of such a nature as to create a clear and present danger that will bring about the substantive evils that Congress has a right to prevent." (249 U.S. 47, 52.)

This first use of the phrase "clear and present danger" in a speech and press case was to uphold a conviction and send a man to jail under the Espionage Act of 1917. After that, the phrase reappeared time and again in the civil liberties cases of the 1920's, but only in the dissenting and concurring opinions of Justices Holmes and Brandeis where it was developed into a gospel that was to be used so much later. But after 1927, there was an interval of more than a decade during which nothing was heard of it. And when it did reappear, the circumstances were quite different.

The year was 1940 and the case was *Thornhill* v. *Alabama*, a controversy over an Alabama statute entitled "Loitering or picketing forbidden." As this statute had been construed by the State court, it prohibited even one person from walking slowly back and forth, alone and without speaking to anyone, in front of an employer's premises carrying a sign stating the facts of a labor dispute. If that were allowed to stand, the Supreme Court held, it could be used to support abridgment of freedom of speech and press concerning almost every matter of importance to society. The Court again recognized that measures can and often must be taken to preserve the peace and protect life and property. "But," it continued, "no clear and present danger of destruction of life or property, or invasion of the right of privacy, or breach of the peace can be thought to be inherent in the activities of every person who

approaches the premises of an employer and publicizes the facts of a labor dispute involving the latter." (310 U.S. 88, 105.) The statute was struck down.

After the *Thornhill* case, "clear and present danger" became a formula. It served in a succession of cases that included house-to-house soliciting, the use of public parks for religious purposes, contempt of court by publication, and the right to address an audience, be it friendly or hostile. It also served for the Court to overrule itself and declare invalid a State compulsory flag-salute statute (*West Virginia Board of Education* v. *Barnette*, 319 U.S. 624 (1943), overruling *Minersville School District* v. *Gobitis*, 310 U.S. 586 (1940). "Clear and present danger" was very well suited for cases such as these. It kept quite a number of honest, sincere people out of jail whose only trouble was that they had the misfortune to run into overzealous law enforcement officers.

That lasted until the deaths of Justices Murphy and Rutledge in 1949. After these two consistent supporters of "clear and present danger" were gone, the votes were no longer there and soon the Court displayed disenchantment with the test that it had relied on so heavily for all of a decade.

In 1950, in *American Communications Association* v. *Douds* when the constitutionality of the non-Communist affidavit requirement of the Labor-Management Relations Act, 1947, was upheld, the Court suddenly became critical. It disapproved of the mechanical use of a phrase in every first amendment case without regard to the context of its application. The problems before it at midcentury were, the Court held, quite different than those that Justices Holmes and Brandeis had found convenient to consider in terms of "clear and present danger." Wrote Chief Justice Vinson for the Court:

"When the effect of a statute or ordinance upon the exercise of first amendment freedoms is relatively small and the public interest to be protected is substantial, it is obvious that a rigid test requiring a showing of imminent danger to the security of the Nation is an absurdity." (339 U.S. 382, 397.)

Then came 1951 and *Dennis* v. *United States* in which the convictions of the top Communist Party officials in this country were affirmed. The vote in the case was 6 to 2, but a majority was nowhere to be found that could agree on an opinion. The closest to this was the opinion that Chief Justice Vinson wrote for a plurality of four. Looking back again at Justices Holmes and Brandeis, he found that in their "clear and present danger" opinions they had never been confronted with anything more than comparatively isolated events that bore little relation to any substantial threat to the safety of the community. "They were not," he wrote, "confronted with any situation comparable to the instant one—the development of an apparatus designed and dedicated to the overthrow of the Government, in the context of world crisis after crisis" (341 U.S. 494, 510). Then, the Chief Justice adopted the interpretation that Judge Learned Hand had given "clear and present danger" when the case was in the Court of Appeals. Judge Hand had written:

"In each case [courts] must ask whether the gravity of the 'evil,' discounted by its improbability, justifies such invasion of free speech as is necessary to avoid the danger" (183 Fed. 2d, at 212).

Thus, probability was substituted for the immediacy that Holmes and Brandeis had insisted upon.

After the *Dennis* case, "clear and present danger" went out the window for those standbys such as picketing, Jehovah's Witness, handbill and soliciting cases. It was not even used in *Yates* v. *United States* in 1957 when the Court drew a distinction between a doctrinal justification of forcible overthrow of the Government and advocacy of action.

"Previous restraint" continued to serve, particularly in obscenity cases, but for a while "balancing of interests" public versus private carried the day. That first appeared in 1957 when a kindship was proclaimed to exist between the right of freedom of speech and press and the process of legislative inquiry.

In *Watkins* v. *United States* and *Sweezy* v. *New Hampshire* the balance was struck in favor of the individual. The critical element was said to be "the existence of, and the weight to be ascribed to, the interest of the Congress in demanding disclosures from an unwilling witness" (354 U.S. 178, 198). The Court required that committee authority be precisely defined, and the delegation of power be clearly revealed in the character of the investigating body. But starting with *Uphaus* v. *Wyman* and *Barenblatt* v. *United States* in 1959, the balance shifted away from the individual as adequate authority was permitted to be found behind authorizing resolutions. (See also *Wilkinson* v. *United States* and *Braden* v. *United States*, both decided in 1961.)

In 1961, "balancing of interests" was also used to uphold the membership clause of the Smith Act (*Scales* v. *United States*) and the registration provision of the Subversives Activities Control Act (*Communist Party of the United States* v. *Subversives Activities Control Board*).

All of these "balancing of interests" cases were 5-to-4 decisions. For that reason, it was inevitable that when Justices Whittaker and Frankfurter left the Court for reasons of health in the spring and summer of 1962, another change should take place. That a change had taken place became evident on March 25, 1963, when the Court decided *Gibson* v. *Florida Investigating Committee*. The balance had now shifted back in favor of the individual, 5 to 4.

The case was a review of a conviction for contempt of a Florida legislative committee investigating Communist infiltration in various fields within the State, one of which was race relations. The Court upheld the right of the president of the Miami N.A.A.C.P. to refuse to produce the membership list of his organization, although it was to be used only as the basis of testimony without having its contents revealed. All that the State committee wanted to know was whether 14 named persons were members.

Edwards v. *South Carolina*, decided February 25, 1963, was perhaps the most interesting case of this most recent term of the Supreme Court. The problem was whether 167 Negro high school and college students should have been convicted of breaches of the peace. Their offenses consisted of refusing to disperse when they assembled on the State capitol grounds, sang religious and patriotic songs, and listened to a religious talk. The State courts said "yes", the Supreme Court said "no".

The significant thing about the case is that the Court reached back to *Terminello* v. *Chicago*, a 1949 "clear and present danger" case from which it quoted the following language:

"[A] function of free speech under our system of government is to invite dispute. It may indeed best serve its high purpose when it induces a condition of unrest, creates dissatisfaction with conditions as they are, or even stirs people to anger. Speech is often provocative and challenging. It may strike at prejudices and preconceptions and have profound unsettling effects as it presses for acceptance of an idea. That is why freedom of speech * * * is * * * protected against censorship or punishment, unless shown likely to produce a clear and present danger of a serious substantive evil that rises far above public inconvenience, annoyance, or unrest." (372 U.S. 229, 237.)

Whether or not this means that the Court will go back to "clear and present danger," I don't know any more than you do. But there is one thing that is certain, the test is still very much present if there is need of it. One must also remember that the speech and press cases that the Court is confronted with today have, in many instances, an added element that those of the past did not have. Many are closely related to segregation. Thus, last term the Court upheld the right of the N.A.A.C.P. to take over and direct litigation that pertains to racial discrimination. This right was said to be a protected mode of expression and association (*N.A.A.C.P.* v. *Button*, 371 U.S. 415). There are also cases pending that involve sit-ins and various other types of demonstrations that many of you may have written about. These present new situations that may produce new theories.

Perhaps at this point you wonder why so many speech and press cases are decided 5 to 4. As far as I am concerned, there is nothing to worry about as long as the Court can split that or any other way. There would be something to worry about if it were otherwise. Our entire system of government is based on the right to dissent, and the reason for the first amendment is to make sure that it stays that way. And insofar as the Supreme Court of the United States, or, for that matter, any other supreme court is concerned, if there was only one answer to every problem there would not be any need for nine Justices—one would be enough.

It might also well to bear in mind that dissenting opinions are not a recent innovation. The very first Supreme Court opinion ever reported was a dissenting opinion. That happened way back in 1792 (*Georgia* v. *Braislford*, 2 Dallas 402, 405). As long as it stays that way, we shall be assured of an independent judiciary, the lack of which was one of the grievances expressed in the Declaration of Independence.

MORE MANAGED NEWS?

Mr. BOW. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. BARRY] 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. BARRY. Mr. Speaker, in Thomas Orwell's book "1984" big brother is constantly watching the citizens of Britain to make sure that their behavior conforms to the norms established by the Government.

The people are conditioned by managed news and managed history to accept the views of the Government. The October 29 issue of the Washington Daily News has an article entitled "An Orwellian Outrage" by Richard Starnes. The title of this article is apt and should constitute a warning to all Americans who cherish their fundamental freedoms. I quote:

AN ORWELLIAN OUTRAGE

(By Richard Starnes)

The sinister silence over the case of *United States* v. *Worthy* continues.

The *Worthy* case is an Orwellian outrage. It is a coarse attempt by President Kennedy's sibling Minister of Justice to control the content of American newspapers.

This is not the first such attempt (and heaven knows it is not likely to be the last), but it is the most dreadful and ruinous one of which we have any record. For the first

time in the history of the Republic, the Government is trying to imprison a reporter for what he has written.

The facts in the *Worthy* case are not disputed:

William Worthy, a Negro reporter for the Baltimore Afro-American, was convicted under an iniquitous section of the McCarran Act that makes it a felony for an American citizen to reenter the United States from abroad unless he has a valid passport. This particular section of the act (which is a fitting memorial to the Senator from Nevada who spawned it) has no effect unless the United States is in a state of national emergency.

President Truman proclaimed such a condition in 1950, as a consequence of the Korean war. We remain in it, although there is no longer any national emergency, solely because of the wide additional powers the section gives the Government.

Mr. Worthy lost his passport (and with it his right to earn a living as a foreign correspondent) because he offended the State Department by traveling to mainland China in 1952. The State Department claims the right to decide which American citizens may go to China and which may not. My passport, for example, is endorsed for travel to China. Mr. Worthy's was not.

This means some nameless bureaucrat in the State Department has decided newspaper readers may safely read my dispatches from China but must not read Mr. Worthy's.

The State Department, having agreed to permit me to go to China, refused to permit me to go to North Vietnam. I am unsure what it is in North Vietnam the U.S. Government doesn't want me to see. But had I been able to obtain a visa, I would surely have gone (and would still).

I do not admit the right of some simpering functionnaire to license me to work at my trade, which is precisely the issue involved in the Worthy case.

Lacking a passport, Mr. Worthy went to Cuba.

He was readmitted to this country on the strength of a birth certificate. Six months later (after his leftwinging dispatches on Cuba had been printed) he was indicted for the crime of returning to the land of his birth. He was convicted and sentenced to 3 months in prison. An appeal was argued last week before the U.S. Court of Appeals in New Orleans.

In an amicus curiae brief filed in Mr. Worthy's behalf, the American Civil Liberties Union argued his conviction was unconstitutional because:

It sought to enforce banishment, a form of punishment abandoned by civilized nations since the time of the Magna Carta; the national emergency under which the law operates is plainly phony and no longer justifiable; and the law is an unwarranted interference with the constitutional right of free travel.

All these points are unassailable, to be sure.

But the ominous horror of the Worthy case lies in the fact that the reporter is under prison sentence simply because he wrote news dispatches contrary to the popular orthodoxy. If his conviction stands, 1984 will be here.

Mr. Speaker, freedom of the press means equal treatment to all segments of the press. Mr. Starnes has done the cause of liberty a great service by speaking out on an important issue.

THE OMNIBUS FEDERAL PAY BILL

Mr. BOW. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. JOHANSEN] 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. JOHANSEN. Mr. Speaker, by clearing the omnibus Federal pay bill for final action, our bonus-for-bankruptcy colleagues on the House Post Office and Civil Service Committee have won the first round.

I am still hopeful that the American taxpayers will win the final round on the floor of the House.

I do not believe that even the U.S. Government can continue to pay increasing dividends on increasing Federal deficits.

And I do not believe that the American people are going to indefinitely tolerate Federal personnel—including Members of Congress and top officials of the executive and judicial branches—enjoying preferred status as beneficiaries of this profligacy.

The price tag on today's action is $600 million a year. If it becomes law—as it very well may unless there is a taxpayers' uprising—this increase will swell Federal pay boosts within a 15-month period to an incredible $1,650 million.

Furthermore, it will increase the total annual Federal payroll from $14,296 million for the fiscal year 1962 to some $16 billion in the next full fiscal year.

Some extremely expensive chickens are coming home to roost, precisely as I warned would happen when the so-called "pay comparability" principle was steamrollered through Congress last year.

There is no question as to who now constitute this Nation's new economic royalists.

UNHOLY ALLIANCE BETWEEN COAL AND OIL PRODUCERS

The SPEAKER pro tempore (Mr. LIBONATI). Under previous order of the House the gentleman from Massachusetts [Mr. CONTE] is recognized for 10 minutes.

Mr. CONTE. Mr. Speaker, I rise to speak on a situation that has deteriorated to the point that the truth is no longer apparent. I refer to the unholy alliance between coal and oil producers in this country who, consciously or not, seem to be placing an economic bind around an already gasping New England. This bind on the economy and consumers of New England has almost reached the point where the rope upon which we hang is about to be cut.

The latest tragedy is the serious shortage of coal suffered by a number of small domestic producers. Some of these producers have found it practically impossible to get delivery of stove-size coal, the most needed size of their trade. They have been told repeatedly by producers that the particular size of coal is being shipped almost exclusively to Europe to the discomfort of longtime and faithful customers.

This shortage of anthracite coal has come about almost suddenly, although, as I have suggested time and time in the past since 1959, it was due to occur. With our substantial export program of anthracite coal to Europe, and with the U.S. Government paying good prices for it, it was obvious that this situation would someday be upon us.

In short, New England is being belted from both sides. We cannot get the kind of cheap residual oil that is so necessary—last year was one of the coldest in a long time—and now it appears that we are going to have a shortage of coal. This could prove disastrous and leads to only one conclusion—New England is still getting the short end of the political stick.

Recent studies made by the Petroleum Industry Research Foundation, Inc. are most enlightening. One covers a bill to tighten existing residual fuel import restrictions recently introduced by coal State legislators and an outline covering a study of the rise in the east coast power production in relation to oil import restrictions.

There is overwhelming evidence to suggest that if the coal bills were passed by Congress, the market for residual oil—within 5 years—would be completely destroyed. There would have to be by that time a wholesale conversion by the consumer of fuel burning facilities from residual oil to coal at tremendous increases in capital investments, plus drastic increases in the cost of fuel consumption—to say nothing of possible damaging effects of air pollution and the inconvenience of handling and transportation to the consumers.

The results of one study by the Petroleum Industry Research Foundation, Inc., follows, and indicates the factual breakdown of declining residual fuel oil production east of California, including the use of crude oil as residual oil since 1957.

Import restrictions, as the study states, have been in existence since April 1959. It was at this time that I severely criticized the Eisenhower administration policies regarding these restrictions. I was joined in this fight by the then junior Senator Kennedy from Massachusetts who, since becoming Chief Executive, has had a tendency to ignore the increasingly severe problems faced by New England. I have estimated that the restrictions on residual oil have cost the New England sector about $30 million a year since 1959.

As the study concludes, the "need appears, therefore, to be for a substantial liberalization of the Government imports policy on residual fuel oil, rather than for a further tightening of quotas."

It is absolutely essential, Mr. Speaker, that this issue be taken out of the realm of politics and a full and complete investigation of the facts be instituted, without regard to the political importance of any one part of the country over another.

In this respect, the famous phrase by Oliver Wendell Holmes has merit at this point. He said:

Truth is tough. It will not break, like a bubble, at a touch; you may kick it around all day like a football, and it will be round and full at evening.

I ask unanimous consent to insert in the body of the RECORD the statement of

the Petroleum Industry Research Foundation, Inc.

PETROLEUM INDUSTRY
RESEARCH FOUNDATION, INC.,
New York, N.Y., October 1, 1963.

In a statement released today the Petroleum Industry Research Foundation, Inc. (PIRINC) took strong issue with a bill to tighten existing residual fuel oil imports restrictions, introduced last Thursday in the Senate and the House of Representatives by a group of coal State legislators.

The bill proposes that U.S. residual fuel oil imports be limited to 50 percent of the total residual fuel oil consumption east of California in the same quarter of the previous year. In introducing the bill the legislators stated that it was "a fair and reasonable formula to hold imports to a level proportionate to demand."

In PIRINC's view the proposed formula would bring about a steady and progressive reduction in the total availability of residual fuel oil supplies east of California and particularly at the U.S. east coast where virtually all residual fuel oil imports are consumed. For, as the Research Foundation points out, domestic production of residual fuel oil has been declining regularly for many years. It must therefore be continually augmented by growing levels of imports just to maintain the existing volume of supply.

Since 1957 the decline in production of residual fuel oil east of California (including the use of crude oil as residual oil) has developed as follows:

	Barrels per day
1957	824,000
1958	720,000
1959	690,000
1960	636,000
1961	603,000
1962	557,000

PIRINC computed the average annual decline over the 5-year period as being nearly 10 percent.

Import quotas have been in existence since April 1, 1959. In the first 12 months they amounted to 429,000 barrels per day. In the 12 months starting April 1, 1962, quotas were issued for 525,000 barrels per day. Thus, in these 3 years imports rose by 96,000 barrels per day, said PIRINC. During approximately the same 3-year period (calendar years 1959 to 1962) domestic production of residual fuel oil east of California declined by 133,000 barrels per day, so that the rise in imports has not even fully offset the decline in domestic production. This decline has continued at an accelerated rate in the first half of 1963 when domestic production east of California dropped to 545,000 barrels per day, an 8.3-percent decrease from the same period of the previous year.

It is obvious from the above figures, PIRINC declared, that any formula which ties the level of imports directly or indirectly to domestic production, as the proposed bill does, can only have one effect: to reduce the total level of available residual fuel oil in each period below that of the comparable previous period. Since it would be unrealistic to assume a reversal of the long-term decline in domestic residual fuel oil production, says PIRINC, the end result of freezing imports to demand in the manner described in the bill would be the phasing out of the entire billion dollar residual fuel oil business east of California.

It is PIRINC's view that even under existing import restrictions the gap between residual fuel oil demand and supply on the U.S. east coast must be expected to spread, unless the Government takes corrective action. For the number of burning units using this fuel is currently increasing sharply. Thus, several large oil-burning electric utility plants will have been completed by the end of the present quota year—March 31, 1964—while more are scheduled to start operating during the next quota year. Most of these new plants are not readily equipped to burn other fuels.

The sharp rise in office and apartment building construction is also bound to affect the level of residual fuel oil demand, since from Philadelphia on north most of these buildings can only be heated economically with heavy fuel oil. Finally, there is the sustained high level of activity in the industrial sector, traditionally the most important outlet for residual fuel oil.

The need appears therefore to be for a substantial liberalization of the Government's imports policy on residual fuel oil, concluded PIRINC, rather than for a further tightening of quotas. A liberalization would not hurt the coal industry, since only a small share of imported residual fuel oil competes actively with domestic coal. Furthermore, said PIRINC, coal is no longer a sick industry, requiring special governmental protection. As evidence of the health of the coal industry, the foundation cited the fact that total U.S. coal shipments rose by 5.3 percent last year and by another 4.2 percent in the first half of this year.

JOB TRAINING TO MEET NEEDS OF AREA UNDER STUDY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. DINGELL] 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 Oklahoma?

There was no objection.

Mr. DINGELL. Mr. Speaker, I would like to call the attention of my colleagues to two articles on the front page of the Petoskey (Mich.) News-Review, of September 25, 1963. One of these articles has a headline which reads, "Job Training To Meet Heads of Area Under Study Here." The other article, two columns away, reads, "Barnett Seeks Michigan Industry." The Barnett, of course, is Ross Barnett, of Mississippi.

These two articles on the same page of the same issue of the same newspaper, Mr. Speaker, together tell a story of great irony. The first article, about training, emphasizes the need of keeping the new entrants into the labor market in and near their home areas. And this is a byproduct of the MDTA and ARA training programs, according to Mr. Tom Downs, a commissioner of the Michigan Employment Security Commission, who is quoted in the article, which I would like permission to reprint here:

> Young people are held in a community because they have jobs and the employers cooperate because they need people with training. Due to the type of resorts developing here (in northern Michigan), Downs said, they are attracting people who demand a high quality of service.

In the Upper Peninsula of Michigan, unemployed iron ore miners are learning new skilled trades such as welding and other occupations in which there is currently a shortage of trained personnel.

Mr. Speaker, these job-creating programs through training under MDTA and the Area Redevelopment Administration—which also provides loans for new industries in depressed areas—are making great strides because of the national public policy decided upon by this Congress and by the President.

But side by side with such programs designed to create new jobs as a means of bettering the national economy and its general welfare, we also have the paradoxical actions of a State that seeks to subvert this goal not by creating new jobs for the Nation, but merely by pirating old jobs from one section of this country to another.

I would like to remind my colleagues that the financial assistance provisions of the Area Redevelopment Act forbid any such assistance in cases involving the relocation of jobs, that is, to "runaway shops."

Ross Barnett's seduction tour into my State of Michigan is, of course, indicative of his contempt for national economic policy. While we cannot prevent him from engaging in such practices, as a Nation, and as a congressional body, we should certainly look askance at any steps taken by any Federal agency to aid and abet those practices. And in my opinion, federally backed programs such as the Small Business Administration and the Area Redevelopment Administration should not go out of their way to cooperate with Barnett and his disciples in Mississippi.

It is bad enough that Michigan companies succumbing to his sweet talk about "friendly labor" contribute to the problem of depressed areas by leaving jobless workers behind, but what is worse is that once such companies move to Barnett's land they then tend to acclimate themselves to the "local mores" by discriminating in their employment policies.

The Petoskey newspaper, in the UPI article, states that Barnett "made no bones about his desire to lure industry out of Michigan and into his State." The article quotes this procurer as saying:

> We've gotten 497 new industries in Mississippi during my administration—and quite a few were from Michigan.

Mr. Speaker, I would also like to ask whether or not the use of bonds exempt from Federal taxation is part of this nefarious scheme to undermine the employment stability and economic levels of the Nation as a whole. I hope that the Labor and Education Committee might initiate an inquiry as to the origins of the 497 new industries lured into Mississippi, and how their running away affected the economic status of the individuals, retail merchants, and communities left behind to "solve their problems through local initiative."

Furthermore, I find that ARA has already approved five loans or grants to Mississippi projects. While these five projects did not involve runaway shops, I still would like to know how many projects are pending or in process, and to get a judgment as to whether a routine treatment of these pending projects is in the national interest. If Mr. Barnett has been so successful in obtaining nearly 500 new industries then it is obvious his State does not need ARA assistance.

[From the Petoskey News-Review, Sept. 25, 1963]

JOB TRAINING TO MEET NEEDS OF AREA UNDER STUDY HERE

"A high school education used to be all that a young man needed to get a job—but today a skill is needed as well to provide the difference between a good start in life and just filling in on stop-gap jobs."

That was what Tom Downs, a commissioner of the Michigan Employment Security Commission said here yesterday on an inspection tour of job training and retraining possibilities in the north.

With Downs was Eugene A. Busha, personnel director of Detroit, and Harvard Smart, Petoskey, regional supervisor. He stopped at Shanty Creek near Bellaire where a training program enabled local girls and women to learn how to be waitresses or cooks and found that most of the trainees had found employment. He said more than 100 Antrim County residents were now employed full time at the lodge, more on a part-time basis.

In this area, he said many had been assisted in practical nurse training at Traverse City which had met needs of hospitals. Smart told him that consideration is being given to starting a training program for nurse aids and orderlies. This spring, another program was offered here to train cooks and bakers and 90 percent of those completing the course had been employed, Smart said.

Statewide, Downs said about 80 percent of the trainees in this program find better jobs—and after this training, it often leads to even better things depending on the initiative of the individual.

Smart reported to him that a group of Antrim County workers would be taking a 24 week course at Northern Michigan College in Marquette to learn machine tool operating. A similar group from Manistee is now taking this training and will return to Manistee to fill job vacancies, some as welders under a new method.

Most courses are 10 to 15 weeks, but some are as short as 3 weeks, some run 6 months, and there are programs for up to a year where the trainee receives pay under a program with the Manpower Redevelopment Act and the area redevelopment administration. Courses are always taught in local facilities and planned by an advisory committee consisting of school, labor, and management representatives and programs are offered only where requested to meet a need. At Alpena Junior College, a course in training auto mechanics is about to start.

Downs said a survey is made to show where there are job openings and a need for people and he predicted that in this resort area there would be a need for service type jobs, waitresses and cooks and many in the medical field because this is a medical center. With the resort season extending through winter and fall activities, he predicted that the resort needs would be increasing.

As a byproduct of these training programs, Downs said young people are held in a community because they have jobs and the employers cooperate because they need people with training. Due to the type of resorts developing here, Downs said they are attracting people who demand a high quality of service.

Unemployed iron ore miners at Marquette are learning welding. All over the State, workers are being trained or retrained for new jobs where there is a scarcity of skilled workers.

[From the Petoskey (Mich.) News-Review, Sept. 25, 1963]

BARNETT SEEKS MICHIGAN INDUSTRY

KALAMAZOO.—Gov. Ross Barnett, of Mississippi, made no bones about his desire to lure industry out of Michigan and into his State, where he says "labor is very friendly to industry."

At a news conference yesterday before his address at Western Michigan University. Barnett said "I'm calling on industries every day to sell them on Mississippi."

The Governor spent 4 hours on his own after arriving here in a Mississippi National Guard plane.

"I've been visiting friends," he explained. The visits were paid to Oliver Electrical Manufacturing Co. and the Sutherland Paper Co.

"We've gotten 497 new industries in Mississippi during my administration—and quite a few were from Michigan," the outspoken Barnett said.

SEVENTH ANNIVERSARY OF THE HUNGARIAN REVOLUTION

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentlewoman from New York [Mrs. KELLY] may extend her 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 Oklahoma?

There was no objection.

Mrs. KELLY. Mr. Speaker, the lesson of Hungary must not be forgotten.

These words of warning convey the point of the eloquent speech delivered by Mayor Robert F. Wagner, of New York City, at the commemoration of the seventh anniversary of the Hungarian Revolution. It is a warning, and a plea, that must be heeded by each and every American, especially at this time when efforts to promote peaceful coexistence may tend to dull our awareness of the threat still posed by international communism.

Who will ever forget these glorious and incredible days when the people of Hungary broke out into open revolt, fought and then fell, overwhelmed at last by the irresistible might of the Red army? I pray that no one will. For that fateful day, the spirit of the courageous Hungarian freedom fighters, their indomitable will to be free, broke through the dark clouds of Communist oppression to brighten and advance, if but for a fleeing moment, mankind's age-old struggle for freedom and justice.

As chairman of the Subcommittee on Europe of the House Committee on Foreign Affairs, I had the opportunity to visit with some of the people who escaped from Hungary after the revolution was crushed. I shall never forget the look of tragedy upon their faces. Their attempt to free their country of foreign domination failed. For the moment, there was nothing more they could do. They could only look to the future. And looking to the future, they cherished the hope that some day peace and freedom would be restored to their homeland.

This spark of hope, this faith in the future, is like a thin thread of steel which connects the disjointed milestones in mankind's journey toward freedom. It is, furthermore, a bond which links men and women of different ages, and in different lands, in this one common pursuit.

It is for us in the free world today, to strengthen this bond and to sustain the hope of the peoples suffering under Communist domination. We can do this best through concerted effort in the one realm in which there can be no peaceful coexistence between freedom and tyranny—the realm of the ideological differences between our Western civilization and communism.

The Soviets have not abandoned the contest in that field; on the contrary, they have served warning that they intend to win it. We must muster similar resolve. We must marshal the ideological resources of the West, apply constant pressure at the points of weakness of the Communist empire, and take advantage of all opportunities to speed the process of evolution which is slowly transforming the nature of that empire and, bit by bit, enlarging the areas of freedom in the captive nations.

Mayor Wagner's speech points in that direction. It embodies an expression of faith in the future, and a call to action. It is one of the important speeches of our day, and I commend it to the attention of the membership of the Congress:

REMARKS OF MAYOR ROBERT F. WAGNER AT RALLY COMMEMORATING SEVENTH ANNIVERSARY OF HUNGARIAN REVOLUTION, HUNTER COLLEGE, NEW YORK CITY, OCTOBER 20, 1963

A gathering like this one for an occasion like this one makes me both humble and proud. I am humble for the meaning of this day. At the same time, I am proud to be able, as the mayor of this city, to greet you and join you in common dedication.

I salute this conclave of freedom—this assembly of free New Yorkers dedicated to the proposition that all men everywhere shall be free.

Tonight we celebrate the deathless heroism of one particular group of freedom fighters, some of whom are in this very hall tonight—those who loved freedom more than life and arose in those days of October 1956 against the fearsome power of Soviet tyranny.

Who will ever forget those glorious and incredible days when the people of Hungary broke out into open revolt, fought and then fell, overwhelmed at last by the irresistible might of the Red army? The forces of that rebellion were armed mainly with courage, in confronting the naked power of a war-toughened army of occupation—with its planes and strafing guns, and its tanks and automatic weapons.

Three years before—in 1953—there were similar but briefer uprisings in East Germany and in Czechoslovakia. Later in 1956 came the Poznan insurrection and then Poland's bloodless revolution. And of a similar quality, in 1943, was the heroic and tragic uprising of the doomed Jews of the Warsaw Ghetto.

These uprisings and insurrections—the Jewish, the Czech, the East German, the Polish—were, in their own way, related to one another. They were, in a certain sense, prologs and epilogs to the Hungarian revolution. In a larger framework, all can be considered related parts of the age-old pageant of mankind's struggle for freedom dating back to the earliest beginnings of recorded history.

In Hungary during those eventful days of October 1956, the world watched with a fiercely beating heart as freedom's ragged and valiant army seemed for a fleeting moment to be victorious. Then, as gloriously as they had stood, gloriously they fell.

Shall we recall the figures that eloquently tell a part of the story—the 25,000 killed, the 40,000 arrested, the 2,500 executed, and the 200,000 who fled into exile, some of them here in this auditorium tonight?

These are the cold statistics, but they do not really reflect the magnitude of that great uprising, nor the impact of that brief flood of freedom's light in the darkness of the Communist-slave world.

I believe that heroic episode will be remembered and celebrated as long as history is remembered, far down the unlit corridors of future times.

This is what they, the Hungarian heroes of that revolution, did for us and for all the generations of mankind still to come.

This was not the first uprising for freedom in the long and eventful history of Hungary. There was the revolt of 1848, led by the fearless leader Lajos Kossuth. Again, as in the revolt we are celebrating today, the rebels vainly appealed to other free nations of the world to come to the aid of the embattled freedom fighters; none came and the revolution was crushed. But the love of freedom was not extinguished. It continued to burn like a flickering candle in a gusty place, now brightly, now dimly, but never completely out, through the long night of the many tyrannical regimes that have ruled Hungary up until today.

Now I have told something of what the freedom fighters of Hungary have done for the cause of freedom. What ought we, here in America, to be doing in the same cause today?

Obviously we must not relax or relent in our opposition to Communist tyranny.

We must not let down or diminish in any way our efforts or our commitments in the struggle for freedom.

We must not abandon for a moment our determination to see that all who love freedom and who are willing to fight for it, wherever they are, shall have our support and our assistance to gain their goal. This certainly includes, this must include, the people of Hungary. It also includes those others behind the Iron Curtain who fall into the same category and have the same credentials in the world army of freedom.

But words are cheap, much cheaper than deeds; it is far easier to make a bold speech that will capture a headline here in New York than it is to free a single enslaved person from the Communist tyranny in Europe.

Today, as a result of the advances of science, we stand in the shadow of doomsday. Today scientists both here and in Russia are said to be working on a new hydrogen bomb capable of blasting a 200,000-square-mile area so that all vegetable and animal life would be erased—an area as big as all the New England States plus New York, plus Pennsylvania, plus New Jersey—an area inhabited by more than 50 million people.

What this means is that all-out war will not free the enslaved; it would simply destroy all the people at war and all in the path of war. But this fact does not mean that the struggle is to be abandoned. On the contrary, the struggle must be intensified. The struggle against communism and the struggle for the right of self-determination of the peoples behind the Iron Curtain must be pressed, pursued, and prosecuted with unceasing and relentless vigor.

The United States is spending $50 billion a year—half our budget—for military strength and security. In maintaining and continually building up the world's greatest striking and defensive military power, we are providing insurance against the Communist conquest of any more of the world by force or threat of force.

But while we are now capable of discouraging Communist hopes of any easy advances through the use of force or threat of force, we must concede their capability of discouraging our use of the same means to gain our objectives.

So, for purely practical, as well as for other reasons, we should look to other means to advance the cause of freedom.

But nevertheless, we still must win. The enslaved must be freed. Communist tyranny must be opposed and broken. The question is how. And I say to you that despite the so-called improvement in formal relations with our sworn enemy, we need not feel restrained for a moment in pressing the cause of freedom and aiding and encouraging the forces of freedom, wherever they may be, in every practical way, in front of and behind the Iron Curtain.

As mayor of this city, I do not speak for those who frame or direct the foreign policy of the United States. But as mayor, I can speak for the people of this city. And I say in their behalf—and I say in my own as a citizen—that we must never stop holding high the banner of freedom, and of holding out hope to those to whom freedom is denied by force, that their chains will soon, somehow, be struck from them.

I believe that the more ways we find of getting around and behind the Iron Curtain, and of establishing direct contacts with the people, the more ways we find to show them that while we seek for peace, we continue to strive for their freedom too—and will never stop until their cause prevails.

For this purpose we must develop a new assortment of approaches, utilizing not tired slogans but vigorous initiatives—to use every opportunity to contrast the ways of freedom with the ways of tyranny and totalitarianism, to hold up the goal of free elections, and to apply relentless pressure to the weak points of the enemy.

We must have confidence in the magnetic power of freedom. Freedom attracts freedom. The power of freedom is greater than that of slavery. With this as our firm faith, and with a deeper faith that we strive in God's cause, with His blessings, we surely will succeed in speeding the day of the deliverance of the Hungarian people from the Godless rule of Communist tyranny, and the reestablishment of a free Hungarian nation in the family of free nations.

BILL INTRODUCED TO AMEND TITLE 18 OF THE UNITED STATES CODE

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. MULTER] 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 Oklahoma?

There was no objection.

Mr. MULTER. Mr. Speaker, I have introduced a bill to amend title 18 of the United States Code to prohibit false statements or reports to Federal credit unions.

This is merely a clarifying amendment to remove any doubt as to whether federally chartered credit unions are to be treated the same as any other financial institution chartered by the United States for the purposes of section 1014 of title 18.

Section 1014 presently provides a penalty of not more than $5,000 or imprisonment for not more than 2 years, or both, for anyone making a false statement or report for the purposes of influencing action on the part of a number of financial institutions such as a Federal Reserve Bank, the Federal Home Loan Bank Board, a Federal Savings & Loan Association or—since 1956—a small business investment company.

There appears to be doubt as to whether misconduct by a member of a Federal credit union in falsifying an application for a loan, forging a cosigner's signature, and so forth, is a Federal offense. Section 1001 of title 18 provides penalties for making false statements or representations, but this section is considered by some to be applicable only to agencies or departments of the Government. There has been an attempt to limit its application to corporations chartered by the Government as Government-owned corporations. This was not the intent of Congress.

Section 1006 of title 18 relates to penalties for those who attempt to defraud a credit association. By court action, it has been limited in its coverage to an officer, agent, or employee of such an association. The Justice Department brought two test actions against credit union members under section 1006 involving the forging of cosigners' names and in both instances the indictments have been dismissed.

This bill makes it quite clear that the penalties prescribed by statute shall also apply to Federal credit unions as well as other federally chartered organizations.

There is no reason why any financial institution should be excluded and I hope that this legislative loophole will be closed by the enactment of this bill during the 88th Congress.

TO CLARIFY THE RECORD

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. GONZALEZ] may extend his remarks at this point in the RECORD include extraneous matter.

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

There was no objection.

Mr. GONZALEZ. Mr. Speaker, in view of the fact that my name was mentioned in remarks made from the floor of this House yesterday in the context of a story which has been related in several different versions, I offer the following news stories from the Fort Worth Press dated October 24, 1963, the Washington Daily News dated October 25, 1963, and an editorial from the El Paso Herald-Post dated October 25, 1963, to clarify the record:

[From the Fort Worth (Tex.) Press, Oct. 24, 1963]

"PINKO" LABEL ON GONZALEZ

(By Seth Kantor)

WASHINGTON.—Representative ED FOREMAN, Republican, of Texas, today labeled HENRY B. GONZALEZ, Democrat, of Texas, and 19 other Democratic Congressmen across the Nation as "pinkos."

"I think they are consistent supporters of communism through their votes in the House," said the El Paso area's freshman Congressman.

He said that "I am not going to call GONZALEZ a Communist, but he is as extreme to the left as the other 19, and they are pinkos."

Representative FOREMAN pointed to a House vote which took place last February 27 as his yardstick. The vote that day was 385 to 20, in support of retaining the House Un-American Activities Committee as a standing committee of the House.

For calling another one of the 20 a "pinko" in public last Friday at San Jose, Calif.,

Representative FOREMAN has had to issue a formal apology.

This is what he said in the Friday speech at a Republican rally in San Jose, referring to Representative DON EDWARDS, Democrat, of California:

"If you had an outright leftist, avowed Communist (in Congress), you wouldn't be getting any different kind of votes than you're getting from DON EDWARDS."

The El Paso area Congressman had this to say today:

"If I think they're supporting the Communists I'm going to continue speaking out against them as an American. I don't want us playing into the hands of the Communists by selling wheat to Russia or by entertaining Tito. Pinkos do things like that."

[From the El Paso (Tex.) Herald-Post, Oct. 25, 1963]

FOREMAN GOOFS

"Ill-advised" is too mild a word to describe Congressman ED FOREMAN'S attack on a group of his fellow Congressmen as "pinkos."

The 20 Congressmen attacked by FOREMAN as "pinkos" were given the label because they voted against retaining the House Un-American Activities Committee. In FOREMAN'S view, that made them sympathetic to communism, because the Communists would like to see the committee die.

This guilt-by-association attack does no credit to our Congressman.

A great many sincere and patriotic Americans applaud and approve the actions of the Un-American Activities Committee. A great many other equally sincere and equally patriotic Americans disapprove of the committee. It is one thing for Representative FOREMAN to disagree with the views of the latter group; it is quite another for him to imply that all Americans who hold views opposite to his own are pro-Communist.

Representative FOREMAN has expressed unhappiness with the United Nations. Russia's Mr. Khrushchev doesn't like the UN either. Does this make Mr. FOREMAN pro-Communist?

Representative FOREMAN violently opposes foreign aid. The Russians wish we would end it, too. Does this make Mr. FOREMAN pro-Communist?

Representative FOREMAN has attacked American leadership in the White House. So have the Russians. Is Mr. FOREMAN therefore a pro-Communist?

On virtually every phase of government there is room for disagreement. For every action there is reaction, and both action and reaction have their supporters.

Mr. FOREMAN is entitled to spring to the defense of the House Un-American Activities Committee. He is entitled to present the argument that he believes its abolition would please or profit the Reds. But he is in grievous error when he hangs the label of pro-Communist on all those who differ with him on this issue.

[From the Washington Daily News, Oct. 25, 1963]

GOP CONGRESSMAN APOLOGIZES FOR SLUR: REPRESENTATIVE EDWARDS CAN HARDLY BE TICKLED PINK

Representative ED FOREMAN (Republican of Texas), who has labeled 20 Hill colleagues as "pinkos," has apologized to one of them.

During a speech at San Jose, Calif., Friday, Representative FOREMAN, referring to Representative EDWARDS (Democrat of California), said:

"If you had an outright leftist, avowed Communist (in Congress), you wouldn't be getting any different kind of votes than you're getting from DON EDWARDS."

MILLIONAIRE

Representative EDWARDS, 48, a millionaire businessman and former FBI agent, is a freshman Congressman.

Representative FOREMAN'S words were reported in the San Jose Mercury & News. He told the Scripps-Howard newspapers:

"I was quoted exactly correctly."

Representative EDWARDS, furious, consulted with House Speaker JOHN MCCORMACK (Democrat of Massachusetts), Majority Leader CARL ALBERT (of Oklahoma), and Majority Whip HALE BOGGS (of Louisiana).

The result was that he went to Representative FOREMAN with an apology all typed out.

Representative FOREMAN would not sign it, but did write an apology of his own and signed it. This is what he wrote.

"Dear DON: In view of the publicity given my remarks in San Jose, Calif., last weekend, causing embarrassment to you personally, I regret that the news people reported me as describing you as a pinko. I retract the statement regarding your voting record.

"Although we strongly disagree philosophically, a description of this sort was not in the best taste or good manners. Best wishes and regards,

"(Signed), ED FOREMAN."

FEARED SUIT

Representative FOREMAN said today:

"I wrote the retraction to keep from being sued by EDWARDS. But I still say he is a pinko. I will speak out against his voting record and the voting records of others who aid the Communists with their votes."

ACQUISITION BY THE FEDERAL AVIATION AGENCY OF A GIANT FLEET OF EXPENSIVE AIRCRAFT

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. GONZALEZ] 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 Oklahoma?

There was no objection.

Mr. GONZALEZ. Mr. Speaker, the Federal Aviation Agency has acquired a giant fleet of expensive aircraft which has exceeded the bounds of necessity and which supports the charges that have been made to the effect that the Administrator is building an empire. Certainly the tremendous increase in the FAA's annual budget and its farflung activities also support this view.

The FAA currently operates 129 aircraft, including a Boeing 720 jet for which it paid $4,295,542. The AOPA Pilot for October 1963, the official magazine of the Aircraft Owners and Pilots Association states of FAA's planes:

The type of aircraft used, their cost, and how they are equipped is the story behind one of the country's largest airline airfleets in the country.

This year the FAA added among other planes eight new Beechcraft Queen Air 80's to its airfleet on a lease-purchase agreement which will cost FAA an average of $34,100 per month. According to the AOPA Pilot, 58 percent of the lease cost will be applied to the purchase price of each aircraft if or when FAA elects to buy them. The purchase price for each of the planes is $171,888.75. These Queen Air 80's replaced a number of Beech model 18's which the FAA owned. The FAA says they replaced the Beech model 18's because they are surplus military planes, they were weary and had passed their last mark in miles. Yet general aviation owners still use 1,884 Beech model 18's. Presumably, the FAA issued aircraft certificates of airworthiness for each and every one of these surplus and weary planes. Apparently, what is surplus and weary to the FAA is good enough for general aviation owners.

Other planes in Mr. Halaby's fleet include two Boeing C–135 jets which cost $2,673,410 each, five Convair CV–540's which cost $735,000 each, a Convair CV–880 jet which cost $3,021,079, four Lockheed L–749's, five Lockheed TV–2's, an Aero Commander 680 which was formally operated under a lease-purchase agreement, and a Lockheed Jetstar that cost $1,506,985.

Mr. Speaker, I have had the sad duty of reporting to this body over the past 2 years on the deficiencies existing in the Federal Aviation Agency. Clearly, these deficiencies are directly traceable to the curious and vapid direction provided by its Administrator, Najeeb E. Halaby. He has assumed the role of master croupier in a deadly game of Russian roulette. To the flying public the stakes are tragically high. While Mr. Halaby spends Government funds appropriated by Congress on such things as building "one of the country's largest nonairline fleets," air route traffic control centers and control towers throughout the country are underequipped and poorly equipped. While the FAA spends 10 times and more for equipment and items than do State-owned airports and private organizations for the same equipment and items, many facilities still operate without up-to-date and modern safety equipment.

Certainly we want a modern common system of air traffic control. Certainly we want to appropriate the funds necessary to support this objective. Safety in air traffic is a necessity. But the luxuries inherent in the present administration of this program need to be examined. I cannot believe that Congress or the American people want to support the purchase and acquisition of one of the largest nonairline fleets in the country as an adjunct of one of our Federal agencies.

The Administrator takes the position that in matters of aviation only he as head of the FAA has the requisite knowledge to pass on his policy or the accuracy of scientific systems or technical developments. This view if it prevailed would make of our Federal Administrators not servants of the people but oriental potentates. The people have no representation in Federal agencies because Administrators are not elected. It is up to the Members of Congress as the elected representatives of the people to look into the justifications of budget requests of the Federal agencies and to scrutinize decisions whereby the people's money is being spent.

THE CASE AGAINST H.R. 8195

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

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

There was no objection.

Mr. GONZALEZ. Mr. Speaker, I have taken the floor many times in the past several months to argue against further extension of the bracero program. Since yet another extension bill will be brought up tomorrow, I think it would be well if I could summarize the reasons for my opposition to extension of the bracero law. I propose to do this today because I know that the debating time tomorow will be limited, and I do not wish to unduly burden my colleagues with a lengthy oration.

I believe that the bracero law in its present state is bad legislation, and that it authorizes a bad program—bad for the American farm workers, bad for the braceros, and bad for the farming industry itself.

Those who argue for the bracero program tell us that there is a shortage of agricultural workers, that American workers will not do so-called stoop labor, that termination of the bracero law would hurt the small farmer, that the bracero program is vital to the interests of Mexico as a means of earning dollar exchange, that termination of the program would mean a recurrence of the wetback problem, and that the bracero program does not depress domestic wages. I propose now to examine each of these arguments and show that they constitute no case at all for further extension of Public Law 78.

We are told by proponents of the bracero law that there is a shortage of domestic workers. This is not a strong argument; as a matter of fact, the distinct majority of agricultural workers in this country are domestics. Less than one percent of U.S. farmers employ braceros. Further, there is every indication that U.S. workers are available to perform farm labor when they are offered anything like decent wages. In Texas, when the adverse effect wage was set at 70 cents an hour instead of 50 cents an hour, the use of braceros dropped more than 75 percent in one year. Similarly, when the minimum wage was raised in Arkansas, the number of braceros dropped suddenly from 18,000 to 8,000. Bracero employment in New Mexico dropped 62 percent in a single year. If any evidence is needed that U.S. farm workers are available, I think that these figures show it.

The fact is that domestic workers have been literally driven out of the market by the braceros. Studies by agricultural colleges and other agencies prove that domestic workers moved out of the bracero using area after this program went into effect. Chances are excellent that these workers will return to these areas as soon as the braceros are gone.

Many of us who have opposed further extension of the bracero law have recognized that bracero-using areas are going to have to make some kind of adjustments. I and a number of my colleagues have introduced legislation which would help stabilize and bring some order into the farm labor market. But these recruitment programs have been consistently opposed by bracero-using interests. It would appear that these people do not even want to use domestic laborers, which might help explain why they are "unable" to find them.

Bracero users also argue that domestic workers are not available "because they will not do stoop labor." This is a patently false argument, inasmuch as American workers are employed by more than 99 percent of American farmers, and these workers do every conceivable type of labor, including so-called stoop labor. The facts give no shred of evidence to support the contention that American workers are soft, lazy, or indifferent. I have always been proud of American workers. The debates on Public Law 78 reflect the first time I have ever heard of when it was said that American workers are unfit and unable and unwilling to perform hard and dirty work. Clearly this is an untenable argument, for American workers perform precisely this kind of work all over the country.

Proponents of Public Law 78 say that the termination of the bracero program would hurt small family farmers; the exact opposite is the true case, I believe.

Simple economics show that the small grower who does all or most of his own work has his wages depressed by the cheap labor against which he is forced to compete. Furthermore, statistical data show beyond a doubt that the overwhelming majority of bracero users are big operators—not family farmers. Furthermore, the bracero program has flooded the farm labor market, since it provides an endless stream of docile and willing workers. The net result of this condition is that big operators have been able to increase their acreage to astronomical proportions—the market itself has been depressed by this increased production. The Farmer's Union which represents small farmers in this country, has repeatedly gone on record as being opposed to further extension of the bracero program. The facts are, Mr. Speaker, that termination of Public Law 78 will benefit—not harm—family farmers.

What about the argument that the wetback problem will recur if the bracero program ends? Again, this is a false argument. If it were true, I think we would already be having evidence of a rampant wetback problem, since the number of braceros has been cut back sharply in the last 2½ years. If this argument of the bracero users were true, we would already be forcing a new wetback problem. We do not have an uncontrollable situation. It is possible for the United States to patrol our borders, I think, despite the claims of a few people to the contrary.

The figures on the numbers of braceros versus the number of wetbacks in recent years have a bearing on the wetback argument.

The number of braceros in the past 5 years is as follows:

1956	445,197
1957	436,049
1958	432,853
1959	437,647
1960	315,846
1961	291,420
1962	194,978

If the wetback argument holds true, then there should be a sharp increase in the figures of the Immigration and Naturalization Service after 1959 with respect to the number of wetbacks apprehended and returned to Mexico. There should have been hundreds of thousands of wetbacks—for the wetback argument contends that for the number of braceros reduced, there is a corresponding rise in wetbacks. This is not true, as is obvious from these figures supplied by the Immigration and Naturalization Service:

1955	225,000
1956	60,000
1957	40,000
1958	30,000
1959	25,000
1960	23,000
1961	23,000
1962	23,000

(See page 72, annual report of Immigration and Naturalization Service for exact figures.)

It is revealing to see that the peak of the so-called wetback problem occurred in 1955—4 years after the initiation of Public Law 78. And, after 1959, when the number of braceros dropped more than 50 percent, there was no increase in the number of wetbacks apprehended.

The wetback problem and the bracero law are obviously not in any way related. It is significant that the wetback problem reached its peak in the early days of the bracero program, and did not abate until the Immigration and Naturalization Service was given adequate funds with which to finance the policing of our borders.

It is ridiculous to say that this country, the mightiest in the world, cannot even police its frontiers. The ending of the bracero program will not cause any increase in the number of wetbacks. The determining factor in the wetback problem is whether or not we will provide the Immigration and Naturalization Service with enough men and money to police the border—not whether the bracero law will be extended.

Some people advance the claim that the bracero program provides a kind of do-it-yourself foreign aid to Mexico. They point out the fact that the braceros carried $35 million to Mexico last year. This figure becomes less impressive when you divide it by 194,978. If you accept the $35 million estimate, this means that the average bracero last year netted something like $14 for his work and the average period of work was 2.9 months. In short, after all was said

and done, the average bracero saved something on the order of a dollar a day for his efforts. It becomes readily apparent that this is no bonanza.

Further, there is the moral question involved here: Is it right to make the domestic farmworkers of America—already our most deprived and underprivileged class—bear the burden of this "foreign aid"? Furthermore, many of those who proudly proclaim that Public Law 78 is foreign aid and that it is vital to Mexico have no qualms about attacking our other aid programs, which they evidently do not consider vital to this or any other country.

A favorite argument of the bracero proponents is that food costs would soar if this program were ended, because labor prices would increase. This excuse for canceling the workings of the free enterprise system is also false, and is used mainly as a scare tactic. The fact is that labor costs constitute only a small fraction of the cost of food. It is estimated in the case of canned tomatoes that labor costs constitute something like 4 percent of the retail cost of canned tomatoes. Certainly we cannot expect labor costs to rise enough to have a drastic effect on food costs. Personally, I would rather pay a penny a head more for lettuce than to have to gag on my salad, knowing that it was probably produced by semislave labor.

Yes, I call the bracero program a program of semislave labor. I say this because a free worker has some choice about where he is going to work, and under what conditions, and who he is going to work for. A bracero has none of these choices. Like the slaves of the 18th and 19th centuries, he is picked out of a lineup, transported to a camp, and assigned a field to work in. Unlike a slave, he can quit. The privilege to quit marks the only clear delineation between a slave and a bracero.

Finally, Mr. Speaker, I oppose the bracero law on moral grounds. The bracero program is known to inflict adverse effects on domestic agricultural workers. The Department of Labor opposes extension of the law in its present form for that very reason. President Kennedy himself took note of this evil some 2 years ago. But the bracero users have ignored these calls for reform, and resisted any amendments that would protect domestic workers. Further, large growers and farm organizations that represent them have consistently opposed all kinds of legislation that would benefit domestic workers. How can we justify a program which deprives workers who average less than a thousand dollars a year in income of some opportunity to raise their wages and improve their lot? How can we justify a program which robs them of jobs and cancels the processes of a free market in labor? How can we justify extending a program that has been almost universally condemned by church leaders of all faiths?

The answer is, Mr. Speaker, that we cannot. This House has once expressed its will that the bracero law expire at the end of this year. Let us reaffirm that will.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. HARDING (at the request of Mr. ALBERT), from today through November 15, 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. WAGGONNER, for 15 minutes, today, to revise and extend his remarks, and to include extraneous matter.

Mr. MICHEL, for 30 minutes, on Thursday, October 31.

Mr. HOEVEN, for 1 hour, on Tuesday, November 5, vacating his special order for today.

Mr. CONTE (at the request of Mr. Bow), for 10 minutes, today, to revise and extend his remarks, and 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. WELTNER.

Mr. ZABLOCKI.

Mr. RHODES of Pennsylvania.

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

Mr. TUPPER.

Mr. MCCLORY.

Mr. SIBAL in two instances.

Mr. FOREMAN in two instances.

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

Mr. TEAGUE of Texas in two instances.

Mr. STEPHENS.

Mr. BRADEMAS.

Mr. ROOSEVELT.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on October 29, 1963, present to the President, for his approval, a joint resolution of the House of the following title:

H.J. Res. 782. Joint resolution making continuing appropriations for the fiscal year 1964, and for other purposes.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 22 minutes p.m.) the House adjourned until tomorrow, Thursday, October 31, 1963 at 12 o'clock noon.

OATH OF OFFICE

The oath of office required by the sixth article of the Constitution of the United States, and as provided by section 2 of the act of May 13, 1884 (23 Stat. 22), to be administered to Members and Delegates of the House of Representatives, the text of which is carried in section 1757 of title XIX of the Revised Statutes of the United States and being as follows:

> "I, A B, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties of the office on which I am about to enter. So help me God."

has been subscribed to in person and filed in duplicate with the Clerk of the House of Representatives by the following Member of the 88th Congress, pursuant to Public Law 412 of the 80th Congress entitled "An act to amend section 30 of the Revised Statutes of the United States" (U.S.C., title 2, sec. 25), approved February 18, 1948:

MARK ANDREWS, First District, North Dakota.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1338. A letter from the Comptroller General of the United States, transmitting a report on the need to revise procedures in administration of the mortgage insurance program for urban renewal housing of the Federal Housing Administration, Housing and Home Finance Agency; to the Committee on Government Operations.

1339. A letter from the Comptroller General of the United States, transmitting a report on unnecessary annual expenditures by the Departments of the Army and Navy for leasing commercial facilities to store Government-owned empty 55-gallon steel drums in the Los Angeles, Calif., area; to the Committee on Government Operations.

1340. A letter from the Comptroller General of the United States, transmitting a report on the use of former Government surplus parts without authorization under Department of the Army contract DA–23–204–TC–1695 with Aerodex, Inc., Miami, Fla.; to the Committee on Government Operations.

1341. A letter from the Archivist of the United States, General Services Administration, transmitting a report on records proposed for disposal under the law; to the Committee on House Administration.

1342. A letter from the Comptroller General of the United States, transmitting a report on unnecessary costs incurred because of administrative negligence and poor design in the construction of two Air Force Capehart housing projects; to the Committee on Government Operations.

1343. A letter from the Comptroller General of the United States, transmitting a report on unnecessary costs incurred by use of an inadequate interior protective coating by the Department of the Army for fuel truck tankers; 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. HALEY: Committee on Interior and Insular Affairs. H.R. 7123. A bill approving an agreement entered into by the Navajo Tribe of Indians relating to oil and gas leases; without amendment (Rept. No. 877). Referred to the Committee of the Whole House on the State of the Union.

Mr. HAYS: Committee on House Administration. House Concurrent Resolution 223. Concurrent resolution to provide for the printing of 3,000 additional copies of civil rights hearings; without amendment (Rept. No. 878). Ordered to be printed.

Mr. ROGERS of Texas: Committee on Interior and Insular Affairs. Senate Joint Resolution 17. Joint resolution to designate the lake to be formed by the waters impounded by the Flaming Gorge Dam, Utah, in the States of Wyoming and Utah, as Lake O'Mahoney; with amendment (Rept. No. 879). Referred to the House Calendar.

Mr. McMILLAN: Committee on District of Columbia. S. 933. An act to amend the District of Columbia Practical Nurses' Licensing Act, and for other purposes; with amendment (Rept. No. 880). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on District of Columbia. H.R. 8920. A bill to revise the District of Columbia Alcoholic Beverage Control Act; with amendment (Rept. No. 881). Referred to the Committee of the Whole House on the State of the Union.

Mr. VINSON: Committee of conference. H.R. 6500. A bill to authorize certain construction at military installations, and for other purposes (Rept. No. 882). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

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

By Mr. MILLS:

H.R. 8969. A bill to provide, for the period ending June 30, 1964, temporary increases in the public debt limit set forth in section 21 of the Second Liberty Bond Act; to the Committee on Ways and Means.

By Mr. GILL:

H.R. 8970. A bill to revise the procedures established by the Hawaii Statehood Act, Public Law 86–3, for the conveyance of certain lands to the State of Hawaii, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HOLIFIELD (by request):

H.R. 8971. A bill to amend Public Law 88–72 to increase the authorization for appropriation to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. HUDDLESTON:

H.R. 8972. A bill to amend the Fire and Casualty Act of the District of Columbia to provide for the financial protection of certain persons suffering injury as a result of the operation of a motor vehicle by uninsured motorists; to the Committee on the District of Columbia.

H.R. 8973. A bill to strengthen the Motor Vehicle Safety Responsibility Act of the District of Columbia; to the Committee on the District of Columbia.

By Mr. KILGORE:

H.R. 8974. A bill relating to the retired pay to which certain former members of the armed services are entitled; to the Committee on Armed Services.

By Mr. KNOX:

H.R. 8975. A bill to provide for the tariff classification of certain particleboard; to the Committee on Ways and Means.

By Mr. McINTIRE:

H.R. 8976. A bill to amend the Internal Revenue Code of 1954 to increase the amount of the personal exemption allowed a taxpayer with respect to an individual (himself, his spouse, or a dependent) who is a student in higher education and is working full or part time; to the Committee on Ways and Means.

By Mr. MATSUNAGA:

H.R. 8977. A bill to revise the procedures established by the Hawaii Statehood Act, Public Law 86–3, for the conveyance of certain lands to the State of Hawaii, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MORGAN:

H.R. 8978. A bill to amend further the Peace Corps Act, as amended; to the Committee on Foreign Affairs.

By Mr. MULTER:

H.R. 8979. A bill to amend title 18 of the United States Code to prohibit false statements or reports to Federal credit unions, and for other purposes; to the Committee on the Judiciary.

By Mr. ROBERTS of Alabama:

H.R. 8980. A bill to amend the communications Act of 1934 to prohibit the Federal Communications Commission from making certain rules relating to the length or frequency of broadcast advertisements; to the Committee on Interstate and Foreign Commerce.

By Mr. CURTIS:

H.R. 8981. A bill to amend the Internal Revenue Code of 1954 to allow a tax credit for certain tuition and fees paid by individuals to institutions of higher education and to allow a tax credit for certain contributions made by individuals or corporations to institutions of higher education; to the Committee on Ways and Means.

By Mr. WILLIAMS:

H.R. 8982. A bill to amend the Railway Labor Act in order to make all awards of the National Railroad Adjustment Board final; to the Committee on Interstate and Foreign Commerce.

H.R. 8983. A bill to amend the Railway Labor Act in order to provide for establishment of special adjustment boards to resolve disputes otherwise referrable to the National Railroad Adjustment Board; to the Committee on Interstate and Foreign Commerce.

H.R. 8984. A bill to amend the Railway Labor Act in order to provide for the establishment of special adjustment boards upon the request either of representatives of employees or of carriers to resolve disputes otherwise referrable to the National Railroad Adjustment Board; to the Committee on Interstate and Foreign Commerce.

By Mr. EDMONDSON:

H.R. 8985. A bill to provide for the sale by the Secretary of the Army of certain lands in the Fort Gibson Reservoir, in Oklahoma, subject to flowage easements and other reservations; to the Committee on Public Works.

By Mr. MORRISON:

H.R. 8986. A bill to adjust the rates of basic compensation of certain officers and employees in the Federal Government, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. RAINS:

H.J. Res. 785. Joint resolution to amend section 702 of the Housing Act of 1954 to increase the amount available to the Housing and Home Finance Administrator for advances for planned public works; to the Committee on Banking and Currency.

By Mr. McFALL:

H.J. Res. 786. 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 Mr. MARTIN of Massachusetts:

H.J. Res. 787. Joint resolution providing for the erection of a memorial statue to the late Dr. Robert H. Goddard, the father of American rocketry; to the Committee on Science and Astronautics.

By Mr. ROUDEBUSH:

H.J. Res. 788. Joint resolution authorizing and directing the National Institutes of Health to undertake a fair, impartial, and controlled test of Krebiozen; and directing the Food and Drug Administration to withhold action on any new drug application before it on Krebiozen until the completion of such test; and authorizing to be appropriated to the Department of Health, Education, and Welfare the sum of $250,000; to the Committee on Interstate and Foreign Commerce.

By Mr. MATHIAS:

H.J. Res. 789. Joint resolution to adopt a specific version of the Star-Spangled Banner as the national anthem of the United States of America; to the Committee on the Judiciary.

By Mr. BYRNES of Wisconsin:

H. Con. Res. 229. Concurrent resolution providing for one General Expenditure Authorization Act for each fiscal year, and for other purposes; to the Committee on Rules.

By Mr. EVINS:

H. Con. Res. 230. Concurrent resolution authorizing the printing of 5,000 copies of the study, "Tax-Exempt Foundations and Charitable Trusts; Their Impact on Our Economy—Second Installment," for the use of the Select Committee on Small Business; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. CHENOWETH:

H.R. 8987. A bill for the relief of Franciska Lenarsic; to the Committee on the Judiciary.

By Mr. COLLIER:

H.R. 8988. A bill for the relief of Anastassia Dimiza; to the Committee on the Judiciary.

H.R. 8989. A bill for the relief of Triantafylos Economopoulos; to the Committee on the Judiciary.

By Mr. DERWINSKI:

H.R. 8990. A bill for the relief of Mane Hinic; to the Committee on the Judiciary.

By Mr. HAGAN of Georgia:

H.R. 8991. A bill for the relief of Vassilios Mamais; to the Committee on the Judiciary.

By Mr. McFALL:

H.R. 8992. A bill for the relief of Antonio Vidrio-Fierro; to the Committee on the Judiciary.

By Mr. NIX:

H.R. 8993. A bill for the relief of Dr. Yoshio Watanabe; 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:

426. By Mr. HANNA: Petition for support of constitutional amendment to permit Bible reading in public schools; to the Committee on the Judiciary.

427. By Mr. HANNA: Petition for support of constitutional amendment to permit Bible reading in public schools; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

A Liberal Goes Off His Rocker

EXTENSION OF REMARKS
OF
HON. ED FOREMAN
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, October 30, 1963

Mr. FOREMAN. Mr. Speaker, I appreciate this opportunity to present, by way of my Washington Report, an exact account of the very unfortunate and embarrassing incident created by the man from San Antonio [Mr. GONZALEZ] yesterday in his unwarranted and disgraceful physical attack upon me.

The report follows:

A LIBERAL GOES OFF HIS ROCKER (OR, AN IRRESPONSIBLE AND VULGAR HOTHEAD GETS FIGHTING MAD WHEN HIS ULTRALIBERAL VOTING RECORD IS EXPOSED)

It was 12:25 p.m., Tuesday, October 29, 1963, during a quorum call on the floor of the U.S. House of Representatives. I was sitting in the second row visiting with two of my colleagues, Mr. BEN REIFEL, of South Dakota, and Mr. DEL CLAWSON, of California, when suddenly Mr. HENRY GONZALEZ, of San Antonio, Tex., rushed up to me and exclaimed, "I understand you called me a Communist."

I replied, "No, HENRY, I did not call you a Communist. I did say, however, that I believe your ultraliberal, leftwing voting record does a disservice to the U.S. Constitution and helps to bolster the Socialist-Communist cause."

Before I could finish my statement, GONZALEZ interrupted, "Well, I'm gonna beat the ------ out of you, in fact, I may just pistol-whip you the way we do down in San Antonio."

"OK," I said, "Get after it."

GONZALEZ, motioning toward the door into the Speaker's lobby, said, "Step out that door and I will."

I got up, walked to the door, and as I stepped off the House floor into the lobby, GONZALEZ swung [at me] with his right fist. He missed my head and hit my right shoulder. He was furious, cursing loudly and acting like a vulgar, berserk madman.

I said, "HENRY, you are unduly upset. I do believe you have lost your mind. In fact, I cannot imagine a supposedly intelligent adult exhibiting this type of conduct in the Halls of Congress—I am ashamed for you."

With this, I turned and walked back onto the House floor. GONZALEZ was still standing in the lobby with his fists doubled, shouting vulgar, uncomplimentary charges and insults.

Admittedly, it was difficult, indeed, for me to restrain myself and maintain dignity while subjected to this obscene and intemperate attack by Mr. GONZALEZ. However, I sincerely believe that most of my west Texas friends would have expected me to maintain my composure and uphold the dignity of my office rather than resorting to the savage and indecent action exhibited by the man from San Antonio. I hope and trust that upon reflection of this unfortunate incident, Mr. GONZALEZ will exhibit the intelligence not to attempt such an irresponsible tirade again.

The hundreds of telephone calls and telegrams from across the country complimenting me on the handling of this situation have been a source of encouragement and reassurance in the intelligence and concern of Americans everywhere—Democrats and Republicans alike. It was particularly reassuring to have my colleagues commend me in the House of Representatives for my restraint and actions during this incident.

Mr. Speaker, further I include a sample of the hundreds of kind telegrams I have received commending my restraint and actions during this incident:

SAN ANTONIO, TEX.,
October 30, 1963.

Representative ED FOREMAN,
House Office Building, Washington, D.C.:

The citizens association deeply regret the unprincipled attack against you by HENRY B. GONZALEZ. We apologize in the name of the citizens of 20th District. Carry on the fight.

Respectfuly,

ROBERT C. MOORE,
President, the Citizens.

DALLAS, TEX.

Congressman ED FOREMAN,
Washington, D.C.:

Your dignity, character, dedication to the Government are above reproach. We're behind you.

KATHY and CLIFF GOLDSMITH.

SAN DIEGO, CALIF.,
October 30, 1963.

Congressman ED FOREMAN,
Washington, D.C.:

Call them as you see them with best regards to you and your family.

BEV AND RAY STONECIPHER.

MIDLAND, TEX.,
October 29, 1963.

Hon. ED FOREMAN,
House Office Building,
Washington, D.C.:

Congratulations. West Texans are behind you 100 percent.

JACK RUSSELL.
RAY STEWART.

Mr. Speaker, yesterday morning, after reading recent news articles, and before Mr. GONZALEZ attacked me, I had written the following letter to the editor of the El Paso Herald-Post:

CONGRESS OF THE UNITED STATES,
Washington, D.C., October 29, 1963.

Mr. ROBERT W. LEE,
Editor, El Paso Herald-Post,
El Paso, Tex.

DEAR PETE: I was somewhat surprised to see the front page headlines and story on your paper Thursday, October 24, 1963, quoting me as calling HENRY GONZALEZ a "pinko." But I was even more surprised to read the editorial in the following day's edition, entitled "FOREMAN Goofs," in which you condemned me at considerable length for this misquotation. Knowing you personally, and being particularly familiar with your fine newspaper and your outstanding background of fairness and responsibility in news stories and editorial writing, this sudden barrage of news and editorial castigation of me by you and your newspaper came as quite a shocking surprise, indeed.

Apparently, one of your enterprising Washington correspondents, in his zeal to write a colorful and controversial front page story at a time when congressional news was very dull, decided to do a bit of name calling for me. Your correspondent called me, discussed the California incident with me, and asked if I thought HENRY B. GONZALEZ was a "pinko." My reply was that, in my opinion, HENRY GONZALEZ' ultraliberal, leftwing voting record does a disservice to the U.S. Constitution and helps to bolster the Socialist-Communist cause. I believe his liberal voting record and his radical leftwing actions, consistently to the left of ADAM CLAYTON POWELL, speak for themselves. You can call him whatever name you wish. I am sure that sound, responsible Texans who review GONZALEZ' records are capable of placing a suitable name on the gentleman from San Antonio without my assistance.

As a conservative, I have consistently fought to reduce the size, cost, and control of the Federal Government. I am more interested in extending freedom than I am in promoting a welfare state. Therefore, not only will I work at my very best in my Armed Services Committee and on the House Floor toward this goal, but, when my committee and the House are not in session, I will continue to travel across these United States at my time and expense to work for the election of responsible conservatives, both Democrat and Republican.

I can do my job most effectively in the second instance, I believe, by pointing out the liberal voting record of those Members of Congress who are working to replace our free enterprise system with a Socialist-welfare state. I'll try to leave the name calling to the hardworking Washington news correspondents.

Sincerely yours,

ED FOREMAN,
Member of Congress, 16th District Texas.

The 120th Anniversary of B'nai B'rith

EXTENSION OF REMARKS
OF
HON. ABNER W. SIBAL
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Wednesday, October 30, 1963

Mr. SIBAL. Mr. Speaker, under leave to revise and extend my remarks, I want to take this opportunity of offering tribute to B'nai B'rith, the remarkable Jewish service organization which this month observes its 120th anniversary.

On October 13, 1843, 12 Jews of German origin met in Sunsheimer's Cafe in New York to found an organization which would unite all Jews, without regard to national origin, for the purpose "of inculcating the purest principles of philanthropy, honor, and patriotism."

In the following years, B'nai B'rith has succeeded in such magnificent measure that today it is a world-renowned rallying point for all Jews.

From B'nai B'rith, volunteers responding to President Lincoln's plea, joined the ranks of the Union Army. Since then, B'nai B'rith volunteers have served with distinction in both world wars. During the Baltimore flood of 1868, the Chicago fire of 1871, and the San Francisco fire of 1906, B'nai B'rith members rushed to the aid of the victims. As a forerunner to the American Red Cross, B'nai B'rith has aided its fellow citizens in time of trouble without regard to religion.

The Anti-Defamation League was organized under auspices of B'nai B'rith to combat anti-Semitism in the United States.

It established the Hillel Foundation, which is a vital cultural force on campuses throughout America.

The Pioneer American Hospital for research on tuberculosis and chest diseases was founded by B'nai B'rith at Denver. At Hot Springs, Ark., B'nai B'rith initiated the first important hospital center devoted to relief of arthritis. Both are non-sectarian, free hospitals for the needy.

B'nai B'rith is, in fact, the first national service organization to have been founded in America. It predates not only the Red Cross but such other organizations as the Salvation Army, the Grange, the WCTU, Kiwanis, Rotary, and even the Daughters of the American Revolution.

It has grown to include nearly 500,000 members in 40 countries and has become an integral part of the American scene.

At the age of 120, B'nai B'rith has only begun its work. To its members, I offer my congratulations and very best wishes for continued growth and success.

Texas Economy Lags

EXTENSION OF REMARKS
OF
HON. OLIN E. TEAGUE
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, October 30, 1963

Mr. TEAGUE of Texas. Mr. Speaker, I should like to make an effort to correct a multitude of misinformation which has been appearing of late in newspapers and periodicals concerning Texas' share of Federal contracts. This misinformation has been of great concern to me, when in reality the economy of the State of Texas is lagging in this field.

Through the free use of generalities a completely erroneous impression exists in some quarters that Texas has been getting more than its proper share of Defense and NASA contracts. In reality, nothing could be further from the truth. In fact, quite the contrary is true and I would like to set the RECORD straight with some specific facts and figures.

In a comparison of fiscal year 1958 to fiscal year 1962 military expenditures in California grew $2.5 billion, or 42 percent; New York, $340 million, or 11 percent; Ohio, $116 million, or 10 percent; and Texas was reduced $461 million or 30 percent. Much has been made of the award of the TFX contract to Convair in Fort Worth. It should be noted that less than one-third of the total dollars on this program will actually be spent in Texas. The balance will be spent in other States, such as New York and Connecticut, to name just two.

The Bureau of Business Research of the University of Texas in a recent economic survey showed a decline in actual employment for the State starting in 1960. Comparisons of these predictions with actuals since the survey was completed show that, even with the TFX in Fort Worth, the decline is twice as rapid as predicted. In other words, the TFX does not arrest the steady downward trend in the aerospace industry of the State. The award of additional future programs to Texas will only maintain the gradual decline predicted.

There has been much publicity on the establishment of the NASA Manned Space Flight Center in Houston, Tex. We naturally recognize the significant contributions this new Center is making and will continue to make within the scientific community of our State, but it should be pointed out that, although many contracts are let out of this center, the bulk of these contracts are let in other States with the main beneficiaries being California and New York.

In going from fiscal year 1961 to fiscal year 1963—May—California's share of the NASA budget has grown from $149 million to $448 million; New York from $44 million to $60 million, Ohio from $8 million to $20 million, and Texas from $12 million to $30 million. The $30 million spent in Texas represents only 3 percent of NASA's budget.

Texas companies will continue to bid for Defense and NASA contracts in fields where they are eminently qualified to compete. They ask only that they be given the awards when they are judged the best for the job to be done. This is all that I would ask. It would be grossly unjust, however, to have any Texas company who so qualifies lose out on any award as the result of a false impression that "Texas is getting more than its fair share."

Keeping the Faith Against Communism

EXTENSION OF REMARKS
OF
HON. ROBERT G. STEPHENS, JR.
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, October 30, 1963

Mr. STEPHENS. Mr. Speaker, in the daily news we hear so much about civil rights and the persecuted minorities that it behooves me to call to your attention the forgotten minority—professing Christians. All over the world the 2,000-year struggle is still being waged and people who want to be followers of Christ are being "thrown to the lions" in as wanton a fashion as in the days of the Roman martyrs.

One group I want to commend which is keeping the faith in this fight is the Baptist Brotherhood of the Augusta (Ga.) Association of Baptist Churches composed of 42 Baptist churches. This group is doing something about it.

In connection with other Baptist organizations in Georgia, the Baptist Brotherhood of Augusta is sponsoring in November a Russian-born Christian, Paul Voronaeff, to tell the story of the Communistic conspiracy to overthrow Christianity.

This is certainly the time to bring again to the American people the threat to Christian beliefs. Mr. Voronaeff's appearance will be at the Curtis Baptist Church, Augusta, on November 5, and he will witness to his personal encounters as a Russian prisoner because he is a believer in Christ. As aptly expressed by the Augusta Association chairman for this appearance, Mr. David P. Smith:

If the churches can't fight communism then certainly no one else is going to carry their fight for them.

On Pinkos and Patriots

EXTENSION OF REMARKS
OF
HON. ED FOREMAN
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, October 30, 1963

Mr. FOREMAN. Mr. Speaker, Mr. Bernard Baruch once said:

Every man has a right to his opinion but no man has a right to be wrong in his facts.

My purpose today is to set the facts straight, to clarify and briefly discuss a seemingly very interesting and disturbing for some, to say the least, subject and recent news article by a Washington news correspondent employed by the Scripps-Howard Newspapers.

Being familiar with this newspaper group and knowing of their outstanding background of fairness and responsibility in news stories and editorial writing, I was indeed surprised to see a story written by one of their dedicated and gentlemanly Washington correspondents, Mr. Seth Kantor, last week in which I was quoted as calling 20 of my colleagues in this body as "pinkos."

Apparently, in his zeal to write a colorful and controversial front page story at a time when congressional news was very dull, this enterprising correspondent decided to do some name calling for me. Pinko seemed to be a very popular and controversial name, so he wrote a story, "FOREMAN Labels 20 Colleagues Pinkos." Earlier the Washington correspondent had called me and asked, "How, or on what votes do you classify these liberal members?"

I replied:

I believe one representative grouping where you could pick out the most liberal Members of Congress was on the House Un-American Activities Committee vote, they seemed to be fairly well grouped together on that vote, about 20 of them as I remember.

The correspondent said:

HENRY GONZALEZ was among those 20, would you classify him as a pinko?

I replied:

I do not care to place a name on him or anyone else. In my opinion, HENRY GONZALEZ's ultraliberal, leftwing voting record does a disservice to the U.S. Constitution and helps to bolster the Socialist-Communist cause. I believe his voting record and his radical leftwing actions speak for themselves. You can call him whatever name you wish. I am sure that sound, responsible Texans who review Mr. GONZALEZ's record are capable of placing a suitable name on the gentleman from San Antonio without my assistance.

I did not call HENRY GONZALEZ a pinko or Communist. I only referred to his liberal voting record.

After this conversation, the correspondent then did take it upon himself to label these 20 Members of Congress as

pinkos. It is unfortunate that this happened. I make no apology for what I said. I only want to clarify what was said. I am sure all 20 of these fine, dedicated and distinguished liberals actually, honestly and sincerely do love their country. I am sure they just vote for more government programs and bureaus and controls and costs because they believe that a welfare state is best for America.

These folks are just fine, dedicated, trustworthy American patriots whose voting record would lead one to believe, perhaps, unknowingly, they may endorse a socialist United States of America. Now, I say this in no way disrespectful at all, nor do I use the House Un-American Activities Committee vote as my only criteria. Most of these fine Americans vote for most, if not all, of the welfare programs that are introduced. I just do not happen to believe that way—that is all.

I believe that an all-knowing, all-providing, all-powerful Federal Government is contrary to the basic philosophy of our American way of life—and, I believe that any government big enough to give you everything you want, is big enough to take everything you have got.

My interest is to streamline government and try to make it more efficient, because I want to reduce its size, cost, and control. I am more interested in extending freedom than I am in promoting a welfare state. My aim is not to inaugurate new Federal programs, but to cancel old ones that do violence to the Constitution, or that impose on the people an unwarranted financial burden.

To say the least, I was surprised to read in the national wire service yesterday, where a veteran and distinguished gentleman Member of this great body "verbally spanked me" as the wire carried it, for statements I supposedly made about another Member. Yet, no reference whatever was made concerning the violation of the decorum of this House by the gentleman from San Antonio, who, during a fit of anger, threatened to "pistol whip" me as he does in San Antonio and struck me with his fist.

I believe an apology is due me by the gentleman from San Antonio [Mr. GONZALEZ] for his violent attack upon me in these Halls of Congress. This should be expected of any reasonable and sane adult who had exhibited such irresponsible, disgraceful, and vulgar conduct.

We need a few more Democrats, and Republicans, alike, who think, work, and speak as Al Smith did one January night in 1936.

AL SMITH TOOK A WALK

A quarter century and more has passed since Gov. Alfred E. Smith took his famous walk out of the Democratic Party—but his speech in 1936 sounds today as if it could be given tomorrow.

Governor Smith said on a January night in Washington:

Let us give this solemn warning.

There can be only one Capital, Washington or Moscow.

There can be only one atmosphere of government, the clear, pure fresh air of free America, or the foul breath of communistic Russia.

There can be only one flag, the Stars and Stripes, or the Red flag of the godless Union of the Soviet.

There can be only one national anthem: The "Star-Spangled Banner" or the "Internationale."

There can be only one victor.

The famed speech—which led many to believe Smith, the beloved, happy warrior of New York's East Side, would lead a third party in the 1936 Presidential election—was delivered before the American Liberty League. Smith asked:

What happens to the disciples of Jefferson and Jackson and Cleveland? * * * There is only one thing we can do. We can either take on the mantle of hypocrisy or we can take a walk, and we will probably do the latter.

And take a walk Al Smith did. He went to Europe in the summer of 1936 and thus did not support F.D.R.'s candidacy. In 1940 he supported Wendell Willkie.

Smith, the 1928 Democratic Party candidate for President, had been known as an opponent to President Roosevelt, who had followed him as Governor of New York. But his lifelong party affiliation had prevented an open break. But, he told friends, the steady movement of the country toward the left was too great not to be opposed now.

He explained:

I was born in the Democratic Party and expect to die in it, but I can call upon innumerable witnesses to testify to the fact that during my whole public life I put patriotism above partisanship.

Smith, who knew the results of prejudice firsthand from his experience in the 1928 presidential election in which his religion was a prime issue, saw several dangers in the first years of the F.D.R. tenure in the White House.

He asked:

What are these dangers I see? The first is the arraignment of class against class.

The next thing that I view as being dangerous to our national well-being is government bureaucracy instead of what we have been taught to look for, government by law.

The next thing that is apparent to me is the vast building up of new bureaus of government.

Smith, a strict advocate of constitutional government, pointed out that the writers of the Constitution had seen the need for a balance of power in government:

What we want, and what we insist on, and what we are going to have, is the absolute preservation of this balance of power which is the keystone, the arch upon which the whole theory of democratic government has got to rest.

When you rattle that, you rattle the whole structure.

In concluding, Smith repeated his lifelong party advocacy and suggested a group of remedies:

Now, suggestions, and I make these as a Democrat anxious for the success of my party, and I make them in good faith.

First, I suggest to the members of my party on Capitol Hill here in Washington that they take their minds off the Tuesday that follows the first Monday in November. Just take their minds off it to the end that you may do the right thing and not the expedient thing.

Next, I suggest to them that they dig up the 1932 platform from the grave that they buried it in, read it over, and study it, breath life into it, and follow it in legislative and executive action, to the end that they make good their promises to the American people when they put forth that platform and the candidate that stood upon it 100 percent. In short, make good.

Next, I would suggest that they stop compromising with the fundamental principles laid down by Jackson and Jefferson and Cleveland.

Fourth: Stop attempting to alter the form and structure of our Government without recourse to the people themselves as provided in their own Constitution. This country belongs to the people, and it doesn't belong to any administration.

Next, I suggest that they read their oath of office to support the Constitution of the United States. And I ask them to remember that they took that oath with their hands on the Holy Bible, thereby calling upon God Almighty Himself to witness their solemn promise. It is bad enough to disappoint us.

Sixth: I suggest that from this moment they resolve to make the Constitution the civil bible of the United States, and pay it the same civil respect and reverence that they would religiously pay the Holy Scriptures, and I ask them to read from the Holy Scripture the parable of the prodigal son and follow his example.

So spoke my kind and type of politician. I wish we had more men who believed like Al Smith did.

American Art Week

EXTENSION OF REMARKS
OF
HON. ROBERT McCLORY
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 30, 1963

Mr. McCLORY. Mr. Speaker, the significance of American Art Week, being celebrated between November 1 and 7, should attract the attention of all Members of the Congress as well as citizens throughout the Nation.

Founded in 1931 by the American Artists Professional League, Inc., of New York City, American Art Week is being celebrated in various States and communities throughout the United States.

In 1962 Illinois placed second in the Nation for its activity during Art Week, and Lake County, which is in the 12th Congressional District which I represent, was the leading county in the State. Art leagues and associations in various parts of the 12th District are helping to foster appreciation of art, and many persons are being encouraged to develop and display their artistic skills.

In my congressional office I have a number of representative works of art—both oils and watercolors—which are on loan from distinguished and talented artists of the 12th Congressional District and which I proudly display to all who visit my offices.

In observing Art Week, it is well for all of us to recognize not only the value and importance of art, but also how much art enriches our daily lives—and to pause a moment to enjoy it. I

invite all the Members of the House to share the beauty of the art works on display in my office, room 1630. Also, I take this means of congratulating the officers and members of the Lake County and McHenry County Art Leagues—and commend to my colleagues and to the citizens of the 12th Congressional District and of the Nation the theme of this year's American Art Week—"Observe and Enjoy American Art."

Seventh Anniversary of the Hungarian Fight for Freedom

EXTENSION OF REMARKS
OF
HON. ABNER W. SIBAL
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Wednesday, October 30, 1963

Mr. SIBAL. Mr. Speaker, I take this time today to recall the events of the Hungarian revolution, which just 7 years ago this week, tore apart forever any remaining myths concerning the benevolence of Soviet control over the Iron Curtain countries, and which exposed anew the limitless treachery and total ruthlessness of Communist oppression.

This spontaneous bid by a proud people for a free government was lost through an overwhelming combination of lies and brute force. Thousands of patriots were killed. Nearly 200,000 Hungarians fled the country.

After assurances by the Russians that Soviet troops would be withdrawn from all of Hungary, which were given on October 28 to Premier Imre Nagy, Soviet forces in massive strength surrounded Budapest on November 1 and launched an attack on the city on November 4. They used 200,000 men with 2,500 tanks and armored cars.

Along with Premier Nagy, General Pal Maleter served as a focus of this nationwide rebellion. General Maleter was seized while attending a so-called negotiation meeting with the Communists and soon after murdered. The Premier, likewise betrayed, was seized and subsequently murdered as well. By the end of the first week of November, the Red curtain had dropped again over Hungary.

In the intervening years, up to the time the present administration took office, the United States maintained a strong position of condemnation against the Communist Hungarian puppet government. Earlier this year, the present administration regrettably reversed our country's policy and failed to challenge the right of the Hungarian puppet government to a seat in the United Nations. The issue never came to a vote and the puppet delegation was admitted. There are other signs that our Government is moving toward softer measures.

This would be understandable and desirable if the situation in Hungary had truly changed. But it has not. The government now in office is the very same regime which had to be rescued by Moscow from popular revolution in 1956. It is still the same regime which collaborated with the Soviets in their suppression of this revolution. It is still the same regime which has been condemned by the United Nations and which has continually ignored and flouted resolutions adopted by the United Nations, where it now sits with all the trappings of honor.

We cannot move closer to this regime, as we appear to be doing, without forfeiting, to the degree by which we move, our standing with our free world allies. Whether or not this is the intention of such moves, it is without question the effect of them.

Suppose we had lost our own Revolution; that it had been just as brutally crushed by the British and a puppet government installed. Suppose then that our principal ally and backer, France, had extended its hand toward the puppet government and agreed to deal with it in international councils. What would American reaction have been?

I submit, Mr. Speaker, this is very close to what is our present policy toward the puppet regime of Hungary and that the Hungarian people and others who are struggling to be free, must feel today as we would have felt in like circumstances.

I hope Americans everywhere will take this occasion to remember the Hungarians who fought for freedom 7 years ago and, in spite of apparent thaw between ourselves and Moscow, to remember what it is we are fighting for and honor the memories of comrades who gave their lives in the same cause.

Anniversary of Czechoslovak Republic

EXTENSION OF REMARKS
OF
HON. CLEMENT J. ZABLOCKI
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, October 30, 1963

Mr. ZABLOCKI. Mr. Speaker, Monday marked the 45th anniversary of the birth of the Czechoslovak Republic. All over the world free people once again raise their voices in encouragement and sympathy to the people of that valiant nation which has been under Communist domination for more than 15 years.

Despite oppression and brutal domination at the hands of the Communist forces, the spirit of the Czechoslovak Republic and the heritage of greatness which the free leaders of that proud nation have left behind still is enshrined in the hearts of their sons and daughters, both within their homeland and abroad.

Suffering under the twin disasters of 6 years under Nazi totalitarianism, the Czechoslovak people from 1948 have endured the terrible yoke of communism.

Despite the fact that the people of Czechoslovakia have been suppressed by totalitarian powers, incorporated forcibly into the Union of Soviet Socialist Republics, deprived of their individual political, economic, and religious freedoms, the people of that country long for the day when their country will once again resume its rightful place in the family of free nations.

It is my earnest hope that the people of Czechoslovakia will draw encouragement from the warm regard which our country holds for them.

American sympathy with the plight of the Czechoslovakian people has been manifest in our press and in Congress. It is evident today as we recall the 20 years following the founding of the Republic on October 28, 1918. Those years were marked by the enlightened leadership of Presidents T. G. Masaryk and Eduard Benes. The development and progress of that nation established for it an international reputation as a model of democracy in Europe.

It behooves all who enjoy the fruits of a free society to recall the tragedy which the Czechoslovakian people have been forced to endure. In the postwar period from 1945 to 1948, the fate of that country was in the balance until that fateful day in February of 1948 when a Communist coup took over the Government and initiated the 15 years of suffering for the Czechoslovak people.

In those 15 years, the failures of the Communist regime in its attempt to impose a foreign ideology on Czechoslovakia are well known.

In attempting to control the fires of freedom, the Communist regime has tried to eliminate all the humanitarian ideals so cherished by that country's people.

The mute evidence of that failure lies in the barbed wire and mine fields separating the people from the free world.

On the 45th anniversary of the birth of the Czechoslovak Republic, I want to extend my best wishes to the people of that brave country and to all Americans of Czechoslovakian ancestry. I join in the prayer that the oppression of their native land may soon be ended.

Medicare Hearings Announcement Applauded

EXTENSION OF REMARKS
OF
HON. JAMES ROOSEVELT
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, October 30, 1963

Mr. ROOSEVELT. Mr. Speaker, during the congressional campaign last fall, the good people of the 26th District in California repeatedly queried me on the provisions of the President's proposal for hospital insurance for senior citizens, and expressed the need for immediate legislation in this area. During those brief weeks at home and from the great volume of mail received on this subject since the beginning of this year, it is obvious that medicare is still of primary importance to my constituents, and I was, therefore, extremely pleased to hear the recent announcement of the Committee on Ways and Means that hearings are scheduled on the matter beginning November 18.

Because of its preoccupation with other measures of import, particularly the tax bill, the Committee on Ways and Means found it necessary to defer action on medicare. It is hoped the Congress will not now become so involved with other issues that this vital legislation will once more be overlooked. I applaud the committee for its announcement, and urge it to act expeditiously.

Vice President Lyndon Johnson's Remarks at the George Marshall Memorial Dinner

EXTENSION OF REMARKS
OF
HON. OLIN E. TEAGUE
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, October 30, 1963

Mr. TEAGUE of Texas. Mr. Speaker, I had the honor and pleasure to attend the George Marshall Memorial dinner last week, and enjoyed particularly the tribute paid to this great soldier and statesman by our Vice President, the Honorable LYNDON JOHNSON.

Under leave to extend my remarks in the RECORD, I include Mr. JOHNSON'S speech:

REMARKS OF VICE PRESIDENT LYNDON B. JOHNSON, GEORGE MARSHALL MEMORIAL DINNER, WASHINGTON, D.C., OCTOBER 23, 1963

On this occasion, honoring the great man we do, the temptation is very strong to eulogize and memorialize. For all of us who knew him, whether as soldier or statesman or friend, our memories carry the strongest sense of respect and awe for one of the most exceptional Americans of our history—George Catlett Marshall.

In the context of eulogy, we could review his remarkable career, dwell upon the high trusts which he held, and pay just tribute to the success of the enterprises he led and the programs he initiated in support of the cause of freedom.

But to speak of George Marshall in the past tense would be an injustice to this occasion—and to these times. Out of the historic years of the middle 20th century, other men may have written their names on the record of history with a more flamboyant hand. But as that record comes into truer perspective, the name and record of George Marshall stands forth in bolder relief as a continuing influence upon our times.

As soldier, he guided the forces of freedom to victory in the first global war. As statesman, he set in motion new forces of freedom to make that first global war also the last such conflict.

Today the harvest is ripening in the fields which were sown by this unselfish and dedicated man, and there are lessons for us to apply—lessons from both the work he pursued and the spirit of character he exemplified.

In pursuit of the victory in World War II, George Marshall offered his countrymen a living lesson of the necessity for confidence, for perseverance, for courage. He helped to teach us an indelible lesson about the necessity for allies and the equally imperative necessity for unity within a free alliance. Likewise, in his direction of our strategies, he taught much that is invaluable about keeping first things first, fixing upon our objectives and pursuing them steadfastly without distraction, division or diversion.

As statesman, George Marshall again imbued our national policies and purposes with these same concepts. While he will never be forgotten as a soldier, history will surely honor him more highly for helping his countrymen to understand that the victories of peace are to be won by those nations which pursue their objectives in a straight line of dedicated purpose—without distractions, divisions or diversion.

Two decades ago, on the very eve of our greatest national danger, George Marshall took command of an army equipped with broomsticks. No general could have had much confidence in that army's readiness. But George Marshall did have confidence in the American people—and in their political systems. On the foundation of that confidence, he persevered without despair, without deriding the system or its leaders, without doubting the people. Through the dark days of "Too Little, Too Late"—days many of us still remember so vividly from the Southwest Pacific—his unwavering confidence inspired in his countrymen the confidence indispensable for a great and successful national effort.

Only a few years later, 16 years ago now, civilian George Marshall as Secretary of State saw the nations which had been liberated at such sacrifice from one aggression lying prostrate before a new aggressor.

Europe's harvest had failed. France was free, but without food. England was safe, but without coal for heat. Italy was liberated, but a Communist coalition was within 10 percent of occupying control of the government. Greece saw guerrillas advancing across the countryside to within 20 miles of Athens. Turkey was resisting Communist claims to vital provinces.

Only 3 years after the end of the war, that great victory seemed destined to be made hollow—the sacrifices to have been in vain.

George Marshall knew how desperately men everywhere wanted peace. At that decisive moment, he instilled into our policy the simple but powerful proposition that those who want peace must be strong enough to keep peace. On that proposition, America has stood ever since—and stands tonight.

In Greece and Turkey, in Western Europe and southeastern Asia, we as a nation have held steadfastly to a straight line purpose of building strength, military, economic, and political. Because we have built it, because other freemen have joined with us in maintaining it, because together we have demonstrated our willingness to use it, we are today realizing exactly the results George Marshall foresaw.

We have negotiated and ratified the test ban treaty because we are strong, not because we are weak. We are encountering and exploring other opportunities for other negotiations and other agreements because our adversaries learned beyond all doubt 1 year ago in Cuba that we not only have the strength to meet aggression but we have the will to use that strength against any who would breach the peace in our hemisphere, or in the world.

George Marshall is gone. The great armies he commanded have been disbanded. The great plan which bore his name has long since ended. But his influence continues to shake the world in which we live tonight.

As his works live on, so the spirit of his character should also live on in our lives today. Few men of our times have made so great or so indelible an imprint of character as did George Marshall. Had he been a selfish or self-centered man, had be been a partisan, had he been less respectful of the institutions of our system or less confident of the capacity of our people, the history we recount tonight might be very different than it is.

Once, when he was asked about his politics, George Marshall replied, "My father was a Democrat, my mother was a Republican—I am an Episcopalian."

Such an answer seems inconsistent in this era when partisanship is so exalted by many as the first duty of citizenship. But a more partisan, more self-seeking man could not have accomplished for freedom and for America what George Marshall accomplished.

The lesson of this example applies to us all. Over the past quarter century, our system and our people have been challenged as never before. We have been challenged to meet new opportunities and new responsibilities by new means and methods, new policies and purposes. We have succeeded in our response because our system, our institutions and our traditions have been free of dogma and have permitted us to exercise the genius of innovation and inventions under a free and flexible system.

Today we have reached a point of new responsibility and new opportunity. We cannot know fully the forces responsible for the evidences of change within the system of communism. We realize the objective of that system for world domination has not changed—and will not change. We do not realistically expect the character of communism to be negotiated away by the representatives of communism who come to the conference table.

But we must and we shall hold steadfastly to the character and objectives of our own society. We shall not reject realistic opportunities that arise to relax tensions and promote honorable peace. We can know and believe that in a world which wants peace, the most telling pressure we can exert upon the Communist system will be a continuing pressure for peace. Peace and freedom are the points of our offensive. The free world has the offensive for peace today—and we shall keep it.

We shall keep it by maintaining both the strength of our arms and the initiative of our diplomacy—meeting new challenges as new opportunities. As citizens, let us fill our roles by exemplifying in our citizenship those qualities of George Marshall—confidence, perseverance, courage, and unselfishness.

Remarks of Vice President Lyndon B. Johnson, George Marshall Memorial Dinner, Washington, D.C., October 23, 1963

EXTENSION OF REMARKS
OF
HON. JOHN BRADEMAS
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, October 30, 1963

Mr. BRADEMAS. Mr. Speaker, under unanimous consent, I include in the RECORD an outstanding address by the distinguished Vice President of the United States, the Honorable LYNDON B. JOHNSON, at the George Marshall memorial dinner in Washington, D.C., on October 23, 1963.

At this event, which was sponsored by the Association of the U.S. Army, Vice President JOHNSON spoke inspiringly of the magnificent contribution which Gen. George Marshall made to the security of the United States and to the cause of human freedom.

The Vice President's remarks follow:

REMARKS OF VICE PRESIDENT LYNDON B. JOHNSON, AT THE GEORGE MARSHALL MEMORIAL DINNER, WASHINGTON, D.C., OCTOBER 23, 1963

On this occasion, honoring the great man we do, the temptation is very strong to eulogize and memorialize. For all of us

who knew him, whether as soldier or statesman, or friend, our memories carry the strongest sense of respect and awe for one of the most exceptional Americans of our history—George Catlett Marshall.

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As soldier, he guided the forces of freedom to victory in the first global war. As statesman, he set in motion new forces of freedom to make that first global war also the last such conflict.

Today the harvest is ripening in the fields which were sown by this unselfish and dedicated man, and there are lessons for us to apply—lessons from both the work he pursued and the spirit of character he exemplified.

A LIVING LESSON

In pursuit of the victory in World War II, George Marshall offered his countrymen a living lesson of the necessity for confidence, for perseverance, for courage. He helped to teach us an indelible lesson about the necessity for allies and the equally imperative necessity for unity within a free alliance. Likewise, in his direction of our strategies, he taught much that is invaluable about keeping first things first, fixing upon our objectives and pursuing them steadfastly without distraction, division, or diversion.

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THAT DECISIVE MOMENT

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A FREE AND FLEXIBLE SYSTEM

The lesson of this example applies to us all. Over the past quarter century, our system and our people have been challenged as never before. We have been challenged to meet new opportunities and new responsibilities by new means and methods, new policies and purposes. We have succeeded in our response because our system, our institutions and our traditions have been free of dogma and have permitted us to exercise the genius of innovation and inventions under a free and flexible system.

Today we have reached a point of new responsibility, of new opportunity. We cannot know fully the forces responsible for the evidences of change within the system of communism. We realize the objective of that system for world domination has not changed—and will not change. We do not realistically expect the character of communism to be negotiated away by the representatives of communism who come to the conference table.

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We shall keep it by maintaining both the strength of our arms and the initiative of our diplomacy—meeting new challenges as new opportunities. As citizens, let us fill our roles by exemplifying in our citizenship those qualities of George Marshall—confidence, perseverance, courage, and unselfishness.

Rightwing Reactionaries Busy in Local Election Campaigns

EXTENSION OF REMARKS
OF
HON. GEORGE M. RHODES
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 30, 1963

Mr. RHODES of Pennsylvania. Mr. Speaker, all Members of Congress are interested in the local and State election contests throughout the Nation next Tuesday. Every Member knows that any strong political trend that becomes evident will have an impact on legislation before the Congress, as well as on the important elections in 1964.

What will be most interesting to watch will be the activities of rightwing extremists who are increasing their influence and power in the Republican Party throughout the Nation.

On a national level the extremists seek to create confusion, suspicion, and distrust of representative government. They seek to picture our high courts, the Congress, and the President as enemies of the people. On a local level where these extremists have infiltrated civic organizations, luncheon clubs, schools and churches, they seek to brand Democrats as immoral, dishonest, corrupt, and disloyal.

It is not difficult to see the connection between these local contests and the controversial legislation now before the Congress.

Republican leaders tell the people that national issues are not involved in local campaigns but among themselves they talk differently. The presence of Verne Stephens in my district, sent there from Washington Republican headquarters, is further evidence of the real GOP objective.

An editorial in a recent issue of the New Era, a Reading weekly publication, quotes a former Congressman in proving this point:

THE TOTAL PURPOSE

"We want people to become aware of our total purpose. We are not merely anti-Communist."

Those words, spoken by former Congressman John H. Rousselot, is probably one of the frankest and most honest statements ever made concerning the true goal of the Nation's extreme rightist organization, the John Birch Society.

Ex-Congressman Rousselot is the Birch Society's Western States' governor and consequently knows whereof he speaks when he says that his secret organization has a total purpose which is not confined to fighting communism.

The total purpose is finding expression in the local elections of Reading and Berks

County where rightist thinkers are now running the Republican Party.

Total purpose, as applied to the John Birch Society, includes such radical proposals as doing away with social security; repealing the Federal income tax and thereby destroying the American concept of taxation according to one's ability to pay; withdrawing from the United Nations; and opposition to virtually every kind of Federal aid program beneficial to the people.

A victory for the Republican John Birchers would place corporation lawyers and big businessmen in control of city hall and the court house.

These are the same people who are promoting adoption of right-to-work legislation in Pennsylvania—legislation which would weaken or destroy most legitimate labor unions. Right-to-work laws are a form of compulsory helplessness" for workers because all forms of union security would be wiped out and employees would be helpless prey.

So here is the big link. You have big business, John Birchers, right-to-workers, antilaborites and ultrarightwingers, all joining forces in an attempt to capture the city and county in the name of Republicanism.

Mr. Speaker, during the past few weeks many fine tributes were paid to the memory of Senator Estes Kefauver by Members of the House and Senate and by citizens from all over the Nation.

He has been recognized as one of the truly great men of our time. He was courageous, honest, able, and dedicated. As one who was closely associated with the Senator from Tennessee I remember quite well how he was frequently the target of smears from the extreme right because of his untiring efforts for social justice, and for enactment of liberal and progressive legislation.

He was the Nation's most outstanding leader in the fight against organized crime and corruption. Yet the groups which are now pouring money into local campaigns under the pretense of fighting crime and corruption, are the same financial interests which poured gigantic sums into Tennessee to defeat Senator Kefauver in his last reelection campaign.

Mr. Speaker, I wish to include with my remarks the following articles which illustrate further the well-financed and well-organized drive of the right-wing Republicans to block social reform and national progress:

[From the Typographical Journal, June 1963]

WHAT IS THE RIGHT AND WHY IS IT WRONG?

No single definition fully encompasses the rightwing. It could be called a flock of maiden antis. But this would portray only a crowd of busybodies harmlessly nosing about in everyone's affairs. The rightwing is much more than that. It is dedicated, determined, and dangerous. It has money, manpower, and militancy.

Rightwingers basically are againsters. They set out a whole smorgasbord of spites. They fire salvos of propaganda bombarding individuals and institutions they fear and mistrust. What they are for—what positive proposals they advance—is as clear as London fog. For example, most of them would destroy the social welfare programs which cushion the hardships of old age or unemployment. Yet, they offer no alternative solution.

They package their programs in the red, white, and blue of anticommunism, but theirs is an anticommunism which weakens democracy by showering suspicion on democratic institutions and responsible leaders. They are united by a shared vision of a vast internal Communist threat. In this nightmare, they see themselves as the forces of good combating hordes of evildoers or dupes.

Let's look at the rightwing's priority list of againstisms, bearing in mind that not all extremist groups advocate the entire list, but some do, and almost all espouse most of it.

1. They are against labor unions. Along with the U.S. Chamber of Commerce and National Association of Manufacturers, they would begin by enforcing a national open shop law and would clamp unions under antitrust law restrictions.

They talk in terms of right to work and free enterprise. What they really want is to butcher collective bargaining. They yearn to turn back the clock to the days when the individual worker was at the complete mercy of his employer. They deplore a system which permits workers, through their unions, to sit at a table on a par with employers and bargain over wages and job conditions. They want it ended.

2. They are against Chief Justice Earl Warren of the U.S. Supreme Court. They want his head. They want him impeached (some want to impeach all nine Justices) because they claim absurdly "more than 33 decisions" by the Supreme Court under Warren's leadership "favored the Communist cause."

The decisions right-wingers attack actually defend the basic liberties of all Americans: freedom of speech, freedom of the press, freedom of association, freedom of equal access to public facilities, transportation, and schools.

They practice a clever form of geographical selection. In the south, the rightists exploit racism and assail the school desegregation decision. Elsewhere they beset decisions which have protected citizens from unfair court punishment or congressional harassment on political grounds.

3. They are against what they call "big Government." By this, they mean strong Central Government. They mouth the word "Washington" as if they were chewing lemons. They say Washington usurps States rights, individual rights and (this is when they howl loudest) corporate rights. What they are really against are the laws which protect the jaws of the weak against the fists of the strong.

4. They are against a truly free public school system which introduces students to new ideas and different viewpoints. They claim our schools "brainwash" our children into communism. They fear and hate academic freedom just as they fear and hate free speech, and they want to crush it—because at heart they fear and hate the free democratic process.

They want to undermine the public school system—which organized labor has done so much to build up—and convert it into an indoctrination ground for future rightists. They succeed alarmingly in some areas by censoring textbooks, capturing school boards and parent-teachers' association, and gagging teachers through intimidation.

5. They are against the United Nations. They dredge up phony arguments and manufacture phony facts to show the U.N. is Communist dominated, which it isn't. They conveniently overlook the valiant peacekeeping function the U.N. has performed in many world crises, the matchless contributions of U.N. special agencies to world health, agriculture, and education. They are blind to its unique value as a forum for all the nations of the world.

6. They are against any efforts to negotiate a just and lasting peace. They are the warwhoopers who belittle our Government's attempts to reduce world tensions. Civilian rightwingers are backstopped by a pool of retired admirals and generals who, from their armchairs, savagely second-guess political leaders.

It is the rightwingers who have tried to force the choice between Red and dead, refusing to acknowledge that Americans can endure alive and free.

AGAINSTERS

Mr. Speaker, Senator CLAIRE ENGLE, of California, in discussing these extremists in a San Francisco speech said:

They are sowing distrust for all American institutions—its schools, its courts, its government.

What do they stand for? They stand for nothing. They are against everything. They accuse everyone who disagrees with their brand of "Americanism" of being a Communist. They want to wreck the integrity of the Supreme Court. They want to destroy the American trade union movement. They stir resentment against our participation in the United Nations. They damn our tried and true social security system, as socialism. They want the income tax repealed. They villify the foreign-born and minority group Americans. They spread seeds of suspicion everywhere. They breed contempt for fellow humans and contempt for authority.

And they do this insidious work wearing masks of respectibility and labels of super patriotism.

PATRIOTISM

Mr. Speaker, the South Omaha Sun had this to say about patriotism.

Patriotism is not—as some seem to think—a matter of proclaiming one's own adoration of the flag while derogating that of one's fellow citizens. The true patriot doesn't wear his stars and stripes upon his sleeve; he doesn't say—or think—that he and he alone, or his group and his group alone, is the only reliable keeper of the sacred flame. Patriotism is of the deed, not merely the word; of attitudes, not attitudinizing; of a healthy discontent with things as they are and a resolve to do better, not the smug refusal to countenance criticism or change, not standing pat on dogma, not sitting tight on the status quo.

Patriotism, in short, is of the heart and mind, not the lungs, and so far as we can see, the hearts and minds of the American people are sound.

Hon. Carl Vinson Recipient of a Great American Award

EXTENSION OF REMARKS

OF

HON. CHARLES L. WELTNER

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 30, 1963

Mr. WELTNER. Mr. Speaker, Mr. Hubert F. Lee, for 34 years editor of Dixie Business, has announced the 1964 recipient of that publication's A Great American Award. I am pleased to advise the Members that our colleague and the dean of this House, the gentleman from Georgia, CARL VINSON, has been selected for this honor.

Honors are nothing new to such a distinguished Georgian, whose service, spanning almost a half a century, has received justly deserved recognition throughout the world. I commend Dixie Business for its selection of Chairman VINSON, who truly deserves the title "A Great American."

A Special Duty for Republicans

EXTENSION OF REMARKS
OF
HON. STANLEY R. TUPPER
OF MAINE
IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 30, 1963

Mr. TUPPER. Mr. Speaker, in the September issue of Harper's magazine an article by the distinguished gentleman from New York, JOHN V. LINDSAY, appeared entitled "A Special Duty for Republicans."

This featured report has received wide interest throughout the country, and I would like to take this means to acquaint colleagues on both sides of the aisle with this valuable article:

A SPECIAL DUTY FOR REPUBLICANS
(By JOHN V. LINDSAY)

(NOTE.—JOHN V. LINDSAY is now in his third term in Congress as a Republican Representative from New York City. In World War II, he saw action in the Mediterranean and Pacific on Navy destroyers; he got his law degree from Yale in 1948 and practiced in New York and before the U.S. Supreme Court. He is on the House Judiciary Committee and has sponsored legislation for individual rights, welfare, and education.)

As I am a member of the minority in Congress, and since the majority is large and their whips take instruction from the Executive, I am especially conscious of the minority's obligation to restrain the Government from whittling down basic individual rights and liberties. The obligation applies no matter which party is in power; no party in power has been without excesses—excess use of Government or congressional power to impinge on individual liberties. As a Republican with high respect for the philosophy of Lincoln, I see it as the special task of my party to redefine the role of the individual in our half-garrison, half-welfare leviathan state.

Contrary to the prevailing view of my party's national leadership, I believe that the real danger of increasing centralism does not lie in the comparatively modest Federal expenditures for the destitute, for education, and for health, but rather in the pervasive threat to individual liberties that stems from undue concentration of military, police, or economic power.

These liberties include the rights to speak freely, to dissent, to assemble and to petition and protest, to travel without harassment, to take up or defend unpopular causes, to receive the full benefits of due process, and to avoid the frustrations, and arbitrariness of weighty bureaucracy.

Certainly one of the functions of the minority in representative government must be to protect such liberties from erosion by the pressures of Government. Alexis de Tocqueville commented that his major doubt about our system was "the possible tyranny of the majority." In no area is this truer than the area of individual rights. But neither the Democratic nor the Republican party is now taking a strong enough stand for the protection of these rights. The Republican record has been less than distinguished on this subject. The Democratic record is rapidly getting worse.

Massive complexes of institutional power tend to roll up individuals in their path. This is true in both the private and the public arenas. The combination can be devastating—as President Eisenhower warned in his reference to the colossal power of the military-industrial complex. Although most governments pay lip service to liberal dogma they seem unable to control the emergence of antiliberal forces in their midst. The more massive the government complex, the greater the possibility that these forces will emerge. They appear under various guises: "military secrecy," "national security," "international competition," "dominant governmental interest," or just plain expediency.

In the last Congress, the House Committee on Un-American Activities, backed by the Kennedy administration and the House leadership, tried to push through by unanimous consent a bill that went under the title of "Industrial Security." A small group of us in the House barely beat this bill down by less than a majority vote, under a procedure which requires two-thirds for passage. The bill would have given the Government summary power in effect to remove from their jobs, without due process, up to 5 million Americans employed in private industry and universities on defense contracts or on related research. The rationale of the bill was that since classified information relating to defense contracts and research is spread all over the country in the giant industrial defense system and in universities, the Government must have power to screen out from access to such information any person it believes to be a security risk. The decision not to grant a due-process hearing on some undisclosed charge could be made under the terms of the proposed legislation at various subordinate levels in the Pentagon. The bill made no provision for appeals to the courts in individual cases.

IS "SECURITY" WORTH THIS PRICE?

Three of us objected to passing the bill on the Consent Calendar. It was then scheduled for floor action under "suspension of rules," a procedure which bypasses the Rules Committee and is reserved for relatively noncontroversial bills. Only 40 minutes of debate is permitted and amendments may not be offered. However, passage requires the affirmative votes of two-thirds of the Members present and voting. Six of us, all relatively new to the Congress, three Republicans and three Democrats, then went to work to muster support for an attack on the bill. We were required to overcome the Secretary of Defense, the Attorney General, the House leadership, and the entire membership of the Un-American Activities Committee under whose direction the bill was being handled on the floor. We mustered enough "No" votes to prevent two-thirds, but we still fell short of majority. The bill therefore, presumably, will be offered again under procedures which require a simple majority for passage. Meanwhile, the Government has been operating an industrial security system by Executive order of the President but under limitations imposed by the Supreme Court. The legislation now demanded by the Government would remove some of these limitations.

I received mail from several scientists and researchers telling me of lost jobs and destroyed careers because they had not been given a chance to refute charges and hence had been denied access to information needed for their work. The immediate employer, the defense plant, or the university was helpless in these situations; the Federal Government had taken charge of the employer-employee relationship.

In May of this year the House of Representatives passed, by a vote of 340 to 40, H.R. 950 (to amend the Internal Security Act of 1950) which tosses into the ashcan any semblance of due process for accused employees of the National Security Agency, an organization which handles highly secret military and cold war operations. The bill, which was backed by the Kennedy administration and the leadership on both sides of the aisle, denied hearings and all other normal procedures which protect most Government employees discharged from the Government. It means that any employee of this large agency who is charged by an anonymous informer of having "wrong" opinions, associating with "wrong" people, or doing any other vague "wrong" thing can be summarily dismissed and remain forever tainted in Government files and records without any understanding whatever of why it happened and by whom it was caused. Repeatedly it has been demonstrated that gross injustices occur when the Government operates in this fashion, and there is no commensurate improvement in Government security.

As disquieting as the bill itself, was the procedure under which its proponents originally attempted to put it through. Despite loud cries of warning and protest from the American Civil Liberties Union, two attempts were made to pass the bill on the Consent Calendar, a procedure reserved for uncontroversial "little" bills which are thought to have unanimous approval. There is no debate. Admittedly this particular bill presented a close question because of the sensitive nature of the agency, but personal rights are nonetheless diminished, and full debate was called for.

The Attorney General continues to press for legislation that will permit the FBI to tap wires without court orders in cases "presenting a threat to the security of the United States"—a phrase which can mean anything to all. Wiretapping is dirty business. Improperly used it is the worst kind of invasion of privacy. Modern electronic listening and eavesdropping devices have made the threat to individual rights posed by unchecked, unlimited use of this power all the more dangerous.

Recently there came to light a widespread practice in the Pentagon of using lie detectors on Pentagon personnel. There is a whole unit which does nothing but train people how to administer lie-detector tests. Some months ago, in connection with a leak to a news reporter of a nonclassified Pentagon memorandum, the country was treated to the spectacle of a few layers of brass in the Pentagon, including the Deputy Secretary of Defense, voluntarily submitting to lie-detector tests at the request of an outraged and embarrassed Pentagon security chief.

Last year, I and five other relatively junior Republican members of the House Judiciary Committee—joined later by a few junior Democrats—were barely able to hold the line against a bill which would have made it a crime to "obstruct" a Government investigator in the course of his work. Under the draft originally submitted by the Department of Justice, an irate housewife who merely administered a tongue lashing and brandished a broom because she objected to having her home invaded—or even an aggressive lawyer defending his client—could have been included.

Three years ago during the Eisenhower administration the House passed with only one nay vote—mine—a so-called antiobscenity bill, which would have given the Postmaster General summary powers to prevent distribution of books and periodicals thought by one official in the Post Office to be obscene. The measure was pressed by a Republican Postmaster General and sponsored by a Democratic Congresswoman, accompanied by flowered encomiums from the Democratic majority leader. It was a major and probably unconstitutional assault by Government on the personal right of free speech.

The bill placed the full burden of proving innocence on the mailer and attempted to exclude the courts from reviewing the merits of cases on appeal. Surely the works of Geoffrey Chaucer would never have survived if such a government tool had existed in the 14th century. The American Book Publishers Council and other organizations finally came to the rescue and the bill was

jettisoned in the Senate. A reasonable proposal was then drafted by a number of us and enacted.

The House has passed by a vote of 338 to 40 a bill pressed by this administration which broadens the old World War I Sedition Act. The Sedition Act, which has been almost dormant for 40 years, makes it a crime for any person in the jurisdiction of the United States to make false statements designed to interfere with the Armed Forces, or to attempt to interfere with enlistment. Constitutional lawyers agree that this act is the most stringent curb on the personal right of free speech ever enacted in our country's history, including even the Smith Act.

Under the Sedition Act, some may recall, in 1918 an American woman was prosecuted, convicted, and sentenced to 10 years in prison for saying, "I am for the people and the Government is for the profiteers." Two years later, in 1920 when passions had calmed, an appellate court reversed this decision. A preacher, whose audience was a woman, two old men, and another clergyman, was convicted and sentenced to 15 years for causing insubordination and obstructing recruiting by preaching and issuing leaflets on the Christian duty of pacifism. He was pardoned a year later. Under a State act, modeled on the Federal act, a woman was prosecuted for discouraging women from knitting socks for the soldiers overseas by saying, "No soldier ever sees these socks."

The amendment to the Sedition Act, overwhelmingly passed by the House of Representatives, broadens the act to include statements made by Americans overseas. The Justice Department thinks it necessary because of our continuing military commitments abroad.

NIBBLING AT THE BILL OF RIGHTS

The bulwark of freedom is the first amendment. Of all the personal rights and liberties stated in the Bill of Rights it is the most treasured. It restrains constituted authority from interference with the rights of individuals to speak freely, to worship freely, to assemble peaceably, and to petition against grievance. But the first amendment is a dike that must continually be shored up. If neglected, it will begin to crumble, and will finally burst. Rather than pressing for legislation which will further erode the first amendment, the Government ought to be seeking legislation to empower it to invoke the protection of the amendment on behalf of individuals.

In spite of the excellence of most parts of the administration's proposed civil rights bill in this Congress, the administration omitted asking for legislation that would enable the Government to invoke the protections of the first amendment on behalf of individuals who are in no position to do so for themselves. Negroes have been attacked in the streets for gathering together in peaceable assembly in order to petition against grievances. The first amendment specifically protects "the right of the people peaceably to assemble and to petition the Government for a redress of grievances." Coupled with the 14th amendment, the protection it affords the individual applies against all governmental units. But the Federal Government cannot invoke first amendment protections on behalf of individuals in the absence of a statute. The statute has been proposed in the past—in fact the House passed it in 1957 only to have it buried in the Senate—and four of us on the minority side of the House Judiciary Committee, besides the chairman of the committee, have introduced it again. The importance of "the right of the people peaceably to assemble" has been clouded in the public mind by instances of nonpeaceable assembly, but its importance nevertheless remains. In all the discussion about civil rights there has been scant mention of first amendment rights and obligations.

A recent development is the use of Government leverage to induce people voluntarily to give up first and fifth amendment rights. Government employees, consultants, private citizens in contractual or subcontractual relationships with the Government—a large and still-growing segment of the population—are asked to sign away bill of rights protections.

Regulatory agencies increasingly have moved in the direction of demanding voluntary waivers of rights. Recently, for example, the Federal Trade Commission mailed out mass requests to small apparel manufacturers demanding that they sign carte blanche "consent orders" binding them not to engage in the practice of sharing promotional advertising costs with retailers. Few if any of these manufacturers were under any charge of any specific wrongdoing. Admittedly, many manufacturers split the cost of advertising at the insistence of the large retailers, a practice which violates the Robinson-Patman Act. But the normal method of handling allegations of wrongdoing is on a case-to-case basis—complaint, answer, proof, and hearing. By signing this consent order, the language of which was unusually vague, the manufacturer voluntarily surrendered his rights to appeal to the courts from the terms of the order. Two liberal-minded Commissioners that this devise set a new and frightening handed down blistering dissents, charging precedent.

An argument can be made for denying public schoolteachers the right to invoke the protections of the fifth amendment as a condition of employment, or letter carriers the right to strike against grievances—but the practice nevertheless diminishes the worth of the Bill of Rights, and the practice widens. Recently even the voluntary aspect was abandoned when the Department of Justice nearly succeeded in pushing through Congress a bill concerning the transportation of gambling devices which would have permitted the Department to force individuals to waive the fifth amendment in exchange for grants of immunity against prosecution.

WHO CAN VISIT ALBANIA?

Congress also seems oblivious to the narrowing of our basic rights. Bills against individuals are routinely scheduled for consent-calendar passage until an objection knocks them off onto a calendar that requires fuller debate. Often they are brought up under rules that do not permit amendments. A favorite day is Monday, when many Members are still away from the Capitol on weekend trips to their States and districts.

Last fall when a large group of women in New York and Washington assembled and petitioned against atom-bomb testing, they were subpenaed by the House Un-American Activities Committee. There were four or five Communists among them, and presumably the committee's purpose was to expose this for the edification of the general public as well as of the other ladies involved. But what happened to first amendment rights—the right to assemble, to speak, and to petition—in the process? Few but the ladies seemed the least bit troubled by the point.

In the last 5 years I have spent more time than I should care to account for, shuttling between the House and Senate and the State Department in order to contest legislation or regulations designed to place curbs on the right of Americans to travel. Several years ago the Supreme Court held that Congress had not authorized the State Department to deny citizens passports without fair hearings—the fifth amendment right of due process. The State Department has been trying ever since to reestablish its authority to deny passports in this arbitrary fashion. One day perhaps the Supreme Court will declare the right to travel is surrounded with first amendment protection of free speech. How can people communicate if they can't travel, whether across a street or an ocean?

It is possible that the State Department is waking up a little. Recently, when I threatened a tirade on the floor of the House, the Department reversed its earlier refusal to validate a passport to Albania for a constituent of mine. He is an author who had contracted to travel by ship through the Greek Isles in the company of British scholars and students of Greek civilization. The port of Durres, Albania, was to be a 1-day stop to see some of the finest Greek ruins of all. The predicament of the single American on board would have presented a fine picture of American foreign policy as he stood on the gangplank—his passport surrendered to the captain on U.S. Government instructions—while his British counterparts departed for the short bus trip, passports, and notebooks in hand.

The theory of the Department's position was that, since the United States does not have relations with Albania, it will not allow a citizen to travel in Albania, for his own protection. But the Department will make exceptions to its blanket area travel ban whenever, in its sole judgment, it finds the cause worthy. According to State Department practice, a citizen's interest in the distribution of an estate in Albania would come under the exception—which means that a legacy of rare books on Greek mythology would qualify, but a scholar's interest in seeing the original stuff would not.

THE FIRST DUTY OF GOVERNMENT

The structure of modern society, based as it is on a high degree of organization, encourages the growth of central power complexes. Today virtually nothing in the Constitution except the Bill of Rights effectively limits Government power in any field. It is the final barrier. And even here, the wall has been breached, as the pressures of national security, international competition, automation, and population expansion have brought about pragmatic compromises of very fundamental rights. What were once thought to be absolute guarantees and safeguards in the Bill of Rights have become mere weights on a scale which can be tipped the other way by the counterweights of "the competing interests at stake." Contrary to the common view, the Supreme Court has not made the protection of the Bill of Rights grow to the same extent as constitutional grants of power to governmental complexes in other areas—and yet the need for maximum protection of basic rights is greater today than ever before. This point is cogently made by Yale Law Professor Charles Reich, former law clerk to Justice Hugo Black, in a recent article in the Yale Law Journal:

"In a mass society, with access to information about what is happening in Government increasingly difficult to obtain, with increasing monopolization of all the media of communication, and with heavy pressure for conformity from the large-scale organizations for which most people work, freedom of expression and political association are easily reduced to impotence. If it is true that they are indispensable to the functions of a free society, could it not be argued that the need for maintaining maximum legal protection of these rights has been greatly increased by modern developments? The Court has weighed 18th century needs for rights against 20th century demands for power."

In those cases where the Court has "weighed the competing interests" and found the individual's interest greater than the Government's, it is strange indeed that the Court should have been attacked by self-styled "conservatives" for subverting the security of the Nation. These ladies and gentlemen should, rather, take comfort in the fact that the 18th century concept of

individual liberty can be reconciled with the needs of the 20th century.

Our Government was instituted to secure to individuals their inalienable rights of life, liberty, and the pursuit of happiness. In a society as complex and rapidly changing as ours, it is the highest function of Government to safeguard those inalienable rights so that human beings may live in self-respect and without fear. The Bill of Rights marks off a protected area in which each individual may develop himself and express himself in his own way. But even that delimited area can be restricted in the absence of a vigilant and vocal public opinion. I fear for the guarantee of the Bill of Rights for I have never known a day or heard of a time when the forces of myopia and tyranny were not at work. There seems to be little concern about the subject today. The absence of concern—and therefore of watchfulness—is an unhealthy condition. In a society increasingly given over to massive organization structures, in which individualism is either regarded with suspicion or ignored as unimportant and unproductive, the absence of primary concern over individual rights and liberties can lead to the stagnation, and ultimately the corruption, of both government, and the free system that government is supposed to represent.

Address by Senator Goldwater Before Pennsylvania Republicans

EXTENSION OF REMARKS

OF

HON. HUGH SCOTT

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Wednesday, October 30, 1963

Mr. SCOTT. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the text of an address delivered by the distinguished Senator from Arizona [Mr. GOLDWATER] before the Republican "Keystone Kickoff Dinner" at Hershey, Pa., on October 10, 1963.

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

TEXT OF A SPEECH BY SENATOR BARRY GOLDWATER, REPUBLICAN, OF ARIZONA, BEFORE THE REPUBLICAN "KEYSTONE KICKOFF DINNER" OCTOBER 10, 1963, AT THE HERSHEY SPORTS ARENA, HERSHEY, PA.

If ever there has been a symbol of Republican unity, Republican hopes, and Republican victory, this meeting is it. Good men, sound programs, Republican principles, and Republican dedication—all are represented here just as they will be, successfully and resoundingly, in 1964.

This is a Keystone meeting and it has a keystone message. The crusade for good government begins in our States, in our statehouses, in our home governments, and in our citizens' homes. Likewise, the Republican Party is based firmly on principles that form the foundation of good government, clean and responsible government, from the town to the White House.

Our eyes are not fixed hypnotically on the glitter of power. Our eyes are focused on the power of principles and on government at every level which serves the people, but does not coerce them, which represents the people, but does not regiment them.

No State better shows the challenge and forecasts the victory than Pennsylvania. In the administration of Governor Scranton and Ray Shafer, we see the challenge to each of the States; to root out the corruption that breeds in Democrat machine control, to wisely restore the responsibilities of the States and end the wasteful, warping centralization of power in Washington. Governor Scranton wisely has said that the revaluation of State and Federal responsibilities is a top priority need in this Nation. It is a need which never will be met under Democrat control. It is a need to which Republican principles are pledged.

In Senator HUGH SCOTT you have one of the great champions of another fight against executive encroachment and excess. Unlike his senatorial colleague from this State, he does not believe that Congress is the greatest stumbling block to democracy. He does not hold that the legislative branch must become a mere rubber stamp for the whims of any President. He holds, as I do, as you do, as Republican principles do, that the legislative branch is the key to an open society, that it is the people's forum, and not the Executive's plaything.

Your State chairman, Craig Truax, stands in the same mainstream of American political necessity and need. He knows, as I know and you know, that the political challenge to Republicans is to restore government to the people, to make government at all levels once again dependent upon the people, not turn the people into dependents of the government.

The pendulum of power in this country has swung far past the point where honest men once worried about an imbalance in the Federal system which was stacked against the National or Central Government. The concern today must be about a pendulum of power that has swung toward disruption of every balance in our Federal system, that today threatens to sweep away the system itself, substituting monolithic government in the name of efficiency and progress.

But what sort of efficiency? The sort of efficiency that says the planners in Washington can spend your money more wisely than you can. What sort of progress? The progress that stumbles backward toward depression-born make-work programs rather than striding forward to real jobs based upon real industrial and business expansion.

All it really means is efficiency in electing liberal Democrats and progress in perpetuating Democrat baronies in the bureaus of Washington and the boss citadels of machine-ruled cities. It is not the country that counts in that equation. What counts are New Frontiersmen and their cronies.

Perhaps the overly tolerant will say that all politicians have played this game. There are differences today, that make the situation far more grave. First of all, the liberal Democrat alliance for power today means that no Democrat candidate for office at the national level can be nominated or elected without the support of big city political bosses and their corruption-ridden machines.

This puts the hammerlock of boss rule squarely on the necks of every American, regardless of where they live. It puts the bossism of the cities into power in the seat of power itself, Washington, D.C.

There is an international implication as well. A party and an administration so beholden to the bosses must be prepared also to play precinct politics with the hopes of the whole world.

What confidence can any American have today that when an international issue is decided at Hyannis Port it will not be decided on the basis of clan politics? Your own Senator SCOTT has seen the peril of this political game that the Kennedy administration can play with the same gusto it plays touch football. He has warned that even the Cuban situation may provide the administration with a grandstand play for the 1964 elections. And the administration's reluctance to come to grips with it now, to even enforce the rigid controls that followed the missile crisis, must make millions of Americans wonder what is uppermost in the administration's planning—the national interest or the Kennedy interest?

Even the hopes of peace cannot be separated from the administration's hopes for power. How can any American be confident that the next concession or the one after that is statesmanship or just plain politicking?

Three years ago, this Nation and the great alliances it had forged stood firm and committed against Communist aggression. American power, dedicated to a world of open societies, had blunted the thrust of world communism around the world.

But today, American power, newly rededicated—not to open societies but simply to making the world safe for diversity—is frustrated in our own hemisphere, torn by failures in southeast Asia, shamed by the wall in Berlin, and helpless as the greatest alliance for peace ever conceived, NATO, drifts aimlessly on a sea of indecision, its helm loosened by a lack of consultation, communication, and purpose.

Republicans built bipartisan foreign policy for this Nation. They believed and still believe that partisan politics should stop at the ocean's edge. But where is that bipartisanship today? It has not been scrapped by Republicans. It has been scrapped by an administration that believes in bipartisanship only after the fact.

Where is the administration principles that can build such bipartisanship, that can restore strength and purpose to free world alliances? It is lost hopelessly in administration expediency. But such principles can be built by Republicans, and on Republican principles. Those principles are not secreted away in private diplomatic correspondence, they have been published and pronounced for all to know. Republican principles in foreign policy rest upon a belief that the world cannot permanently endure part slave and part free, that establishment of a world in which men can live in freedom, security, and national independence is the essential condition for real peace.

Republican principles proclaim that an active strategy aimed at destroying the walls of communism does not increase the risk of war—but, indeed, offers the best preventive of war.

Last year, the Republican declaration of principle and policy put it this way: "By its effect on freedom, American foreign policy must be judged—and not by its effect on popularity polls or on the attitudes of neutral leaders." New Frontier Democrats, now, don't even try to match that with words, much less deeds. The vitality of American leadership in the cold war has waned to the vanishing point. The cold war seems to have ended as quietly and quickly as the 50-mile hike. Ended in the eyes of Washington, that is—hardly in the eyes of Moscow.

But how could it be otherwise? Is a party dominated by the concerns of machine politics ever likely to inspire men to great missions in great causes? Can it mobilize the hopes of the world when it must worry most about mobilizing votes?

We Republicans are concerned by the fate of the captive nations abroad. All Americans should be concerned by the capture of the Democrat Party by the political bosses here at home.

You, in Pennsylvania, have particular reason to be concerned. Many of your citizens live in political captive nations, captive to such machines as the Green machine. The great victory that you won here last year reflected the realization by your citizens of the need to smash that captivity. But one election cannot do the job. One man cannot do the job.

The mess that you inherited cannot be cleaned up completely until the cynical alliance between machine political bosses and the Kennedy machine in Washington is itself

brought to an end. The Green machine is not an isolated political dictatorship, self-sustaining and self-protected. It is sustained by its connection with the national administration, with its patronage, with its political power, with its money power. It is protected by the same connections.

The best way to whip the Green machine, to return local government to the people is to return the National Government to the people. The same is true of the situations in western Pennsylvania, in Allegheny and Westmoreland Counties. Sever the links of political corruption that bind Washington to the bosses, and decent men and women everywhere will have a chance, their best chance to clean up the messes in their cities, towns, and counties.

And always remember this: the job can only be done through the Republican Party. No matter how decent the Democrat who is elected in an attempt at local reform, the power of the machines, hooked into the socket of power in Washington, will send his hopes up in a puff of smoke. Democrats who want to do something find that they can't—not through the Democrat Party. It will take Republicans to do the job, and all who are interested in seeing the job done must vote for them.

It takes, to sum it up, Republican principles to do the job—principles that start with dedication to local government and local responsibility, principles that are not shackled to narrow interests but are pledged to national interests, principles that aim toward the revitalization of local government rather than aiming at its destruction.

This is a basic theory of government that is involved. On the liberal Democrat side there is the principle of centralized power and subordinated people. On the Republican side there is the principle of limited power and responsible people.

Republicans sometimes are criticized for regional concentration when rising new strengths in any part of the country find the voters there thinking Republican and voting Republican. Republicans should not apologize for this. They should be proud of it. The truth is that wherever industry is growing, wherever people are making new homes, wherever men and women are trying to make a good future, they are thinking Republican. It is not race or region that is forming the great new shifts in American politics—race and region are the domain of the Democrats. The Republican shift is formed of people in every class, of every race, in every region who are tired of the tired old cliches of the Democrats, tired of the planned deficits, the planned dependency, the formless goals and the goading of power.

No, it is not Republicans who are grasping at regional straws. It is the New Frontier Democrats. It is they who remain frozen in the most barren regional wasteland of all—the regions of machine manipulation and boss domination.

What is the liberal Democrat wasteland like? What is its weedy and seedy reality, the reality behind all of the glowing talk of the New Frontier?

It's the Democratic city committee in Philadelphia refusing to turn over its financial records to a special grand jury investigating city hall scandals. It's falsified requisitions to cover shortages in city funds. It's zoning applications mysteriously granted. It's judges clamping legalistic lids on probes of Democrat scandals. It's attempts to force State employees to contribute percentages of their wages to the Democrat Party. It's the forced resignation of investigators assigned to probe the mess.

It has its moments of high irony as well. Listen, for instance, to Democrat Judge Joseph Gold, as quoted in a leading newspaper, criticizing a member of his own party, Joe Clark, for suggesting that some Democrats are tied in with racketeers. How did the good judge defend his party? Let me quote him: "For 6 months prior to election day, Joe Clark, by his own confession, silently accepted the support of racketeers outside of Philadelphia. After his election, he denounced these sinister elements without whose aid he might not have been re-elected."

What a typical defense. And also how typical in that it pits Democrat against Democrat in the jungle that grows just a few figurative steps behind the manicured lawn of the White House.

But look deeper into the Democrat wasteland: crime in the cities, rampaging while showcase displays of this or that hoodlum are expected to divert our eyes from the festering corruption.

Look at western Pennsylvania where a handful of conscientious policemen tried to break up a gambling complex. How did the liberal Democrat officials respond? Two of the policemen were assigned to cleaning out stables. Another was sent to pound a beat. Another was sent to supervise parking at a skating rink. Again, what a typically Democrat reaction.

And still the wasteland grows and flourishes thanks to its connection with Washington. Still, the contradictions between the big talk of the big boss and the petty, corrupt reality of his little-boss supporters. In Washington, we hear a lot of talk about helping young people. But how does this inspirational leadership work in the boss-controlled cities? Bill Devlin can tell you how. Describing the situation in Philadelphia recently, he said that "public servants are setting an example to our children of corruption instead of leadership. To children, these people have created an image and destroyed their morals."

Why haven't the Kennedys sent a Peace Corps in to clean up that sort of backwardness? The answer is obvious. They can't. They have seen the conservative mood of America wash away their support across the Nation, they see the waves of discontent lapping even at their fortress cities. They must and they will draw ever closer to the political bosses, and the bosses to them. It means their political survival and, as in any jungle, that is the highest law they know.

Principles are mere slogans in such a jungle. National interests are mere trading stamp bonuses when self-interest comes first.

Given a choice between the country and the clan, has the national Democrat leadership ever chosen the country? Will they? Can they?

When it comes to choices, their choice is clear: government of the Kennedys, by the Kennedys, and for the Kennedys.

And for anyone who would make a different choice, the course is clear: return the government to the people. And the way is clear: the election of Republicans in the towns, the cities, the States, the Congress, and the White House in 1964.

Republicans were able, once, to inspire the world with the concept of open skies—a concept which must be revived before the world is forever walled off into separate accommodations for the free and for the captive.

I say Republicans have another challenge right at home. To inspire all decent men and women, regardless of their party, with a concept of open cities; American cities open to the fresh air of political freedom, open to growth and prosperity and change, open to the energies of citizens who want to save their homes and build their future, open to safe streets, sound schools, and honest accounting.

It is not open skies that mark the Democrat New Frontier around the world. It is closed deals.

It is not open cities that mark the national administration at home; it is closed wheeling and dealing.

It is the historic task of the Republican Party in the years ahead to inspire integrity at home and rebuild the leadership now being lost around the world.

We can do this because we are a truly national party, undivided by the borders of political baronies. We can do this because we are a party united in principle, not shackled to the conformity of one man's dogma.

We can do this because Republican interests are American interests, because our faith is in freedom, and our freedom is in the people—in the sacred rights of the individual.

HOUSE OF REPRESENTATIVES

THURSDAY, OCTOBER 31, 1963

The House met at 12 o'clock noon.

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

Psalm 128: 1: *Blessed is every one that feareth the Lord; that walketh in His ways.*

O Thou who wert the God of our fathers, who trusted in Thee and were not confounded or put to shame, help us to believe that the faith which supported them in their days of trial and tribulation is abundantly able to sustain us.

It inspires and fortifies us to know that Thou art with us in these troublous days to give courage and comfort and strength to conquer and cast out all those moods of doubt and despair to which we are tempted to surrender.

We humbly acknowledge that our human souls, alike in their sin, their sorrow, and their search for peace, often fail to understand that Thy ways and Thy divine will are the only foundation and basis on which to build a better world.

Grant that daily we may put forth a faithful and heroic effort in behalf of a social order which has in it more of discipline and self-denial, of partnership and cooperation, of peace and good will.

Hear us in Christ's name. Amen.

THE JOURNAL

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

MESSAGE FROM THE SENATE

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

H.R. 1049. An act to amend sections 334, 367, and 369 of the Bankruptcy Act (11 U.S.C. 734, 767, 769) and to add a new section 355 so as to require claims to be filed and to limit the time within which claims may be filed in chapter XI (arrangement) proceedings to the time prescribed by section 57n of the Bankruptcy Act (11 U.S.C. 93n);

H.R. 1311. An act for the relief of Jolan Berczeller;

H.R. 1345. An act for the relief of Peter Carson;

H.R. 2260. An act for the relief of Mrs. Rozsi Neuman;

H.R. 2445. An act for the relief of Mrs. Barbara Ray Van Olphen;