902. Also, petition of Mrs. Chester F. Miller, national corresponding secretary, National Society Daughters of Colonial Wars, Saginaw, Mich., relative to being placed on record as being dedicated to the preservation of the Constitution of the United States and the ideals and principles of the American Republic; to the Committee on the Judiciary.

903. Also, petition of Myron W. Fowell, Massachusetts Congregational Christian Conference, Boston, Mass., relative to being in favor of passage of the civil rights bill and being in opposition to the Becker amendment thereto; to the Committee on the Judiciary.

904. Also, petition of Toshio Chinen, Ozato-Son, Okinawa, relative to the problem of pretreaty claims; to the Committee on Foreign Affairs.

905. Also, petition of Kosei Minei, Sashiki-Son, Okinawa, calling for the reversion of Okinawa to the fatherland; to the Committee on Foreign Affairs.

SENATE

MONDAY, MAY 25, 1964

(Legislative day of Monday, March 30, 1964)

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

Hon. WALLACE F. BENNETT, a Senator from the State of Utah, offered the following prayer:

Our Father in heaven, as we resume our work on the long and arduous problem we have been facing now for many weeks, we ask for Thy patience and a continuance of Thy blessing.

We realize that we have been admonished "the letter killeth, but the spirit giveth life."

We realize, too, our Father in heaven, that we have the responsibility of the letter—the responsibility to find the words through which the spirit may shine.

We pray for insight, for inspiration, and for the ability to find the words which will accomplish our purpose, without creating more problems than they were intended to solve.

We ask, too, that since the purpose of our present endeavor is to find a way by which to bring greater peace in our country and greater understanding between its citizens, we who labor on this problem may also be blessed with an increase of peace and understanding among ourselves, else how can we create the spirit for which we are responsible?

We ask this blessing in the name of Thy Son, Jesus Christ. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Friday, May 22, 1964, 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. Ratchford, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

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

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at the conclusion of a quorum call, there be a morning hour, with statements therein limited to 3 minutes.

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

ORDER FOR RECESS TO NOON ON TUESDAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at the conclusion of the business of the Senate today, the Senate stand in recess until 12 o'clock noon on Tuesday next.

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

CALL OF THE ROLL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll; and the following Senators answered to their names:

[No. 250 Leg.]

Aiken	Hayden	Miller
Allott	Hickenlooper	Monroney
Anderson	Hill	Morse
Bartlett	Holland	Mundt
Bennett	Humphrey	Muskie
Bible	Inouye	Neuberger
Boggs	Javits	Pearson
Carlson	Johnston	Proxmire
Case	Jordan, Idaho	Robertson
Church	Keating	Russell
Cooper	Kuchel	Saltonstall
Cotton	Lausche	Smith
Dirksen	Long, Mo.	Stennis
Dominick	Mansfield	Williams, Del.
Douglas	McCarthy	Yarborough
Eastland	McClellan	Young, N. Dak.
Ellender	McIntyre	Young, Ohio
Fong	McNamara	
Gruening	Metcalf	

Mr. HUMPHREY. I announce that the Senator from Indiana [Mr. BAYH], the Senator from Maryland [Mr. BREWSTER], the Senator from North Dakota [Mr. BURDICK], the Senator from Virginia [Mr. BYRD], the Senator from Connecticut [Mr. DODD], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Washington [Mr. JACKSON], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Louisiana [Mr. LONG], the Senator from Wyoming [Mr. MCGEE], the Senator from Washington [Mr. MAGNUSON], the Senator from Utah [Mr. MOSS], the Senator from Rhode Island [Mr. PASTORE], the Senator from Rhode Island [Mr. PELL], the Senator from West Virginia [Mr. RANDOLPH], the Senator from Connecticut [Mr. RIBICOFF], the Senator from Alabama [Mr. SPARKMAN], the Senator from Missouri [Mr. SYMINGTON], and the Senator from Tennessee [Mr. WALTERS] are absent on official business.

I also announce that the Senator from West Virginia [Mr. BYRD], the Senator from Nevada [Mr. CANNON], the Senator from Pennsylvania [Mr. CLARK], the Senator from Oklahoma [Mr. EDMONDSON], the Senator from North Carolina [Mr. ERVIN], the Senator from Tennessee [Mr. GORE], the Senator from Michigan [Mr. HART], the Senator from Indiana [Mr. HARTKE], the Senator from North Carolina [Mr. JORDAN], the Senator from South Dakota [Mr. MCGOVERN], the Senator from Wisconsin [Mr. NELSON], the Senator from Florida [Mr. SMATHERS], the Senator from Georgia [Mr. TALMADGE], the Senator from South Carolina [Mr. THURMOND], and the Senator from New Jersey [Mr. WILLIAMS] are necessarily absent.

I further announce that the Senator from California [Mr. ENGLE] is absent because of illness.

Mr. KUCHEL. I announce that the Senator from Maryland [Mr. BEALL], the Senator from Vermont [Mr. PROUTY], and the Senator from Pennsylvania [Mr. SCOTT] are absent on official business.

The Senators from Nebraska [Mr. CURTIS and Mr. HRUSKA], the Senator from Arizona [Mr. GOLDWATER], the Senator from New Mexico [Mr. MECHEM], the Senator from Kentucky [Mr. MORTON], the Senator from Wyoming [Mr. SIMPSON], and the Senator from Texas [Mr. TOWER] are necessarily absent.

The ACTING PRESIDENT pro tempore. A quorum is present.

EXECUTIVE COMMUNICATIONS, ETC.

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

PROPOSED SUPPLEMENTAL APPROPRIATION, 1964, FOR CIVIL AERONAUTICS BOARD (S. Doc. No. 76)

A communication from the President of the United States, transmitting a proposed supplemental appropriation for the fiscal year 1964, in the amount of $6 million, for the Civil Aeronautics Board (with an accompanying paper); to the Committee on Appropriations, and ordered to be printed.

PROPOSED SUPPLEMENTAL APPROPRIATIONS, 1964, VARIOUS AGENCIES (S. Doc. No. 77)

A communication from the President of the United States, transmitting proposed appropriations involving new obligational authority, in the amount of $52,170,000, and an increase in an appropriation to liquidate obligations incurred under previously granted contract authority, in the amount of $350,000, for various agencies, for the fiscal year 1964 (with an accompanying paper); to the Committee on Appropriations, and ordered to be printed.

REPORT ON EXPORTATION OF DRY MILK TO HUNGARY

A letter from the Assistant Secretary, Export-Import Bank of Washington, Washington, D.C., reporting, pursuant to law, that Bank had issued its guarantee with respect to the exportation of dry milk to Hungary; to the Committee on Appropriations.

REPORT ON WEAKNESSES IN CERTAIN ANIMAL DISEASE CONTROL ACTIVITIES

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on weaknesses in animal disease, control activities involving primarily eradication of brucellosis in cattle, Agricultural Research Service, Department of Agriculture, dated May 1964 (with an accompanying report); to the Committee on Government Operations.

REPORT ON OVERSTATED COST ESTIMATES INCLUDED IN CERTAIN CONTRACTS WITH THE BOEING CO., SEATTLE, WASH.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on overstated cost estimates included in the initial target prices of incentive contracts AF 33(600)-36319 and AF 33(600)-38098 with the Boeing Co., Seattle, Wash., for the Bomarc A weapon system, Department of the Air Force, dated May, 1964 (with an accompanying report); to the Committee on Government Operations.

PETITION

The ACTING PRESIDENT pro tempore laid before the Senate the petition of C. R. Mead, of Westport, Conn., relating to his claim for redress of grievances be heard by the U.S. Supreme Court, which was referred to the Committee on the Judiciary.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. BARTLETT, from the Committee on Commerce, without amendment:

S. 1004. A bill to authorize appointment of the Director and Deputy Director of the Coast and Geodetic Survey from civilian life, and for other purposes (Rept. No. 1024).

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. JOHNSTON, from the Committee on Post Office and Civil Service:

One hundred and forty-five postmaster nominations.

BILL INTRODUCED

A bill was introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HUMPHREY:

S. 2869. A bill to amend title II of the Social Security Act so as to eliminate inequities arising in certain cases from the manner prescribed for the crediting of wages of an individual which are paid after his death; to the Committee on Finance.

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

AMENDMENT TO TITLE II OF SOCIAL SECURITY ACT

Mr. HUMPHREY. Mr. President, I introduce, for appropriate reference, a bill to eliminate inequities arising in certain social security cases for the crediting of wages of an individual which are paid after his death.

This bill was drafted to meet the rare situation of an uninsured worker who would be insured if wages that he earned in the quarter of his death but that were paid later could be credited to the quarter of his death. The need for this amendment to the Social Security Act arose during my attempts to assist a family in the collection of a lump-sum death payment under the social security system.

The need for this amendment is clear and I urge the Congress to act promptly on this proposal.

The PRESIDING OFFICER (Mr. INOUYE in the chair). The bill will be received and appropriately referred.

The bill (S. 2869) to amend title II of the Social Security Act so as to eliminate inequities arising in certain cases from the manner prescribed for the crediting of wages of an individual which are paid after his death introduced by Mr. HUMPHREY, was received, read twice by its title, and referred to the Committee on Finance.

NOTICE OF HEARING ON CERTAIN TAX CONVENTIONS AND PROTOCOLS BY COMMITTEE ON FOREIGN RELATIONS

Mr. FULBRIGHT. Mr. President, I wish to announce that the Committee on Foreign Relations will hold a public hearing on several tax conventions and protocols at 10 a.m., on Wednesday, May 27, 1964, in Room 4221, New Senate Office Building. The conventions and protocols to be considered are as follows:

First. Executive K, 86–2, August 17, 1960: A protocol modifying and supplementing the convention between the United States of America and Japan for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, signed at Tokyo, on May 7, 1960, supplementing the protocol signed at Washington on April 16, 1954.

Second. Executive G, 87–2, August 31, 1962: Protocol between the United States and Japan, signed at Tokyo on August 14, 1962, modifying and supplementing the convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income signed at Washington on April 16, 1954, as supplemented by the protocol signed at Tokyo on March 23, 1957, and as modified and supplemented by the protocol signed at Tokyo on May 7, 1960.

Third. Executive A, 88–1, January 15, 1963: Convention between the United States of America and the Grand Duchy of Luxembourg for the avoidance of double taxation of income, the prevention of fiscal evasion, and the promotion of trade and investment, signed at Washington on December 18, 1962.

Fourth. Executive P, 88–1, December 3, 1963: Protocol, signed at The Hague on October 23, 1963, modifying and supplementing the extension to the Netherlands Antilles of the convention between the United States of America and the Kingdom of the Netherlands for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and certain other taxes.

Fifth. Executive Q, 88–1, December 3, 1963: Supplementary convention between the United States of America and the Kingdom of Sweden relating to income and other taxes signed at Stockholm on October 22, 1963, modifying and supplementing the convention and accompanying protocol for the avoidance of double taxation and the establishment of rules of reciprocal administrative assistance in the case of income and other taxes, signed at Washington on March 23, 1939.

Sixth. Executive A, 88–2, March 4, 1964: Protocol between the United States of America and Greece, signed at Athens on February 12, 1964, modifying and supplementing the convention of February 20, 1950, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on the estates of deceased persons.

Seventh. Executive B, 88–2. April 1, 1964: Protocol to the International Convention for the Northwest Atlantic Fisheries, signed at Washington under date of February 8, 1949, which protocol relates to harp and hood seals. The protocol was signed at Washington under date of July 15, 1963, for the United States of America and 11 other governments.

Persons wishing to testify on any of the conventions or protocols should communicate with the clerk of the Committee on Foreign Relations without delay.

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. ROBERTSON:

Statement regarding the resignation of Hon. Mortimer M. Caplin, Commissioner of Internal Revenue.

RACES IN HAWAII: A HAPPIER STORY

Mr. HUMPHREY. Mr. President, I am very happy to introduce into the RECORD an article relating to the great State of Hawaii. I am particularly delighted in light of the fact that the Senator from Hawaii [Mr. INOUYE] is the Presiding Officer.

Mr. President, as we press for passage of H.R. 7152 there are many gloomy voices abroad. They augur a growth of racial antipathy and violence if the bill succeeds. It is an article of faith among many opponents of civil rights that the closer two races are drawn together the harder they rub each other the wrong way.

In this context I would commend to my colleagues an article by Hon. Nelson K. Doi in the Milwaukee Journal. Mr. Doi is the president of the Senate of the State of Hawaii. He describes most pertinently for us the racial situation in his own State, a situation which very simply refutes the intolerant racist theories of our own mainland stalwarts of segregation. It is well known that Hawaii is far out in the front lines of the battle for integration and equality. We now learn that it is also making unusual discoveries in the process.

As Senator Doi explains:

In fact, more and more business organizations are finding out that it is good business to have a multiracial staff and management. Clearly the multiracial approach improves the balance statement.

In a time when our legislative perspectives on civil rights tend to grow more narrow, we are indebted to Senator Doi and the Milwaukee Journal for giving us a breath of fresh air on the subject. I request unanimous consent to have this interesting article printed in the RECORD at this point.

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

RACES IN HAWAII: A HAPPIER STORY

(NOTE.—Today, on the 10th anniversary of the U.S. Supreme Court's ruling against segregation in public schools, race relations in many parts of the country are strained by demonstrations, by riots, police crackdowns, school boycotts, legislative filibusters, and prolonged litigation. But in the newest State, Hawaii, there is a happier story. It is told here by the president of the Hawaiian Senate, a man of Japanese descent, in a condensation of his speech May 6 at the western Governors' conference in San Francisco.)

(By Nelson K. Doi)

The fact that the rights of man can be enjoyed to such a high degree in Hawaii, regardless of a man's race, religion, color, racial origin, or ancestry, is in large part a product of our history. Equal rights legislation has played a limited but occasionally crucial part in this history. Today, a little less than a third of Hawaii's civilian population is Caucasian (white); a little less than a third is Japanese; about 17 percent are Hawaiian or part Hawaiian; 11 percent are Filipino, and 6 percent are Chinese. Another 3 percent includes Negroes, Koreans, Samoans, and others. None of these data are very accurate since a large proportion of our people are really part Japanese or part Chinese or part Caucasian, even though they are arbitrarily listed under a single racial category.

I should note that the term "race" is used rather loosely in Hawaii to refer to a combination of a person's ancestry and cultural background. Few Hawaiians are particularly sensitive about identifying their racial antecedents. Observations about a person's race are common in Hawaii. Sometimes these discussions almost take on the form of a game, especially when you try to identify the ancestry of young Katy O'Day, a lovely looking lass who obviously is not Irish.

SINGLE SCHOOL DISTRICT

Education is one of the focal points of the civil rights movement. Hawaii's constitution is very specific that "there shall be no segregation in public educational institutions because of race, religion or ancestry," and this describes the situation as it is. We have one single public school district for the entire State and the schools are all racially mixed, though the population composition varies from school to school.

Our problem today in public education is not that of assuring racial mixing but rather of making certain that we have adequate schooling for all our children, especially those who are culturally and economically disadvantaged.

Our university serves not only thousands of Hawaiian students of many races but it also serves an increasingly large number of students from the mainland and abroad.

The instruments of justice in Hawaii are relatively well integrated. As illustration, the chief justice of the supreme court is an American of Japanese ancestry, as is the current president of the bar association. The chief of police in Honolulu is of Chinese extraction. Correctional facilities are not and have not been maintained on a segregated basis.

Medical services and facilities are another area which has not been tarnished by discrimination. There is no discrimination in the hospitals, public or private, in Hawaii, and no discrimination that I know of by medical practitioners.

The availability of privately owned, public accommodations to people of all races is unfortunately an emotion packed issue in the United States. Today in Hawaii such accommodations are, to the best of my knowledge, available to all regardless of race, though this has not always been the case. There are some places where the clientele is primarily of one race, but this is mainly a matter of choice. There are no State laws on the availability of accommodations, though I have no doubt that we would pass such legislation swiftly if the need should arise.

The free exercise of the franchise is one of the important avenues to equality. There are no racial restrictions on voting in Hawaii. Every racial group is a minority and few politicians rely solely on an appeal to the members of one group. Politicians talk race a lot and they spend a lot of time designing racially balanced tickets.

There is some demonstrable tendency for people to vote for candidates of their own race, but it is not a disciplined effort, nor is it sufficient in itself to get one elected. Today, people of all races are in both political parties and political control is not along racial lines.

To illustrate: the Governor is Caucasian; the speaker's ancestors came from Portugal; mine from Japan. The racial backgrounds of our four county executive officers include Chinese, Hawaiian, Negro, Caucasian and Indian in various proportions.

Equal employment opportunities are recognized as being fundamental to the basic equality of human beings. There are few remnants of discrimination, if any, left in public service employment in Hawaii. Teachers and civil service employees of all races work side by side.

The situation in private employment has been changing rapidly during the past few years. The pre-World War II history of Hawaii was marked by many instances of wage discrimination. In the early 1900's for instance, for the same job, the Caucasian was paid the most, then the Hawaiian, next the Portuguese, who were treated as a separate group from other Caucasians and at the bottom, the Japanese. Furthermore, many higher positions were reserved for persons of a particular race.

ANTIDISCRIMINATION LAWS

In 1959 a statute was passed forbidding wage discrimination on the basis of race, religion, or sex. In 1963 the legislature adopted a fair employment practices act.

Today, the limiting of certain jobs to people of particular racial extraction is breaking down. In fact, more and more business organizations are finding out that it is good business to have a multiracial staff and management. It is satisfying today to watch as many of the banks, for example, begin to diversify racially. Clearly, the multiracial approach improves the balance statement.

Racial discrimination in public housing has not been a problem in Hawaii. In fact, there is relatively little discrimination in the field of private housing, though we still have a few small, exclusive subdivisions left which are all-Caucasian, and many neighborhoods in which specific racial groups dominate, particularly in the rural areas.

Occasionally the racial characteristics of a desired tenant are cited in a house-for-rent advertisement. We also have some problems in providing adequate off-base rental housing at reasonable rates for members of the military and occasional instances in which Negro and other families have had difficulty obtaining adequate housing.

These are problems which are recognized. The Honolulu Chamber of Commerce, together with others, is working on adequate housing for military families; the National Association for the Advancement of Colored People will shortly be seeking to determine whether or not there is a real problem of discrimination in the rental of housing units.

The range of interracial social relations in Hawaii has vastly increased in recent years. The present generation is much more broadminded than its predecessors. Its members have many more interracial contacts than did their parents.

There are still, however, some racially restricted private social and business clubs and there is still much talk and many actions which are based on racial considerations which would be irrelevant in a better Hawaii. We still traffic in the easy generalizations about race.

Racial intermarriages are quite common in Hawaii and are accepted by most of its people. In fact, mixed backgrounds are frequently points of pride. Our State director of personnel services, for example, can rattle off with dispatch that she is Portuguese, Chinese, English, Hawaiian, and Tahitian.

HOW DID IT HAPPEN?

One personal report indicates the kind of change in attitude that has occurred over time: My parents would have been extremely displeased with me if I had married other than a Japanese girl; my wife and I, however, are not concerned about the racial ancestry of our children's future mates.

One of the interesting byproducts of the high rate of intermarriage in Hawaii is that our racial statistics are becomingly meaningless. Even today one has to use caution when citing such data. In a generation or so they won't be citable at all.

How did this relatively high degree of racial harmony come about? It did not come about because we are inherently better human beings, nor have good relations always existed.

The fact that Hawaii had a long history of political independence and that the native people of Hawaii extended a traditional hospitality and friendship to visitors and newcomers greatly influenced our later development. Because Hawaii was a monarchy and not under the direct political control of a colonial power, the missionaries, the traders, and the merchants all had to seek and obtain the cooperation of the ruling Hawaiians.

During this period the tradition of accepting intermarriages was established. In fact, our largest landed estate was left by Princess Bernice Pauahi, who married a mainland Caucasian by the name of Charles Bishop. There was no open strife in Hawaii between native and newcomer.

The second significant factor which has promoted racial harmony in Hawaii has been universal suffrage. The Organic Act of 1900 provided the right to vote to all male citizens. This was over the vigorous opposition of the ruling Caucasian elite that had engineered the revolution in 1893 and arranged the annexation 5 years later.

Fortunately, Congress did not give in and the Caucasian merchants and professionals had to accept this bitter pill. This critical provision of law made it possible for the children of immigrants to vote in later years, and it is the vote that has in large part changed the political complexion of Hawaii.

The third critical historical factor has been the emphasis on universal education in Hawaii—a tradition established by the missionaries who first came to the islands in the 1820's. Later the strong cultural drive of Oriental families to gain education for their children reinforced this tradition. Public education was always available to children of all races.

Finally, World War II and the GI bill made it possible for a great number of Hawaiians of various racial extractions to gain a college education and to pursue professional training.

The fourth factor—the requirements of the plantation economy for a seemingly endless supply of hard-working laborers—did not of itself produce harmony, but it did give us our multiracial population. Each group that came in—Chinese, Japanese, Korean, Portuguese, Spanish, Filipino—was prejudiced and race and class conscious in its own right, and the plantations themselves practiced racial prejudice. But the members of these groups became more assimilated as they gained education in American ways, and had increased relationships with peoples of other races.

Finally, World War II pushed social changes ahead a generation and with it, racial harmony. Islanders with no previous mainland contacts became acquainted with other portions of the United States and with parts of Europe.

Members of minority groups gained confidence in their own abilities and right to participate in the community; war brides arrived; the trend toward unionization was greatly accelerated; a significant middle class emerged; the mechanization of agriculture began in earnest; progress in aviation revolutionized travel to and from and among the islands, and many of our people began to have significant relations with people of other races.

GOAL IS PRACTICAL

There is a growing and vital concern in Hawaii about the civil rights of all Americans. With statehood we gained assurance not only that we were entitled to our views but that we had a responsibility to speak out.

One splendid example of our growing concern with national civil rights was the Civil Rights Week, organized at the University of Hawaii by the students. The students brought to Hawaii some of the top spokesmen on civil rights: Mohammed Ali of the Black Muslims, William J. Simmons of the White Citizens Council, James Farmer of the Congress of Racial Equality, and Martin Luther King, Jr., of the Southern Christian Leadership Council. The major speeches were broadcast on television and radio and commentators discussed the various approaches at length.

About the same time, a civil rights conference was organized to further Hawaii's support of the legislation now before the U.S. Senate. Several weeks ago a delegation from this conference, composed of a Negro, a caucasian and a Hawaiian, visited Congress and urged each Member of the Senate to support the civil rights bill. There has also been an increasing amount of letter writing to Members of Congress and to friends on the mainland by people from Hawaii urging support of the bill.

Our danger is that of becoming complacent about the civil rights struggle on the mainland. Because we have a fair degree of equal rights, it is all too easy not to be concerned about the other fellow.

What, then, can a still very imperfect Hawaii suggest to its fellow countrymen?

We've had sufficient experience to be able to say that equal rights for all citizens is not only a desirable goal—it is practical.

Second, the attainment of equal rights takes hard and persistent effort by the dominant group and the minorities. It requires struggle to overcome the innate selfishness of those who wish to preserve the status quo and their own private share at someone else's expense.

Third, educational, economic, social, and political progress are vital to the achievement of equal rights; the battle is a multifront affair.

Finally, the attainment of equal rights is worthwhile for government, business, labor, and society, but most of all it is worthwhile for the individual.

For the individual from the minority group, equal rights means a chance to fulfill his individual potentialities, a chance to be recognized as a unique individual created in his Maker's image.

For the individual from the dominant majority, equal rights for all citizens means true freedom—for I am not fully free as long as my countryman is enslaved by the nefarious web of discrimination. As that web is lifted from my brother, as he gains equal rights, so can I and he become freemen.

This, then, is Hawaii's message: As equal rights are gained, so all of us become more truly the freemen and brothers God intended us to be.

COUNCIL OF CHURCHES RESOLUTION

Mr. HUMPHREY. Mr. President, the degree of support exhibited by the churches and synagogues of America in behalf of the pending civil rights bill is nothing short of amazing. As I have documented at some length, religious laymen and leaders have spoken out boldly and courageously in support of legislation guaranteeing human rights and human dignity.

I have recently received another example of this support. The Suffolk County, N.Y., Council of Churches has adopted by unanimous vote a resolution urging the Senate to terminate its record-breaking filibuster, to oppose all crippling amendments to the civil rights bill, and to pass the bill without further delay.

This resolution is just another indication of the moral and spiritual questions involved in the consideration of this historic legislation.

I ask unanimous consent that the resolution approved by the Suffolk County Council of Churches be printed at this point in the RECORD.

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

RESOLUTION REGARDING CIVIL RIGHTS LEGISLATION

Whereas the U.S. Senate is presently debating a broad program of civil rights seeking to curb certain racial injustices; and

Whereas the nature of the pending bill is entirely in accord with Christian belief and common principles of justice; and

Whereas it is both in the national interest and the common good that the present record-breaking filibuster be brought to an end: Therefore be it

Resolved, That the Suffolk Council of Churches record its endorsement of the civil rights bill in its present state and its opposition to any crippling amendments, and that it make known its desire for cloture to both the majority and minority leaders of the U.S. Senate.

THE CHURCH ASSEMBLY ON CIVIL RIGHTS ADDRESS BY DR. BENJAMIN SPOCK

Mr. HUMPHREY. Mr. President, the Church Assembly on Civil Rights is one of the finest and most fruitful manifestations of support for the civil rights bill. The assembly is composed of clergymen and other representatives of every State in the country. It meets daily here in Washington and it will continue to do so until H.R. 7152 becomes the law of the land.

Speaking to the Church Assembly during its daily services are some of the most distinguished Americans who have a message on the civil rights issue and some of the most eloquent spokesmen for America's great religious bodies. They carry a message of faith, a message of truth, a message of inspiration to all Americans who see the moral imperative of effective civil rights legislation.

Two examples of recent speakers at the Church Assembly for Civil Rights are Dr. Benjamin Spock and the Reverend Dr. Robert W. Spike. Dr. Spock, whose name is as familiar in American households as bandage, aspirin, and perhaps even Bible, is the internationally known pediatrician whose expert knowledge and good sense open doors every day into the hearts, minds, and bodies of our youngsters. This time, Mr. President, Dr. Spock has applied his gifted mind to the effects which racial discrimination has on children of all races. His message is one which every American parent should read and ponder. It is a vital addition to Dr. Spock's highly respected writings.

The Reverend Dr. Robert W. Spike is the executive director of the Commission on Religion and Race, National Council of Churches. In the context of social revolution, and in the context of Christian conviction, Dr. Spike reminds us eloquently of our responsibilities, our choices, and our purpose in meeting the challenge of equal justice for all.

Mr. President, I ask unanimous consent that Dr. Spock's address, "Children and Discrimination," and Dr. Spike's address, "The Desperate Search for Peaceful Alternatives," be printed at this point in the RECORD.

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

CHILDREN AND DISCRIMINATION

(Address by Dr. Benjamin Spock, internationally known pediatrician from Cleveland, Ohio, at church assembly on civil rights worship service on May 2, 1964, Lutheran Church of the Reformation, Washington, D.C.)

Children are affected by discrimination in different ways. Psychological studies have shown that the Negro child in America becomes convinced at an early age that he is inferior, because of the color of his skin. The belief will come partly from the treatment he receives from white children and adults, partly from what his parents must tell him directly, or indicate to him indirectly. What this really means is that the Negro child becomes prejudiced against himself, at the start of life, by accepting the white man's prejudice against him. At a later age period, experiments involving Negro and white students who take tests in each other's presence show that a Negro who actually scores just the same as a white student will characteristically rate his own performance as inferior. This unrealistic sense of inadequacy gets expressed, of course, in low expectations for himself in school and career. It also follows that each Negro comes to think less well of his family, his friends, his race, than they deserve. And he himself is similarly held in lowered esteem by them. So there is a vicious cycle in operation, which keeps the self-confidence of all members of the race depressed.

Human beings are strongly influenced by what others expect of them. This has been demonstrated in a variety of natural situations and also in experiments. When they feel that others expect them to behave well or to achieve highly, they tend to meet the challenge. If others expect them to be loafers or scoundrels—even though they are really high principled—they let down their standards to some degree. It's bad enough, for instance, when the community expects further delinquent behavior from a youth of any color who has already served time in a training school, because this helps to discourage him and make him cynical. ("What's the use of trying if that's what they think of me.") But to a degree this is his own fault because he did get himself into trouble before. On the other hand, there are many white people who expect most Negro youths to be lawless because of their skins. This surely increases to some degree their temptation to misbehave, as it would increase the temptation of white youths. The reason the great majority of Negroes don't succumb is that they are actually brought up with such extra high standards of behavior that the liability is canceled out. A physician who takes care of both white and Negro children can easily see that conscientious Negro parents instill a greater obligation to lawfulness and politeness than white parents need to do. They must do this, they explain, because Negroes will be blamed first whenever there is trouble.

To me it seems remarkable that most Negro children grow up not only conscientious but unhostile—friendly. It speaks for the parents' maturity and their forgivingness toward white people that they haven't instilled a fierce hatred of the race which has deprived them and insulted them for so long. How do they manage to teach their children that God is in heaven and that human beings are generally trustworthy? I doubt if I could have done it, if I had had to prepare my sons for what Negro youths must face.

What I said about the effect of the community's expectation on whether a child will be law-abiding has also been shown to be clearly true of schoolwork. If a teacher believes that a certain student—of whatever color—is stupid, even though he really has a satisfactory aptitude, his actual performance in that classroom will be poor. He will also appear stupid to a visitor to the class. He will have a dull look in his eye and an inattentive manner. He is not dull, and not even inattentive. He is reacting to the explicit or implicit scorn of the teacher with a resentment which he does not express openly because he is too polite. His restrained resentment takes the form of seeming to ignore the teacher and the teaching material. Experimental projects carried out by the Bank Street College of Education in New York have shown that some of the most withdrawn and indifferent Negro pupils can respond dramatically to teachers who like them, believe in them, and will go halfway to find their interests.

It is easy to see why racial discrimination undermines Negro children. But it's also true—though not as easily visible—that it is harmful to white children, too. When they are taught that Negroes are dirty or diseased or bad, they are really being taught that they must be afraid of them. This kind of fear also produces hate. Back in the olden days some parents tried to make their children behave by threatening that the policeman would get them, or the bogeyman. Then they came to realize that fearfulness in the child is too great a price to pay for obedience. In modern times most religious teachers have refused to instill the fear of hellfire or the fear of an angry God, sensing that these dreads will impair a child's character rather than strengthen it.

There are parents who don't teach a specific fear of Negroes but who show by their manner that they feel more uneasy, for instance, if they find their children playing with an unknown Negro child than with an unknown white child. In discussing the news of the day they may use a tense tone in mentioning the entrance of Negroes into a local school or residential district. These vague expressions of apprehension are as disturbing to children as specific fears, sometimes more so. Children have had less experience with the world, so their imaginations are less realistic, more morbid. A parent's reference to obscure danger may arouse fantastic alarms in a young child's mind. It has been learned, for example, what terrifying ideas they will formulate about a relatively simple operation like removal of tonsils and adenoids. We must go a step further and recognize that the mere fact that a white child's parents don't meet Negroes socially will give him a slight sense of strangeness and uneasiness, which most of us realize is still in us in adulthood when we try to overcome this social barrier.

We have plenty of evidence that children turn out most successful—occupationally, socially, academically, emotionally—if they can grow up feeling that there are no ordinary situations they can't cope with adequately, no people that they can't deal with agreeably. For their own sakes they should be able to feel this way about Negroes—as well as about white people of different backgrounds and manners.

Another harm to the white child in learning prejudice is that it gives him a scapegoat for his own inadequacies. When I hear an adult sneer at Jews or Catholics I feel embarrassed for him that he has revealed so publicly his uncertainty about his own worth and that he has to take such a childish and spiteful way to try to overcome it. The capable and confident person doesn't need to boost himself by trampling on others. It's healthier for children to grow up believing that they must prove their capabilities, rather than that they can claim superiorities that have no basis in reality.

Some honest parents say, "I don't particularly want to teach my child prejudice and I regret the damage that discrimination does to Negroes. But I'm still not for integration of schools because I fear its effect on my child's education."

This fear has been based primarily on the knowledge that Negro children on the average have lower scores on intelligence tests and show less academic aptitude than average white children. In actuality there are very bright Negro children, as well as average and dull ones—the same range as for white children. But there is a larger proportion of Negroes in the lower brackets and this is what brings the average down. There is no proof, however, that Negroes are innately less endowed with gray matter. Most psychologists believe that the intellectual and academic differences are explained by cultural deprivation of the Negro. I agree with this view. The study which particularly impressed me (regarding the power of environment to influence intelligence) showed that a group of white children born illegitimately to mentally retarded mothers but adopted into above-average families, developed intelligence roughly similar to those of their adopting parents. The majority of Negroes are up against multiple cultural disadvantages: poor education, irregular and low-paying jobs, poverty, crowded living quarters, no tradition of reading books, little intellecual stimulation, no hope for betterment, the constant humiliation from the white world. Children from any background would be unable to develop superior intelligence if brought up in such an environment. Other groups in America's past have started from poverty and slums, but they were able to escape as soon as they learned American ways and developed capabilities. The Negro because of his skin is chained to a slippery incline. He must struggle excessively to climb upward, but if he or his children are not able to persevere they'll slide to the bottom again.

Actual studies of the effects of integration of schools, in Louisville and Washington, show academic improvement for the Negroes and no academic disadvantage for the white children. The improvement in the Negroes was anticipated, because a great majority of Negro schools in the past have been inferior—in equipment, in the level of training of their teachers, in the morale of teachers and pupils, as well as in the readiness of the pupils to learn. So integration provided better teaching and also new hope.

As to why the school progress of the white children was not slowed there are reasonable explanations:

Since the work of the Negro children improved, the difference between them and the white children was minimized.

Since the neighborhoods where Negroes of limited educational background live are usually nearest to neighborhoods where whites of limited educational backgrounds live, the Negro children who are less advanced scholastically will usually be integrated into nearby schools where the white children are also less advanced.

Even when children with widely different aptitudes do go to same school, as is true for instance of the single high school in small cities, they will usually become separated into more advanced and less advanced classes.

In other words the quicker children and the slower children—either Negro or white—will rarely be combined in the same classrooms. Of course any classroom will have children with a moderate range of aptitudes. That's why, in many school systems, the class is divided into sub-groups. Even when children of widely different aptitudes are combined in the same class it has been shown in experiments that a good teacher can move them all along at their different rates, provided there aren't too many in the class. This was the system in the little red schoolhouse of hallowed fame.

Residential integration is often opposed by conscientious parents in a neighborhood of private homes for fear that the supposed delinquency of Negro children may prove contagious to their own. This is the most unlikely danger of all. Negro parents have at least as high standards for their children's behavior as white parents of the same educational and economic level. The Negro children who are involved in delinquency are not those whose parents can afford to buy homes. They are predominantly from the lowest economic level and from broken families, as are the white children who become delinquent.

I am saying that the fears of white parents about school and residential integration are not justified by theory or experience. To those parents who say, "I still want to postpone it," there are several answers:

The social tensions and the harm to adults and children, white and Negro, which result from segregation are not stationary today—they are increasing steadily.

Because automation is eliminating the unskilled jobs upon which Negroes have had to depend, there is now chronic, demoralizing unemployment for them, which contrasts more and more glaringly with the mounting prosperity of the rest of the population.

These excessively disadvantaged Negroes are the least able to inspire in their children a conviction about the value of schooling. Their children are further alienated when their teachers are uninspired or prejudiced or antagonistic. They drop out of school in adolescence, find no work, lose hope, and get

into trouble because there is no other way to spend their time or relieve their feelings.

The pools of demoralization and resentment, of crime and disease, which are enlarging in the inner cities were not created by the Negroes. They are the end result of the humiliation and the segregation which we have imposed on them. But it is clear that the Negroes will now tolerate them no longer. I think this is fortunate for all of us. But we must have the decency and the gumption to do our part.

We should support the groups in our communities which are working to open schools, residential areas, and jobs. We must be ready to communicate when racial issues arise, with our school and municipal officials. We should make our views known to local papers, banks, and real estate people. At this particular moment it is vital that we speak to our Senators about the urgency of the civil rights bill, or write to them.

The news shows clearly that those who are aroused to fear and antagonism at the prospect of integration are quick and vigorous in expressing their feelings. It is the people of good will who most often fail to speak up.

THE DESPERATE SEARCH FOR PEACEFUL ALTERNATIVES

(Sermon by the Reverend Dr. Robert W. Spike, executive director, Commission on Religion and Race, National Council of Churches, at church assembly on civil rights worship service, Monday, May 4, 1964, Lutheran Church of the Reformation, Washington, D.C.)

Recently I sat at my desk and held two pieces of paper in my hand. One was a clipped editorial from a Louisiana newspaper. It began, "The National Council of Churches and the World Council of Churches plan a bloody invasion of the State of Mississippi this summer, sending 200,000 people into the State to stir up trouble." In the other hand was a mimeographed document describing two projects—a home missionary program of basic community service, including voter registration which the council proposes to initiate in Mississippi, and a program of orientation and training for college students who have volunteered for work with civil rights groups this summer. These students have not been recruited by the council, but will submit to our training program in order to prepare themselves for effective work and to learn how to respond nonviolently if they meet brutal hostility. There may be 1,000 to 1,500 of them.

These two pieces of paper ostensibly described the same plans. How could there be such an appealing lack of misunderstanding?

Yet this totally different way of looking at the events of the freedom revolution now going on in this country is growing more common. In the South, nearly all efforts to call attention to the besetting social injustices of segregation are denounced as "inciting violence" and lawbreaking. And increasingly in the North, demonstrations are interpreted as being violent when in fact the violence is almost 100 percent from those attempting to suppress these protests.

Events are turned upside down and made to be the opposite of what they are, as in the case of the Louisiana editorial.

The New York World's Fair stall-ins threat was greeted around the country as a horrifying shock—the counterpart on the left of an irresponsible rightwing. Editorials and statements by the ream have appeared which put this terrible idea on a continuum with Governor Wallace and the most vicious of segregationist habits. This then allows the writers of these pieces and supposedly all rational people to draw back a bit from the real frustrating pressure that is building up in this country because so little action is really taking place in the redress of racial grievances and to feel some righteousness in going slow.

The facts that need attention, however, is that the stall-ins did not occur. They were successfully contravened by an amazingly able Negro rights leadership. The demonstrations on the fair grounds were a legitimate kind of protest which nullified the stall-in pressure, born out of the puzzling confusion of the New York scene. And yet authorities dealt with the demonstrations as if they were stall-ins. And the public has continued to act as if the stall-ins had occurred. It is a through-the-looking-glass world, this spring of 1964. It is frightening because we drift toward real tragedy this summer because we cannot face the real situation we are in.

The real situation is that we are already deep into a major social revolution, deeply affecting the whole pattern of our society. It has been a longtime building up pressure. The cover of complacency and self-satisfaction about the American way of life has held down all the ugly truth about how many of our citizens have been ghettoized. The majority group in our Nation has convinced itself that hard work was a magic escalator on which anyone could ride to the top of the heap. One-tenth of our population has known that this simply was not true, and millions of white Americans suspected it wasn't.

Now the same elan that grips the colored peoples of other parts of the world has captured our Negro population. It cannot be contained or diverted. It will not subside ever again until the whole society is open to Negroes without hesitation.

Christians can never be too glib about God's will in history, but there is something so right about the healthy movement for full dignity, something so disciplined about its commitment that there is a deep confidence that God works mightily through this movement.

And herein lies the real chasm that divides us. It is not whether you are for this or that demonstration, this or that title in the civil rights bill. It is whether you see this movement, this social revolution as a fact or as something that you are trying to prevent from becoming fact.

This takes it completely out of the realm, even, of whether you are happy about the fact or not.

Essentially the tactics of opposition in the South are conditioned by a fantasy. It is the conviction that Negroes are by nature excitable, and easily led, that if the resistance is strong enough this present unpleasantness will go away, or in another variation of this, integration may be coming, but it is far off down the road, beyond our lifetime. Even in the places where the greatest pressure is being applied, where Negroes have died for their belief in freedom, this illusion is clung to by white people.

What is becoming apparent is that a variant form of this fantasy is also true of the North. White leaders in northern cities have somehow believed that because they personally did not possess the bizarre personal Negro-phobia that characterizes so many southern political leaders, nothing further was demanded of them. They have not accepted the freedom revolution as a fact. They have hoped for a slow evolutionary process which would not change the usual order of doing things very much. They have become so accustomed to exaggerated phrases that even a phrase like the freedom revolution can be rolled out rhetorically, while deep down it is amended to mean "a long, slow, imperceptibly moving change of opinion."

This is a fatal error, and only comes from insulation from the depth of feeling that is a permanent reservoir within the Negro community.

Because so many white leaders in the north—political, business, and educators, to be explicit, do not correctly estimate the fact of a revolutionary movement in our midst, they employ essentially the same tactics that southern white leaders apply when the pressure builds, and an explosion occurs. They exert police power to put down disorder. They refuse to negotiate with the real leaders of the movement. They denounce "irresponsible" leadership, and the battlelines are drawn.

Chester, Pa., and Cleveland, Ohio, are good examples of this fantasy-based strategy. Chester, long a sore spot of economic exploitation of Negroes, has refused to come to terms with a new Negro leadership. Its board of education under the domination of an old-fashioned Republican political machine will not negotiate. Police brutality is earning Chester the reputation of being the "Birmingham of the North."

In Cleveland, a similar intransigence on the part of the board of education has led to large scale rioting between Negro and white groups.

Both cities exude high-minded statements about not submitting to pressure, and condemning violence. The white leadership in both cities still seems to believe that it can win by holding the line.

It is a suicide course.

There will be no turning back from the freedom commitment until major changes have been made in educational policy, and political responsibility.

The real choice that white leadership has to make is between a permanent condition of social disorder in which police power must be used ever more harshly, or whether it will take drastic steps to facilitate the changes in social balance that are necessary to achieve some of the goals of the freedom movement. There are those, speaking in this same mood of realism who might argue that the Negro population being such a minority, the real threat is so irritating the prejudiced white population that they will be led to violent resistance if Negroes are given their rights. This is, of course, a real possibility. But here is where true realism has to take account of factors other than pure self-interest. I have spoken of an elan in the movement. That spirit transcends the Negro's desire for self-interest. It is the essential rightness of the movement's goals—the freeing of our society from cant and hypocrisy that gives it infinitely more power than population figures would indicate. Increasing numbers of white people have found a tangible life commitment in the movement. And even more, the sacrificial deaths of 1963 ordain an ultimate victory for the goals of the movement.

Of all people, the followers of the cross ought to know the reality of that kind of power.

So where we are, now, in this spring of 1964, is not a position of deciding for or against the revolution. It is a time of desperate search for peaceful alternatives.

In fact, the whole civil rights movement, all of the organizations up to and including SNCC, has been characterized by that search. Demonstrations themselves have been in the main the only peaceful alternatives open to a people who have been shunted off, rebuffed, cast out. Nothing is more exasperating than the white equating demonstrations with violence. Demonstrations like picketing and sitting in are responses to a violent, hostile condition that prevails in a community. What does happen is that peaceful protest often releases this hostility in the white community and the blame for it is projected back on the freedom movement. Whites, knowing the extent of their rejection of Negroes, believe deeply that terrible hatred must exist among Negroes and so they fear any break in the status quo, lest that escape. The irony is that often the first burst of hostility is once again from the white community. To be honest, it

must be admitted that increasingly, Negro hostility is being vented. And who should be surprised.

What is most desperately needed right now is for some real search for peaceful alternatives on the part of the white power structure in northern cities.

It will take extraordinary efforts. Boards of education are unable to initiate the kind of program that will be required to meet the school crises arising in all of the major cities. Political captivity on the part of the board members, and educational and theoretical rigidity on the part of the school administrators conspire to prevent any drastic changes in school systems. So the whole problem settles down to arrogant defiance of legitimate protest or giving in a little here or there.

It will take action on the part of the highest civil authority; perhaps the establishment of an overarching agency which has emergency powers in order to meet the crises in northern cities.

Citizen committees of first rank ought to be formed immediately in order to demand such a wholistic approach to the events that threaten to tear apart our country. If the present trend of piecemeal, unrealistic policies are continued, that is exactly what will happen.

It all goes back, however, to facing the fact of the revolution, or pretending it doesn't exist yet, and maybe can be avoided. If one sees it as a fact, then the Nation can respond as it does in wartime, with imagination and vigor. But if it is thought to be a bad dream, then only sedatives will be prescribed, and disaster awaits us.

You now may ask, how does all this have anything to do with the civil rights bill, or perhaps the Christian Gospel? To those questions, two quick responses:

First, the long delay over this bill is perhaps the most frightening example we have of the unwillingness of white leadership to accept the reality of the revolution. This is a mild bill, mostly putting into more specific codification rights that are already given in the Constitution. It is a bill which will make possible real gains in certain parts of the country, but more important than that will symbolize to the Nation and to the world that America is still a land which takes seriously its heritage of liberty. The prolonged debate is sickening because it is so unreal. This bill should have been pased last October—before President Kennedy's death. In any external threat to the Nation, extraordinary measures could be achieved by Congress in 24 hours. For nearly a year now, the slow machinery of Government has succeeded in delaying a bill that could say to the Nation and to the world that America faces its internal sins, and will move to repair their damage. The longer this delay, the more pressure builds, the more inevitable the tragedy that lies ahead. This bill is one of those peaceful alternatives whose time is running out. The clock is ticking. The President may be right in saying it may take all summer, but the bill will be passed. If it does, however, there may be only a hollow laugh to greet it, for by then more people will be dead in the streets.

But the cause of freedom will not be killed. It will rise from the ashes of all its martyrs. What is most at stake over there on the Hill is the integrity of the white majority of this Nation. The bill is really mostly for them. Will they help with freedom's cause, or will they be the roadblock which will have to be overcome through more suffering?

And as for the gospel of Jesus Christ, is it not always about decision? Is it not always a moment-to-moment encounter with our Lord in the faces of those who suffer and are seeking releases?

Christian history is only secular history with the events demanding sacrificial commitment from those who followed the Crucified One.

As Jesus went up to Jerusalem, knowing that if He went He went to die—John records him saying, "Now is my soul troubled. And what shall I say, Father save me from this hour? No, for this purpose I have come to this hour."

For this purpose you and I have been brought to this hour, to be midwives of a new opened society of freedom. And it is Christ who greets us from the faces of all the marchers and the jailed, and the weary dark faces of our common land. Do they see Him in our white faces too, or do they see a bland, unyielding facade of self-pity and fear?

HAROLD RUSSELL—CHAIRMAN OF THE PRESIDENT'S COMMITTEE ON EMPLOYMENT OF THE HANDICAPPED

Mr. HUMPHREY. Mr. President, just last month Members of Congress were saddened by the death of Maj. Gen. Melvin Maas who had served for a decade as Chairman of the President's Committee on Employment of the Handicapped.

The Committee is fortunate to have an able and experienced successor in Mr. Harold Russell, a Vice Chairman since 1962. Mr. Russell is particularly well qualified to assume the chairmanship, not only by past positions of leadership, but also because he epitomizes the indomitable spirit which can transform physical handicaps into spiritual growth and a richer life.

Addressing the annual meeting of the Committee on April 30, Mr. Russell demonstrated the ideas and faith that will guide his efforts to restore the handicapped individual to a productive, dignified, and respected role in his community.

Too often natural disabilities are aggravated by psychological barriers which separate the handicapped from the general public. Mr. Russell is well qualified to break down these barriers to communication and understanding. His award-winning personification of Homer Parish in "The Best Years of Our Lives" spoke directly to the hearts of millions of Americans. I am sure his present role will be another dramatic success.

I take this occasion to reiterate to Mr. Russell the good wishes and pledge of cooperation which I have already conveyed to him privately.

Mr. President, I ask unanimous consent that the remarks of Harold Russell, Chairman of the President's Committee on Employment of the Handicapped, delivered at the annual meeting of the Committee in Washington, D.C., on April 30, 1964, be printed in the RECORD.

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

REMARKS OF HAROLD RUSSELL, CHAIRMAN, THE PRESIDENT'S COMMITTEE ON EMPLOYMENT OF THE HANDICAPPED, BEFORE THE ANNUAL MEETING OF THE COMMITTEE, WASHINGTON, D.C., APRIL 30, 1964

Welcome to Washington, a city which this month lost one of her noblest souls.

Our dear friend, Mel Maas, is no longer with us. In our hearts we pray for him, each of us in his own way.

Part of our sadness is the knowledge that this annual meeting, and all annual meetings to come, will never be the same.

At this precise point in the past 10 annual meetings, Chairman Mel Maas would grope his way to this podium, feel for this microphone, pause for a long moment, and—in a voice that really didn't need a microphone—proceed to speak as though he were chatting with each of us individually.

"Yes, I'm handicapped," he would say—this man who was blind; who had arthritis so bad that his fingers couldn't read braille; who had had several serious heart attacks, one right on this platform; who had hardening of the arteries and diabetes and ulcers, and I don't know how many other shattering ailments. "Yes, I'm handicapped," he would say, "I wear false teeth."

And, even though we had heard his little joke many times before, we relished hearing it again. For it wasn't so much a joke as it was one man's personal testament of courage; one man's personal way of laughing at hardship, yes, at himself. And we knew that if Friend Mel could come out fighting each year, with a smile on his lips, so could we; so could we.

He could not see us sitting before him, but he could open our eyes. This man without sight could open our eyes, and could make each of us see so plainly from where we came and to where we go.

He lived the program of the President's Committee. It was as much a part of his heart as the blood that pumped through it. He knew it as though it were inscribed in his mind in braille—from the slightest detail of staff assignments to the broadest view of the program's impact on world history.

We mourn the passing of our friend and teacher. And we know that Mel Maas needs no monument of stone. His monument is the President's Committee on Employment of the Handicapped.

And now I stand before you with the difficult task of following in his path.

I see this President's Committee as not merely another program that goes about its affairs, justifying its budgets, publishing its pamphlets. Instead, I see this Committee—as well as all the Governor's committees and mayors' committees across the land—as sort of "keepers of the keys" of what is truly great about America. Let me explain:

Do you want to know what I believe America is truly all about? What our flag means, flying overhead? Why we have gone to war three times in our own generation? Then look closely at the President's committee, and at Governors' committees and mayors' committees.

You will see for yourself that the work we do is tied up in something called the equality of man.

Our work furthers not just the cause of the handicapped, but the cause of all humans; the worth of all men and all women, able-bodied and handicapped alike. Our workers don't just talk about it, but actually demonstrate the deep truth that indeed all men are created equal; that indeed all men are endowed with certain skills and talents; that indeed all men are fully entitled to hold their heads high, to lead lives of independence, to support their families.

Our work has to do with equality.

When you think of the President's committee, and of this entire movement of opportunity for the handicapped, in that light, you can see for yourself that it is not such an easy thing to assume the title of "Chairman."

I have accepted the chairmanship in all humility knowing that I will gain strength from the heritage that Mel Maas and Ross McIntire left behind them—and from each and every one of you.

I have accepted the chairmanship because I cannot think of anything in this world

more worth fighting for than the equality of man.

When he was alive, Mel Maas had a talent, actually a touch of genius, for putting his finger on the most urgent needs of the handicapped—both present and future. You have my pledge that I shall continue in the directions to which he pointed.

He was in touch with the times when he stressed the need to taken action in furthering job opportunities for the mentally restored and mentally retarded; in breaking down age-old prejudices against anyone who had ever set foot inside a mental hospital; in convincing the Nation that retardation of the mind doesn't necessarily mean retardation of skills.

I shall continue to stress that need. A need which was so important to Mel Maas and to our beloved martyred President John F. Kennedy.

Joined with others, he urged the elimination of architectural barriers—those high stairways, narrow revolving doors and other thoughtless devices that keep the handicapped out of the public buildings of America. This movement is gaining steam—largely, I think, because it makes such downright good sense. I shall do what I can to help build that head of steam.

Mel Maas followed Ross McIntire's lead when he urged strong State and local action in furthering job opportunities for the handicapped; an approach that looked not to Washington for the solutions to all problems, but rather for grassroots resources, in the communities. He wanted to see stronger Governors' committees and stronger local committees as the real shock troops.

I, too, shall do all within my power to give strength to local action.

He believed in flexibility; in preventing hardening of the attitudes; in being able to spot problem areas; in taking action where and when needed. In this way he met such problems as airline travel for the handicapped, the rights of amputee truckers to drive across State lines; barriers against handicapped schoolteachers; and a host of others.

I pledge to you the flexibility of a Mel Maas.

He stressed the need to look ahead more than to look behind; to see to it that the handicapped are prepared for the job opportunities of tomorrow, rather than the fast disappearing job opportunities of yesterday.

With your help, I shall bring to my job this same forward look.

Mel Maas pioneered in the President's people-to-people program and gave leadership to this exchange of friendship among those working with and for the handicapped the world over. He traveled across the globe in this mission; and it was my pleasure to accompany him to several international meetings where the handicapped were importantly involved.

I shall maintain my long-time interest in the international scene and shall continue the work of Mel Maas and Earl Bunting in people-to-people efforts for the handicapped, and in other groups with similar aims such as the World Veterans Federation and the International Society for Rehabilitation of the Disabled. In this, I am proud to be joined by Mel's lifetime friend, Dr. Frank Krusen, the new Chairman of the People-to-People Committee for the Handicapped.

I do want you to know that I hold certain beliefs about opportunities for the handicapped. Since this is my maiden appearance before you as Chairman, I want to share them with you.

I believe in ability; in an entire orientation toward the handicapped that stresses not what is wrong with them but what is right with them; that emphasizes not disability but ability; that faces the fact that the "can-do" in a man's life exceeds the "can't-do."

I believe in the equality of man—and as I see it, this means a sincere respect for the differences between men, whether they be differences of color, of creed, of religion, of physical condition, of mental condition, or whatever.

I believe that, just as all men are born equal, all men are born different—and once we learn to accept this fact of life, we shall come to accept the handicapped as our fellow human beings in the fullest sense.

I believe there is a flame burning within each of us—some people call it a soul or a spirit—and that this flame is more important than the body that houses it.

Let the body or the mind be handicapped, but let the flame be free to burn brightly. This is the flame of our civilization, the flame that makes us men and not animals, the flame that has given us peace and justice and kindness and mercy and love.

When any man's flame is stifled by prejudice and misunderstanding and rejection, the whole world is the poorer. When any man's flame is allowed to burn brightly, the whole world is the richer.

There you have the true meaning of our work. The true meaning of this President's Committee and of your own Governors' committees and mayors' committee.

We have a stake in humanity. May God give us the courage and the strength to meet the challenge.

HELP FOR STRICKEN ALASKA

Mr. BARTLETT. Mr. President, much has already been done in and for Alaska following the March 27 earthquake and the destructive wave action which followed. Of course, what has been accomplished to date is but a bare beginning. It will take years to repair the damage and to build the new Alaska. Much, indeed, remains to be done by way of planning, aside from accomplishment. There are those in certain circumstances who suffered grievous losses who can be helped little if any under existing programs, and it is they who invoke my chief concern.

However, the Alaska Reconstruction Commission, under the chairmanship of Senator CLINTON P. ANDERSON, of New Mexico, is working diligently and constantly with the cooperation of all Federal agencies concerned, and under the direction of President Lyndon B. Johnson, to get the big job underway with the least possible loss of time.

A sensible, illuminating editorial on this subject appeared May 20 in the Fairbanks, Alaska, Daily News-Miner. I ask unanimous consent that it be printed with my remarks:

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

RESULTS MOCK CRITICS

Most Alaskans are satisfied, grateful might be the better word, at the pace and amount of Federal assistance arising from the earthquake emergency. The few voluble critics on the other side of the fence would be enlightened, perhaps even silenced, if they bothered to read the periodic and frequent reports coming from the Alaska Reconstruction Commission.

The fifth report of Chairman CLINTON ANDERSON to President Johnson reveals that financial authorizations and actual work are moving forward at a fairly rapid clip. Disaster costs have been pared down to $205,811,771, and every agency that could possibly have an affiliation with this type of emergency is hard at work.

One note of gloom in Senator ANDERSON'S letter to the President relates to the $50 million bond issue authorized by the Alaska State Legislature. "Bond specialists report that the State, if it were to try to market these bonds now, would have to pay an interest rate substantially above the 3.5619 percent rate carried by the most recent issue of Alaska State bonds," the Senator wrote. "My personal feeling is that this would be a most heavy burden which the State cannot sustain."

We will hear more about this when the legislature meets again next Monday. But meanwhile, excerpts from the commission's latest report are very encouraging. Examples:

The Small Business Administration will make loans up to 30 years at 3 percent interest for financing new homes for affected owners.

Of 92 million projected total for the Corps of Engineers recovery activities under Public Law 875, the Office of Emergency Planning now has authorized $80,960,200.

In this category, the Valdez program for repair of water and sewer facilites and debris removal ($179,400 total) is now nearly ninetenths done as compared to two-thirds completed last week. (Date of this report is May 8.) Also in Valdez, the project to provide a temporary barge terminal ($60,700 total) was more than one-third complete at the writing.

Contracts totaling $698,500 have been awarded for soil studies in Anchorage, Seward and Valdez. Jobs like this are characterized by one of the Anchorage newspapers as the work of "long-hairs" and "so-called geologists," but history is sure to mock this current fit of pique.

The SBA has been extremely active out of its Anchorage office. Applications are being processed for 58 homes and 113 businesses. This would add up to nearly $10 million. Home and business loans approved so far are approaching the million dollar mark there.

Because of the longer steaming distance to the Anchorage port, Whittier will be increasingly used as a substitute until Seward port facilities are reconstructed.

A comprehensive 94-page report finished in record time by a group of leaders in the U.S. construction industry, at the request of the Anderson commission, sheds further light on the port problem and explains why no money should be spent on Anchorage harbor facilities until geological studies confirm that the area is stable.

Total damage at this port is still unknown. Piles were broken and sprung due to a lateral shift of the dock structure. Damage below low-tide elevation has yet to be determined.

"This constitutes a very grave situation," the construction men reported, "since the structural strength of the dock possibly may be seriously impaired."

On the brighter side, the estimated million dollars of damage to the port area may be considered to be only $100,000 in replacement since the port is reported to have carried earthquake insurance.

Whatever happens there, reconstruction at Seward and rebuilding of the Port of Valdez, which is ice-free, will be key factors in restoring surface transportation on a fairly versatile basis.

Tying in the Alaska Railroad with the Canadian National Railway to facilitate inbound shipments from the mid-continent would prove another factor in providing versatility, competition and subsequent lower freight costs, although this is not a subject in the report at hand.

The Anderson progress report lists a number of additional progressive steps. Interest rates on rural housing loans in small communities and rural areas affected by the earthquake have been dropped from 4 to 3

percent. This program of the Farmers Home Administration could prove helpful to communities such as Valdez.

Urban Renewal offers assistance on a larger scale, with at least three-fourths of the total cost being borne by the Federal Government. The Government has estimated Federal grant requirements for proposed urban renewal projects at more than $51 million. Anchorage would get about half; Valdez, $7 million. These totals could increase.

Aside from the statistics, which in themselves are encouraging, for it appears almost as if various agencies are competing to help, the whole tenor of the Anderson report suggests that a big job is being done on a hard-hitting basis with no fooling around.

"Bureaucratic inefficiency" has become a cliche description of big government these days, regardless of which political party is running the show, but in the case of the Alaska reconstruction program this description is largely absent.

This doesn't mean that mistakes haven't been made, or won't be made, or that there have been no oversights. Also inequities exist in arriving at damage or repair costs which must be corrected.

But as total damage is assessed in a case-by-case basis, and more and more agencies pitch in, the total picture—so far at least—is one of results at a promising pace.

Doubters should keep current with the weekly reports of the Anderson commission, and the survey of the Alaskan Construction Consultant Committee, made up of leading construction industry representatives of the Associated General Contractors of America and the International Union of Operating Engineers.

SOME COMMUTER RELIEF COMING?

Mr. JAVITS. Mr. President, the news that the Rules Committee of the other body has, after more than a year, finally sent the Senate-passed mass transit bill to the House floor is good news indeed for the beleaguered commuters in our major cities. I ask unanimous consent that there be printed in the RECORD at this point in my remarks an editorial which appeared in the New York Herald Tribune on May 23.

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

FAIRPLAY FOR THE COMMUTERS

Good mass transportation is what the big cities need and they aren't getting it. Why? Because practically all the Government succor goes to highways for the traffic-congesting automobile. And in this competition, as New York knows only too well, the commuter trains have been steadily losing out.

The whole picture is out of balance. It makes no sense to build more roads for the encouragement of cars and simultaneously balk at assisting a complementary and efficient form of transit which is so essential to the great urban centers. For if we put the commuter trains out of business, the result can only be more and more automobile strangulation.

What's needed is equal treatment—namely, money to preserve and improve service for the commuters. The proposal for $500 million Federal grants to encourage urban mass transportation is small enough, but at least it recognizes the compelling necessity. The Senate passed this bill early last year, and now at last the House Rules Committee, under President Johnson's urging, has allowed it to emerge.

We can understand that most Congressmen from around the country aren't particularly concerned about New York commuters. But they ought to be. For what is good for the cities is good for everybody. The health of national transportation is accepted policy; that's why highways are built at great national expense. But let's be fair about the spending. Give the commuters and their railroads the help that is essential.

VIETNAMESE POLICY

Mr. MORSE. Mr. President, I ask unanimous consent that there be printed in the RECORD an article published in the morning Times entitled "Six Papers Banned by Saigon Regime—Premier Also Arrests Nine of His Political Opponents."

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

SIX PAPERS BANNED BY SAIGON REGIME—PREMIER ALSO ARRESTS NINE OF HIS POLITICAL OPPONENTS

SAIGON, SOUTH VIETNAM, May 24.—Maj. Gen. Nguyen Khanh's military government banned six newspapers today and arrested nine political opponents who demanded the release of two generals he jailed in his coup d'etat last January.

Premier Khanh's move against the Vietnamese newspapers followed the banning of three others yesterday.

Three of the daily papers affected today were closed permanently. The three others were put under a temporary ban. One of those closed was Tien (Progress), which had just finished a 2-month temporary suspension.

Copies of Tien were seized throughout the city because its first issue described General Khanh's regime as a so-called democratic government.

WIDE RANGES OF CHARGES

Charges against the other papers ranged from libeling government officials to printing morally offensive stories. One paper criticized the security failure that permitted Vietcong terrorists to bomb the U.S. aircraft ferry *Card* in Saigon harbor earlier this month.

Another was accused of having sown division between the people and the army, and another was suspected of having had financial support from the followers of the slain President, Ngo Dinh Diem.

Newspapers in Saigon have a short life for financial as well as censorship reasons, and the papers shut down had existed 2 to 109 days. The suspensions left Saigon with about 50 daily papers.

The Khanh government has closed a score or more of newspapers for various reasons since he took office, but never so many at once. Charges ranged from having made antigovernment statements to having endangered security.

NINE MEN SEIZED

General Khanh's political move was directed against nine men from the central Vietnamese city of Hue who had been agitating for the release of Maj. Gen. Tran Van Don, and Maj. Gen. Ton That Dinh. The generals have been imprisoned in the mountain resort city of Dalat since January following the overthrow and slaying of President Ngo Dinh Diem last November.

Gen. Tran Van Don was Defense Minister, and Gen. Ton That Dinh was Interior Minister in the military government of Maj. Gen. Duong Van Minh, which overthrew the Diem regime. But this junta was overthrown by General Khanh. He imprisoned some of its officials and permitted Gen. Duong Van Minh to remain as figurehead chief of state.

The nine men—two teachers, two civil servants, two businessmen, a student, a mechanic and a court secretary—were also accused of having formed a political party without Government permission. Their party apparently had few members.

They were arrested and flown here for questioning. Authorities then decided they should be returned to Hue to see if courts there would try them for political offenses.

Mr. MORSE. It is an interesting story on the military dictatorship policies of the government headed by a tyrant military dictator whom the United States is supporting in Vietnam—I think to our great historic discredit.

Mr. President, I ask unanimous consent to have printed in the RECORD an article published in the New York Times today entitled "Brandt Opposes Ties to Far East, Asserts Bonn Cannot Make Commitments in Asia." Mayor Brandt comments favorably upon the position taken by France in regard to the situation in Asia.

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

BRANDT OPPOSES TIES TO FAR EAST—ASSERTS BONN CANNOT MAKE COMMITMENTS IN ASIA

BERLIN, May 24.—Mayor Willy Brandt has warned against any immediate or large-scale involvement of West Germany in the Far East.

He said on his return from a 6-day trip to the United States that he had told American leaders that West Germany, because of its position in the world, could not undertake commitments with the United States in southeast Asia.

The concept of the Social Democratic mayor of West Berlin is of heightened interest because of his position as his party's chairman and candidate for Chancellor in next year's general elections.

He said he had emphasized in the United States that West Germany's interests were centered in Europe and had advocated a broad aid program for Eastern Europe. According to an aid of Mr. Brandt, there was full agreement on this between Washington and the mayor.

PROJECTS SUGGESTED

This new policy should take the form of East-West projects to reach out beyond Western Europe's present eastern boundaries, Mr. Brandt said. The plans he mentioned included the construction of a common highway, canal, and electric power network throughout the Continent.

In Washington yesterday, President Johnson suggested a similar program of help—a sort of Marshal plan for rebuilding Eastern Europe as was carried out in war-torn Western Europe after World War II. He called for "bridges across the gulf which has divided us from Eastern Europe."

Mr. Brandt's warning against Far Eastern commitments was viewed as a cautious rejection of an effort by Secretary of Defense Robert S. McNamara to win the active support of West Germany for the U.S. operation in South Vietnam.

The Secretary of Defense, who came to Bonn 2 weeks ago on the first leg of his last trip to Saigon, was understood to have been disappointed by the lack of enthusiasm of Chancellor Ludwig Erhard's government.

INTERESTS IN EUROPE

Mr. Brandt left no doubt that he sided with Dr. Erhard on the Far Eastern issue.

"I made it clear in the United States that Germany is no world power and that our main interests are in Europe and in the North Atlantic community," he said at a news conference after his return.

"Where new commitments arise outside of NATO they can only be undertaken in a larger framework and not bilaterally between the United States and ourselves alone," he said.

Mr. Brandt caused a storm within his party and among the ruling Christian Democrats with a speech last week before the Foreign Policy Association in New York in which he praised President de Gaulle for his courage "in thinking the unthinkable."

"Sometimes," he went on, "I ask myself as a German: Why should he be the only one?"

Mr. MORSE. Mr. President, I also ask unanimous consent to have printed in the RECORD an article written by Drew Middleton entitled "China's Intentions—United States-French Conflict on Vietnam Said To Stem From Clash on Reds' Motive."

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

[From the New York Times, May 25, 1964]

CHINA'S INTENTION: UNITED STATES-FRENCH CONFLICT ON VIETNAM SAID TO STEM FROM CLASH ON REDS' MOTIVE

(By Drew Middleton)

PARIS, May 24.—The contrast between the American and French approaches to problems in southeast Asia arises, most "neutral" diplomats believe, from a fundamental difference over what Communist China's intentions are in Asia.

President De Gaulle has proposed an international conference, attended by China, to restore peace and neutrality in Laos. This reflects the French President's opinion that settlement of the troubles of four countries on the Indochinese peninsula—Laos, Cambodia, North and South Vietnam—in accord with China, is the only practical goal.

The United States appears to be moving toward a more militant attitude toward North Vietnam, which the Johnson administration increasingly regards as China's ally and as a base for aggression in South Vietnam and Laos.

The French Government believes China's cooperation must be won if there is to be a long-term settlement. Such a settlement, the French believe, must be based on a clear Western desire to neutralize the area by withdrawal of all foreign forces and a desire to guarantee the neutrality. This, it is argued, would reassure the Chinese about American intentions.

These convictions, rather than any wish to annoy the United States, lie behind French policy as it has developed since the recognition of the Peiping regime in January.

CLOAK FOR TACTICS SEEN

But the convictions are based on an assessment of Chinese intentions and military strength that the United States and some other French allies do not agree with.

American policymakers appear to believe that the main impact of Chinese imperialism in Asia will be to the south and southwest for many years to come. They do not think the Chinese are prepared to push north and west toward Siberia and Soviet Central Asia.

Nor do Americans appear to think China can be induced to abandon its drive to the south and southwest by agreements on neutrality. On the contrary, the Americans believe, such agreements might make it easier for the Chinese to cloak their tactics.

Chinese communism is in an expansionist stage, American experts believe. The poorly armed underdeveloped countries of southeast Asia, this theory goes, suit the Chinese military preference for the use of lightly armed infantry trained in hit-and-run tactics.

The final American argument is that once the former Indochinese area falls, the position of every other state in southeast Asia, pro-Western or neutral, is in grave danger.

Misconceptions have aggravated the differences. The French, scarred by a long and unsuccessful struggle in the same area, ascribe unreal motives in South Vietnam to the United States.

SOME FACTS OVERLOOKED

There is a tendency, for example, to overlook the fact that Americans are involved in South Vietnam because the Communists began making guerrilla attacks.

There is also a willingness to believe that the U.S. military involvement is larger than it actually is. The French are also dubious about the connection between affairs in the peninsula and the fate of Malaysia or the Philippines.

On the American side, there is readiness to see the French eagerness for neutralization as a policy of appeasement rather than as a result of a sober analysis of how to meet Chinese fears of American "aggression" in a sensitive area.

Both the American and French Governments may be seeking the same goal. But until they can agree on what China's aims are, observers suspect, their policies will conflict.

CAN SMALL BUSINESS SURVIVE?

Mr. PROXMIRE. Mr. President, this week—beginning today, May 25, 1964—has been designated by President Johnson as Small Business Week. In his proclamation, President Johnson pointed out that 9 out of every 10 businesses that supply the needs of the American people are small and independently owned and operated. The President also noted that these small enterprises provide about one-third of all goods and services. They are a broad source of employment opportunities, and the development of new ideas, new methods, and new products stimulates our economy.

The Presidential proclamation urged chambers of commerce, boards of trade and other organizations during Small Business Week to participate in ceremonies "recognizing the great contribution made by the 4.6 million small businesses in this country to our prosperous society and to the well-being and happiness of our people."

Mr. President, I am sure that all of us are grateful that the President has seen fit to emphasize in this significant way the extremely important and key role which small business plays in our economy. This role has always been a matter of continuing and deep concern to me. I have been a small businessman myself, and I know the difficulties which small businesses face, as well as the great contribution they can make to the effective operation and growth of the national economy. Since coming to the Senate, I have had the rewarding experience of being chairman of the Small Business Subcommittee of the Senate Banking and Currency Committee. In this position, I have had an oportunity, as several of my colleagues have, to hear witnesses analyze the problems that confront small businesses, and the nature of the steps which the Government can take to assist and maintain small business.

The contribution of small firms to our national economic strength cannot be overstressed. In the purely economic sense, it is the small businessman who provides the most direct and immediate services and products to consumers. It is the small businessman who is closest to the needs of the consumers and who is most aware of the techniques and means to satisfy consumer wants.

It is the small business firm which is also most sensitive to the pressures of our competitive system. The small businessman is the one who can make the slight adjustments in prices, or the minor changes in quality of product, or the personalized assistance to the consumer which will differentiate his product from the impersonalized mass-produced item.

These are some of the immediate and direct economic benefits that this Nation obtains as a result of the existence of small business firms. But there is, in my judgment, a more important and more fundamental type of advantage which we derive from the small business firms in our country. This is the intangible spirit of enterprise, of free initiative, of aggressive independence that has made our Nation great.

It takes real, raw courage to strike out on your own, to commit your energies and your savings for the production of a commodity or service where the market is uncertain and depends in large part upon your own success as a businessman and, more fundamentally, as a person. Yet, this is the type of step which every small businessman must take. It is exactly this quality, probably more than any other, which has made our Nation great. The most valuable contribution made by every small businessman—including farmers—is spirit, the spirit of initiative, of courage and, in a very real sense, of adventure.

Small businessmen also contribute in another major way which is largely intangible. Because of their closeness to their consuming public and because of their spirit of initiative and courage, small businessmen are probably our most active single group of inventors and innovators. Yet inventions and innovations, along with the spirit of initiative, are the funndamental ingredients of economic growth. If our Nation is to expand its ability to satisfy our wants, these ingredients must be preserved and cultivated.

Yet, the outlook for small business in this Nation is bleak. I am deeply concerned about the future of small business as we have known it in this country in the past. There is overwhelming evidence of the decline of small business.

The U.S. Bureau of the Census figures show that in the great New York metropolitan area, while retail sales were soaring between 1950 and 1960 the number of small businesses in the area actually dropped to one-half in 1960 what it had been in 1950.

I have felt this concern about the future success of small businesses so deeply that I have recently written a book on this subject. The title of this book raises the question: "Can Small Business Survive?" In the book I attempt to catalog a number of methods, devices, techniques and procedures by which small businesses, despite the overwhelming pressures against them, can survive and continue to contribute to our Nation. I believe it is essential that we, here in the Federal Government, help. At the same time, it is my strong conviction, bolstered by meeting and talking with thousands of small businessmen, both in my own

State of Wisconsin and throughout the Nation, that the last thing most small businessmen want is subsidy, especially by the Federal Government. After all, this is not the type of man who goes into small business.

At the same time, small businessmen want and deserve an even break. Frankly, I do not believe they are getting this even break now. The deck is stacked in favor of big business financially, managerially, technically, and governmentally.

Where can we be of direct assistance? Certainly one of the major areas involves taxation. I think there is no doubt that there tends to be a net discrimination against small businesses in the area of Federal taxation, despite the fact that there are a number of special provisions in the law for small businesses. The reason the net balance is weighted in favor of large businesses is simply because there are so many provisions in the tax law which are of only real significance to large businesses. From the standpoint of legislation, therefore, much more must be done to take tax recognition of the heavier business burdens on small business.

Another major area concerns Government procurement. It is so easy for a Government procurement officer simply to deal with one large business firm, rather than recognizing the peculiarly advantageous arrangements that can be worked out with small businesses. All of our Government agencies should be far more aggressive and imaginative in finding ways in which small business firms can more effectively serve their Nation by offering their commodities to the Government.

A third area which is extremely important is to make it easier for the small businessman to get the long-term money he needs with the same ease and at the same low interest rates as big business. Government loan procedures in the Small Business Administration and the affiliated small business investment companies needed to be simplified and streamlined. Congress must also urge and assist banks and other private lending agencies to shoulder more of the burden for small business investment. Ultimately, the private sector of the economy must do the job.

Another field concerns the question of competent management. The large range of management improvement programs offered by such agencies as the Department of Commerce and the Small Business Administration are, frankly, underused by the small business community.

In another area, I feel that both the Congress and the executive branch have fallen down. This has to do with the appropriate enforcement of our antitrust laws. Small business can compete more effectively if big business is constrained within the laws that we have established on the books.

Finally, we in the Congress must insure that small business, as well as large, shall have the opportunity and incentive to go abroad. Export markets are available and the means by which to serve these markets should also be available. A surprisingly large number of small businesses have shown that they can sell abroad and make excellent profits in the process.

Mr. President, I yield the floor.

FOREIGN LOANS FOR ONLY A THREE-QUARTERS-OF-1-PERCENT SERVICE CHARGE: ALASKA DISASTER LOANS AT THE MAXIMUM RATE OF 3 PERCENT—WHY THE DOUBLE STANDARD?

Mr. GRUENING. Mr. President, on Saturday, at the weekly meeting of the Alaska Reconstruction Commission, Mr. Eugene Foley, Administrator of the Small Business Administration, who also administers the Disaster Loan Act, announced that he was making loans to Alaskan earthquake disaster victims repayable at 3-percent interest rate, which is the maximum permitted under the Disaster Loan Act. He referred at this meeting to the 3 percent as a well-publicized rate, which seemed to be a reference to my hitherto unsuccessful efforts to get a lower interest rate for our Alaskan victims—people who have lost their home and its contents, often even the lot on which the home stood, who have also lost their business with its inventory and still have loans outstanding against these vanished possessions.

Mr. Foley then went on to say that the statement that foreign aid loans were made at a lower rate, namely, three-fourths of 1 percent, was incorrect—that these foreign loans were made at a rate of 5½ to 6 percent. This was presumably to refute my plea that Americans should at least get as good a deal as we have been giving and continue to give to foreign private enterprise under our foreign aid program.

I felt obliged to correct this error on Mr. Foley's part by pointing out, as I had previously on the floor of the U.S. Senate, that in the first place, loans were made and had been made, to the extent of over $1½ billion, and were continuing to be made at three-fourths of 1 percent with a moratorium of 10 years on the repayment of principal, and although these were technically made to foreign governments, those governments merely acted as conduits for our American dollars and handed the money on to private enterprises in their country. Actually, the three-fourths of 1 percent, in the case of foreign loans, is called a service charge. So really we are virtually making grants, because it is very doubtful whether the principal, repayment of which does not begin for 10 years, will ever be repaid. The officials who are making these generous commitments of our dollars will not be around at that time.

To be sure, our foreign aid program has permitted, quite unwisely, foreign governments which are the recipients of our taxpayers' dollars to collect a toll on our generosity and to reloan the money we lend them for private enterprise at three-fourths of 1 percent at reloan rates of 5½ or 6 percent. In other words, these foreign governments levy a toll before they bestow our dollars where our foreign aid administration has destined them to go. But that does not alter the fact that Uncle Sam and our taxpayers are lending our money at three-fourths of 1 percent, which to date has been denied the American victims of the disaster in Alaska, whereas the foreign beneficiaries, some of whom are anything but friendly to the United States, have suffered no disaster.

But, in addition to that, there are so-called development loans that have been made under our foreign aid program, not through foreign governments but directly to private enterprise abroad; and even the wholly incorrect assumption that when a loan goes through a foreign government for private enterprise, it is somewhat different from a loan to private enterprise and therefore establishes no precedents for similar action at home is thereby further refuted. I gave a list of some of these foreign aid three-fourths of 1 percent interest-bearing loans to Mr. Foley on a previous occasion. After he had finished speaking at last Friday's meeting, I left the meeting and went to my office and brought the list to him again. Here it is, but it is only a partial list, illustrating the fact that under our foreign aid program loans do go directly to private enterprises:

Afghanistan: Loan on March 23, 1963, of $2,625,000 to the Ariana Afghan Airlines, 49 percent of the stock of which is owned by Pan American World Airways (a private U.S. corporation) and the major portion of the remainder of the stock owned by private Afghanistan banks;

India: (a) Loan on June 28, 1962, of $17,900,000 to the Tata Hydroelectric Power Supply Co., Ltd., and the Andra Valley Power Supply Co., Ltd. (both private companies) for the Trombay Thermal Power Station;

(b) Loan on September 25, 1962, of $13,700,000 to the Tata Engineering & Locomotive Co., Ltd. (a private corporation) for expension of a private truck plant;

(c) Loan on July 27, 1962, to NAPCO Bevel Gear of India, Ltd. (a private corporation) of $2,300,000 for expansion of privately operated precision gear plant;

Egypt: Loan on April 26, 1962, of $3 million to the Societe Misr Pour La Rayonna for the construction of a cellophane plant. This company was a private owned company, but by nationalization decree of the Egyptian Government, a controlling interest in the company was nationalized;

Brazil: (a) Loan on March 6, 1963, to the Credito e Financiamento S.A. (a private corporation) of $4 million for the establishment of a development bank;

(b) Loan on March 11, 1963, to the Companhia De Carbonos Coloidois (a private corporation) of $2 million for a carbon black plant;

Mexico: Loan on June 30, 1962, to the Nacional Financiera, S.A. (a private corporation) of $20 million for supervised agricultural credit.

I reminded Mr. Foley that after a previous meeting of the Reconstruction Commission, when I corrected his mistaken view that no three-fourths of 1 percent loans from the United States had gone to the private sector, I had told him I would give him the evidence, and I asked him, if I did so whether he would modify his stand. I understood him to say that he would. He says I am mistaken in this; that he merely said he would consider it. I am asking him again to consider it. So far, he has stood firm for the maximum interest rate which the Disaster Loan Act permits.

The PRESIDING OFFICER. The time of the Senator from Alaska has expired.

Mr. GRUENING. Mr. President, I ask unanimous consent that I may proceed for 3 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRUENING. Mr. President, I consider it as shocking and incomprehensible, as I have stated before and will continue to state, that while the United States dishes out loans all over the world in places where even repayment is doubtful, where there is no obligation to make such loans on the part of the United States, at three-quarters of 1 percent, with a 10-year moratorium on capital repayments, the best the Small Business Administration which administers the Disaster Loan Act will do, as of now, is no better than 3 percent, with a 1-year moratorium on interest and principal, and a 5-year moratorium on principal.

This is a double standard—a discrimination against our citizens—which I consider inexcusable. Moreover, the rehabilitated disaster victim begins paying taxes to the Federal Government, to State, municipality, and school district as soon as he is on his feet again. Thus, the better the terms the better not only for the borrower but for our whole economy. No similar advantage accrues from our foreign loans.

I now find that there is danger that even this 3-percent rate will not be adhered to and may be exceeded. In a letter written by Mr. Eugene Foley to the Senator from New Mexico [Mr. ANDERSON], dated May 20, he writes as follows:

6. We have made provision for the making of loans by banks which will include borrower's present indebtedness, both secured and unsecured, which is past due and, in some instances where necessary, other indebtedness which is not past due.

7. Under the blanket participation agreement, we have just increased from $100,000 prior authority for banks to process and make final determination on disaster participation loans up to $250,000, based on a minimum of 10-percent participation. In the beginning the limit for 10-percent participation was $20,000 and there was a $100,000 limit for 25-percent participation, with no such loans to be made by banks in excess of $100,000.

8. We are permitting our field offices to approve direct disaster loans up to $100,000 and regular participation disaster loans up to $150,000. This is an increase of $50,000 in each category. On the bank-processed disaster participation loans, concurring authority has been increased to $250,000 to match the bank's authority to process and approve.

9. We are now permitting banks to charge interest of not to exceed 6 percent on their portion of home loans in which they are participating as against a previous allowance of not to exceed 3 percent. We are also paying the banks a service fee of one-fourth percent per annum on the unpaid portion of the SBA share of disaster loans which they service for us. This will be taken out of the interest collected for the account of SBA. Banks formerly were paid no service fee on disaster loans.

This obviously means that banks may participate in these disaster loans, which is wholly unnecessary, and that therefore the rate to the borrower would actually be higher than 3 percent. While this may be technically permissible, I consider it a violation in spirit, if not in fact, of the Disaster Loan Act, which provides that loans shall be made at an interest rate not to exceed 3 percent. Moreover, I see no reason why banks should be profiting by this disaster. As I pointed out before, the act prescribes a maximum, but no minimum. Mr. Foley has admitted to me, and the text of the act confirms it, that he could make loans at any interest rate lower than 3 percent that he desires. He could make them at 2½ percent, 2 percent, 1½ percent, 1 percent, or three-fourths of 1 percent—the rate charged for foreign loans—or, in fact, at no percent. So far, however, he has not chosen to do so.

I shall continue to ask why this is not done, and I shall also analyze what additional burdens this new proposal to let the banks in on this procedure will impose on the sorely distressed Alaska earthquake victims.

SENATOR BREWSTER COMES TO THE AID OF THE PRESIDENT AND HIS PARTY

Mr. MANSFIELD. Mr. President, the phrase "Now is the time for all men to come to the aid of the party," is best known to typists and secretaries. Yet for all its usage this old phrase still bears wisdom and pertinence. One Senator who heeded the call is the distinguished Democratic Senator from Maryland [Mr. BREWSTER]. Senator BREWSTER does not face reelection until 1966. Yet when it became necessary for someone to stand in Maryland for President Johnson and for what President Johnson stands, Senator BREWSTER came to the aid of the President and his party. The Senator from Maryland served with courage and loyalty in a most difficult situation.

An editorial carried in the Washington Evening Star under date of May 22, 1964, states, in part, as follows:

The likable Marylander did not seek his role as a stand-in candidate. Nor did he relish it. He accepted the chore as a duty to his party and to his State. Once the race began, however, the Senator threw himself into the campaign with all the vigor he has. And we simply want to take this opportunity to say we think he acquitted himself well, in a task from which he could scarcely hope to benefit in either a personal or a political sense.

Mr. President, I ask unanimous consent that an editorial from the Washington Evening Star of May 22, entitled "Good Job," which lauds the Senator from Maryland for his dedicated effort on behalf of the President and the Democratic Party be placed in the RECORD.

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

GOOD JOB

In the tortured analyses of the Maryland primary, one aspect of the Brewster-Wallace race has been largely ignored.

We refer to the performance of Senator BREWSTER. Certainly his slight margin of victory was the sharpest kind of disappointment. For whatever it may portend, Governor Wallace attracted a much larger percentage of Maryland votes than either his friends or his enemies had anticipated—and no amount of rationalization can change that fact.

But this was not the fault of "DANNY" BREWSTER. The likable Marylander did not seek his role as a stand-in candidate. Nor did he relish it. He accepted the chore as a duty to his party and to his State. Once the race began, however, the Senator threw himself into the campaign with all the vigor he has. And we simply want to take this opportunity to say we think he acquitted himself well, in a task from which he could scarcely hope to benefit in either a personal or a political sense.

ADMINISTRATOR EUGENE P. FOLEY OF SBA EXERCISES LEADERSHIP FOR MORE JOBS IN AIDING SMALL BUSINESSES

Mr. YOUNG of Ohio. Mr. President, this week has been designated by the President as National Small Business Week. Approximately one third of all the goods and services produced in the Nation are provided by our almost 5 million small businessmen. Nine out of every ten businesses in the country are engaged in what are really small enterprises. They play a vital role in our national economy. They are the backbone and heart of our free enterprise system.

Mr. President, too often the problems of small business have been disregarded, or not given enough attention by the Congress and in the legislatures of our 50 States. I have always spoken out in support of legislation to promote and encourage the growth of small businesses and shall continue to do so.

Under the direction of its very able Administrator, Eugene P. Foley, the Small Business Administration has done outstanding work toward helping to solve the problems of small businessmen and in assisting them in their contribution to our economy. What Administrator Foley is doing and the magnificent leadership he is exercising will mean more jobs for Ohio men and women. More families in our 50 States now living under difficult circumstances will have breadwinners as a result of Administrator Foley's leadership in helping operators of small businesses to acquire additional capital and to prosper and expand when they bring before his agency adequate proof that they are worthy of credit and their businesses have the potential to prosper and expand.

In the Washington Post of May 24 there appeared an excellent article by "Gene" Foley entitled "SBA Head Sees Bright Future for Small Firms." It sets forth concisely and clearly the role of small business in our economy and the work that the Small Business Administration is doing toward assisting in that regard. I commend this to my colleagues and ask unanimous consent that it be printed in the RECORD at this point as part of my remarks. I gladly report to my Ohio constituents that the SBA and Administrator Foley will cooperate with them and with me as their agent and public servant to take all proper steps to assist small business enterprises of Ohio and of all our States.

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

FOLEY CALLS THEM AID IN POVERTY WAR: SBA HEAD SEES BRIGHT FUTURE FOR SMALL FIRMS

(By Eugene P. Foley)

Small business in America is in relatively good health today and can look forward to an even brighter future.

More than 9 out of every 10 businesses in this country are small enterprises. Moreever, the Nation's small firms are increasing at about 50,000 a year and account for virtually all the net gain in our business population.

This no doubt will surprise those who fear small business is on the way out in this country, that it is being swallowed up by the giants. Actually, at the current pace of the economy, the small business population of 4.6 million will go over 5 million by 1970.

In recognition of the tremendous role small firms play in our national economy, President Johnson has proclaimed the week starting today as National Small Business Week. The President pointed out that small businesses provide:

About one-third of the Nation's goods and services.

A broad source of diversified employment opportunities.

An opportunity for expression and growth of personal initiative and judgment.

New ideas, new methods, and new products which stimulate our economy.

It is in the area of service industries that the small businessman is dominant and where he will have his best future. The service field promises to continue to be an area of exceptional dynamic growth.

SERVICES ON RISE

During the period 1946 through 1963, employment in businesses providing services increased from 4.7 to 8.3 million—a rise of 76 percent. For the rest of the economy, the growth in employment was 18 percent.

Americans with more money to spend are demanding more services. The man or woman who has an idea, some capital, and a willingness to take risks has an excellent chance to establish a successful small business today.

In rapidly growing suburbia, the small businessman can find many opportunities to establish a successful business, particularly in the service field but also in retail trade.

I do not mean to suggest that small business is without problems. The number of small manufacturers has been declining in recent years—from 332,000 in 1947 to 313,000 on January 1, 1963. This important sector of the small business world must not be weakened.

Of concern, too, is the matter of increasing the amount of Government work done by small firms. Federal Government purchases in fiscal 1963 added up to $33.8 billion—but only 16.8 percent or $5.7 billion went to small business.

RESEARCH AND DEVELOPMENT POTENTIAL

In research and development, small business handled a mere 3.5 percent of the $5.7 billion the Federal Government spent in fiscal 1963. We believe smaller firms are qualified to do a greater part of this and other Government work.

Time and again small firms have produced a higher quality product at a lower price and at an earlier delivery date than the Government could have obtained from their giant competitors.

The line between small and big business often is difficult to draw. Many think of small business as only the "mom-and-pop" type of operation, such as the corner grocery. But a factory could have 250 employees and still be considered small. The yardsticks for measuring the size of a business vary by industry. Basically, a small business must be independently owned and operated and not dominant in its field.

In the President's war against poverty, the small business community can perform combat duty. The SBA will supply ammunition.

By assisting and encouraging small businesses to expand, the SBA can help open up a major source of jobs for the unemployed. As an indication of what can be achieved, nearly 23,000 new jobs have been created by one of our programs alone. This is the one under which $53.3 million have been loaned to local development companies since 1958 for use in constructing plants or otherwise aiding expansion.

ALLY AGAINST POVERTY

In another attack on poverty, the SBA has launched pilot projects in Philadelphia and New York with a liberalized small loan program that gives more attention to the human qualities of the applicants and less to their collateral, though it, too, is considered. The projects are aimed at opening the doors of the business world to the man or woman who has a good idea but is prevented from putting it into effect merely because of lack of capital. We believe that if the potential is there, we should be willing to take a calculated risk.

The pilot projects also cover very small businessmen who, while established, need help to expand.

In this era of rapid change the small businessman, far from being at a disadvantage, often has the edge over the industrial greats.

This is because it is usually the small businessman who is the innovator, who takes a chance on developing new products and new techniques. Many significant inventions are the work of individuals who have imagination and are willing to gamble by founding a small firm to market their inventions.

Big companies have heavy investments that tend to make them conservative, that make them resist radical change. It is the small businessman we must look to for new products, new services, new ideas in retailing.

THE 50TH ANNIVERSARY OF THE NAVAL AIR STATION AT PENSACOLA, FLA.

Mr. HOLLAND. Mr. President, I have previously requested the distinguished Senator from Virginia [Mr. ROBERTSON] and the distinguished Senator from Illinois [Mr. DOUGLAS] to be present in the Chamber at this time, so that they might hear what I would have to say.

On January 14 of this year, my colleague [Mr. SMATHERS] and I introduced, at the request of the city of Pensacola, Fla., and others, Senate Joint Resolution 145, which states that the city proposed, on June 13, 1964, to "celebrate with appropriate ceremonies the golden anniversary of the Naval Air Station, Pensacola, Fla." That is the 50th anniversary of the founding of the station at Pensacola.

A similar resolution was offered in the House of Representatives at about the same time—House Joint Resolution 889. The House joint resolution was passed by the House as an unobjected-to item on May 18. I immediately began to attempt to have either that resolution or the Senate resolution, or both, reported for early action, because the time is so limited for the striking of the galvano, which would be permitted to be struck under the resolution, at the expense of the city of Pensacola, for presentation to the Naval Air Station, and the officers and men stationed there, and to the Navy.

Pursuing my effort, I then tried to have the Committee on Banking and Currency polled. I was told by the distinguished chairman of the committee [Mr. ROBERTSON] that objection to polling the committee had been made by the Senator from Oregon [Mr. MORSE].

I conferred with the Senator from Oregon, to see if I could persuade him to withdraw his objection to polling the committee. He refused to withdraw his objection. However, he said he thought that a special meeting of the committee might easily be called to report this measure.

I went to the Senator from Virginia and talked with him about it, but he was unwilling to call a meeting unless the Senator from Illinois [Mr. DOUGLAS] would agree to not bring up another matter, about which I am not advised, but which I understand is entitled a truth-in-lending bill.

I then went to the Senator from Illinois and asked him if he would attend the meeting. I received assurance from him that he would. I thought I had his complete assurance that he would not press the truth-in-lending bill.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HOLLAND. I ask for an additional 3 minutes.

THe PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLAND. I immediately reported that fact to the distinguished Senator from Virginia [Mr. ROBERTSON]. I also reported to the only other member of the committee whom I saw on the floor, the Senator from New York [Mr. JAVITS], that I thought everything was satisfactorily arranged.

Later I was told by the Senator from Virginia [Mr. ROBERTSON], either over the telephone or by letter—I have forgotten which—that he was calling a short meeting for this morning, Monday, for the purpose of handling this particular matter.

I thought the matter had been completely arranged. I was not on the floor on Friday when the Senator from Virginia announced that the meeting would be called off. He told me that he was trying to locate the Senator from Illinois [Mr. DOUGLAS], to have him present on that occasion. I was out looking for the Senator from Illinois when the announcement was made by the Senator from Virginia. I found the Senator from Illinois, but he was very happily entertaining a gentleman and a lady at a table in the Senate restaurant, and I did not feel that that was a time when I should intervene on this matter, because the Senator from Virginia had told me that the Senator from Illinois claimed he had not told me that he would not raise the truth-in-lending bill.

I have very carefully read the comments by the Senator from Virginia and

the Senator from Illinois, which I believe were not made with both of them on the floor at the same time. The Senator from Virginia had made comments on this subject on Friday, and later in the day, as I read the RECORD, the Senator from Illinois made some comments, too.

It seems that I am in complete disagreement with the Senator from Illinois on the question of his having given me the assurance. I feel sure he gave me that assurance, as reported to the Senator from Virginia. The Senator from Illinois tells me he does not remember it that way, and I am quite willing to accede to this situation. Sometimes we misunderstand one another. However, I do not think I could have misunderstood him in this instance.

But what I am trying to get now is some means to have consideration given to this very innocent measure, which is to honor all the men who have passed through the Pensacola Naval Air Station and have served our country so gallantly, which will not cost the country a nickel, and which is in accordance, I believe, with serving the best traditions of our Nation, so that action may be immediately taken.

I cannot conceive of any Senator objecting to that, so that the galvano—the model from which the medal commemorating the air station will be struck—may be made by the Treasury Department, but at the expense of the city of Pensacola, for delivery to the naval exhibition at the Naval Air Station.

If there is any way in the world in which this impasse can be broken, I am hopeful that it will be, because it seems to me that the objective is sound. The Senators from Florida and the member of the Florida district which is affected have been most diligent in their efforts. The joint resolution was introduced in the Senate on January 14—almost 4½ months ago.

The PRESIDING OFFICER. The time of the Senator from Florida has expired.

Mr. HOLLAND. Mr. President, I ask unanimous consent that I may have an additional 3 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HOLLAND. Both the Senators to whom I have addressed myself are in the Chamber, and I do not wish to keep them here indefinitely or to have them return later to discuss this problem. So my question is: Is there any way in which this problem can be adjusted, so that this innocent measure, but very important and worthwhile resolution, from a patriotic viewpoint, may be brought up and passed in timely fashion? The medal would be struck without the slightest expense to the Government. That is the question which I am addressing to the Senate at this time.

Both the distinguished Senator from Virginia and the distinguished Senator from Illinois are in the Chamber. I hope they may have some suggestion as to how we can get by this impasse.

Mr. ROBERTSON. Mr. President, my distinguished colleague from Illinois [Mr. DOUGLAS] said I might proceed. I do not mind going ahead. The only way I know of is to have the distinguished Senator from Florida move that the committee be discharged. If he makes that motion, I shall not object to it. I do not know whether, under the Morse formula, we could move in with any other business.

I told the Senator from Oregon [Mr. MORSE] this morning, after I read today what he had said, that he had not read the 17th verse of 26 Proverbs, which says that he who moves into a fight that is not his own is like a man who grabs a dog by the ears. It was the Senator from Oregon who put the screws on us. The Senator from Oregon said that if the Senate allowed any other business to be transacted, it would not be so anxious to proceed to the passage of the so-called civil rights bill. So he said there would be no other business.

Mr. HOLLAND. Surely the Senator from Virginia does not mean that the Senator from Florida said that.

Mr. ROBERTSON. I said the Senator from Oregon, not the Senator from Florida. The Senator from Oregon said there would be no polling of committees, and there would be no action by committees, when the Senate was in session.

The Senate has been convening at 10 o'clock and remaining in session, at one time until 10 o'clock at night, perhaps a few nights until later; at least, it has been meeting daily for 12 hours.

Then I received word that the distinguished Senator from Illinois [Mr. DOUGLAS] was complaining all of a sudden about a bill he has had before his own subcommittee for 4 years. He was chairman of that subcommittee and did not report the bill until after the Senate had got into the hassle over civil rights. Not a single committee had even considered the controversial measure, much less reporting it, and it could not possibly have received action on the floor of the Senate until the civil rights bill was finished. Still, he is urging us to pass the civil rights bill without any amendments. I understand the Senator from Illinois has been ready, able, and willing for some time to vote for cloture. That would be entirely all right with me. But this is what I was confronted with last Friday.

The PRESIDING OFFICER. The time of the Senator from Virginia has expired.

Mr. ROBERTSON. Mr. President, I ask unanimous consent that I may speak for an additional 3 minutes.

Mr. HOLLAND. Mr. President, I ask unanimous consent that sufficient time be granted by the Senate to enable us to dispose of this matter. I shall certainly not abuse the privilege.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERTSON. This is what the committee was confronted with last Friday: A controversial bill had been pending for more than 4 years. The committee had taken more than 4,000 pages of testimony. If one tried to read it at the rate of 50 pages an hour, 8 hours a day, he would be reading it the better part of a month. Who is reading it? I have been reading it. The chairman has gone out of his way to be accommodating. We have spent almost $90,000 on this one bill. Never in our history have we spent so much money. The Senator from Illinois asked that we bring college professors to Washington to testify. Never before had we brought college professors; but I agreed to bring college professors here. Later in the day, I shall indicate what we spent to bring college professors before the committee.

That reminds me of the great Republican named Knutson, who represented Minnesota. He was placed on the House Committee on Ways and Means when some New Dealers were trying to amend the tax laws. He would say, "They have never met a payroll."

The more I think about that, the more I am reminded that we have an Attorney General who wants to abolish trial by jury; yet he has never met a jury. That makes a little difference.

I graduated Phi Beta Kappa in law, but I was not ready to try a justice of the peace case. I had had no practical experience. I had not met a payroll.

So we brought the college professors, who know all the theories but have never met a payroll, to tell us about all the financial institutions of the United States. They were going to make sellers and lenders tell the borrowers how much interest they would have to pay. If Mrs. Murphy wanted to buy a washing machine, she would be told, "Mrs. Murphy, if you buy this machine on revolving credit, you will pay interest at the rate of 8.1794 percent." It would take an expert accountant plus an IBM machine to figure that out—and that would apply to every transaction. That is what the truth-in-lending bill proposes.

That bill has been before Congress for 4 years; yet no State has copied it. It has been before the House for 4 years, but not one word of testimony has been taken on that side of the Capitol.

In addition, the Senator from Illinois said, "We want hearings to be held in the hinterlands."

I said, "We have never held hearings in the hinterlands."

"Oh, yes," he said; "we must have hearings in the hinterlands."

"All right," I said; "go ahead and have hearings."

So we spent $4,500 of committee funds, in accordance with a committee vote, to hold hearings in various cities. Has anyone read all of them? Of course not.

Then when the distinguished Senator from Minnesota [Mr. HUMPHREY] wanted to collaborate with his great leader, the distinguished Senator from Montana [Mr. MANSFIELD], to have the Treasury-Post Office appropriation bill reported, he said, "I will agree not to have the Senate convene until noon on Monday, Tuesday, Wednesday, and Thursday." I said, "I am your man. I will get that bill out."

Then my friend from Florida [Mr. HOLLAND] said, "I am interested in a bill to strike a little galvano." I have never seen a galvano. He said, "There is no objection to the galvano, and it will not cost the Government anything."

I said, "Mr. MORSE will not let us poll the committee on it. When the committee meets, the distinguished Senator from Illinois has a bill that has priority. When we can meet, his bill has priority. But we might run in this bill ahead of it."

"But," I said, "the Republicans have a conference at 9:30 on Monday. I have scheduled a hearing on the Treasury-Post Office bill at 10 o'clock. I will have only 30 minutes. In all, the truth-in-lending bill involves some 4,000 pages of testimony and dozens of amendments. Still I am asked to handle two bills in addition to the truth-in-lending bill. I will simply have to cancel the meeting. I could not handle it."

The Senator from Florida asks what can be done. I propose to finish hearings on the Treasury-Post Office bill this week. We cannot mark it up this week, but I expect to finish hearings on it this week. I plan to call a meeting of the Committee on Banking and Currency for 8:30 next Monday morning. The business will be the business of my distinguished colleague from Illinois, the truth-in-lending bill, S. 750, at 8:30 next Monday morning.

This afternoon—I do not have time now—I shall make a few observations, for the purpose of the RECORD, as to why I have been less than enthusiastic about this bill—all of which I told him in a very friendly way; and he said he knew it would be absolutely friendly. But I shall explain what we have been up against, and why I could not set his bill for a 15-minute hearing this morning, and why I acted on the request of my good friend, the Senator from Florida, for all they wanted was a 15-minute session on a minor bill to authorize a galvano, which would not cost the Government anything. We were supposed to meet for 15 minutes, to authorize that galvano, and perhaps also to help our friend, the Senator from New Hampshire, who wanted a bill to authorize minor increases in national bank loans secured by forest tracts. No one objected to that bill, but it would have been necessary to poll the committee, and we were not allowed to poll it.

Of course, if we have authority to tell people what to report to their customers in the way of interest, we have authority to tell them how much interest can be charged; let us make no mistake about that. When we move into that field, we shall be moving into a very large one. Can we imagine that the banks and all the others involved in extending credit want such a bill enacted into law? Of course they do not. But that is what we have to dispose of; and we could not dispose of it in 15 minutes.

However, I am calling the committee to meet next Monday morning, at 8:30 a.m. I regret very much the necessity of calling it at that hour. The distinguished Senator from Minnesota has a sense of humor; and certainly a sense of humor is a good thing to have. Ten days ago he admonished me a little about not calling a committee meeting at 8 or 8:30 a.m. I said to him, "Well, I could be there, but the younger members could not be there."

To my surprise, I received a letter from my distinguished friend, the Senator from Illinois, saying he is one of the younger members, and that I had reflected on him.

Mr. DOUGLAS. Oh, no, not at all.

Mr. ROBERTSON. Then on whom did I reflect? I was charged with reflecting on someone.

At any rate, it seems that we can no longer have a little humor on the floor, not even in a friendly interchange of that sort. It seems that, instead, we must watch very carefully what we say, or else, the next thing we know, someone will take offense, and will charge that we have "put our foot in it."

Mr. President, later in the day, when I have more time, I shall go into some of the details in that connection.

At the present time I merely wish to say that I acted on what the Senator from Florida told me was the situation.

The Senator from Illinois [Mr. DOUGLAS] sent me a letter; it was dated one day, but was delivered by page, to me, at 11:45 a.m. the next day. I had been in committee meeting, and I did not get the letter until 12:15 p.m. I had to make whatever move I was going to make during the morning hour. So I came to the Chamber. The Senator from Illinois [Mr. DOUGLAS] had answered the quorum call, and then took some lovely constituents to lunch; and I did not know where he had gone. I tried to find him, and the Senator from Florida [Mr. HOLLAND] tried to find him. I had to make whatever move I was going to make in the morning hour, which was then underway. I just said, "There will be no 'show' this evening" or "There will be no 'show' tonight"—Senators know the difference. That is the way that meeting was called off.

But now the meeting is called back on, again, and it will be on Senate bill 750, at 8:30 next Monday morning.

Unfortunately, I had to leave last Friday afternoon; it was a red-letter day at Lexington, a little town of 6,000, but a great town. Washington & Lee University has more leaders among its alumni than any other college in the Nation. VMI, next to West Point, has turned out more great military leaders than any other college in the Nation. As a great superintendent there once said: "We at VMI teach no 'ism' except patriotism." That was the spirit of George Marshall.

On that occasion, last Saturday, there were present the President of the United States and many other distinguished guests. We should have had there the future Vice President, but he would not come. [Laughter.] We also had there the former President of the United States, and the Secretary of State, and former Secretaries of State, and major generals, lieutenant generals, and full generals, everywhere, and from 12,000 to 14,000 people—all in that little town of 6,000 people. They were there to do honor to whom? To the graduates of VMI. Naturally, I went there on Friday afternoon

Mr. YARBOROUGH. Mr. President, will the Senator from Virginia yield briefly to me?

Mr. ROBERTSON. Yes; and let me say that I know Texas A. & M. is a good school. [Laughter.]

Mr. YARBOROUGH. I merely wish to state that perhaps the distinguished Senator from Virginia does not realize that Texas A. & M. had more graduates who were commissioned officers in the Armed Forces in World II than any other college in the Nation, including West Point.

Of course I honor VMI, too.

Mr. ROBERTSON. But what is the size of the student body of Texas A. & M.?

Mr. YARBOROUGH. It is larger than that at West Point.

Mr. ROBERTSON. That is correct, and West Point has a student body of 4,000; whereas there are only 800 at VMI. In World War II, every one of the members of the graduating class of VMI went into the military service—every one of the 800. Think of that. Those young men are taught not only to be patriots, but also to be outstanding citizens in all respects. One of the largest employers in the country said to me, "Next to a Cornell graduate, I would rather have a VMI graduate than any other graduate I can get."

I said to him, "Why?"

He replied, "Because those from VMI will do what they are told to do." They are disciplined and trained; they obey orders.

I had to be there on that occasion; and I could not stay here and participate in the debate as to why I could not that morning handle three bills, one of them one of the most controversial in the entire session, in 15 minutes.

So, Mr. President, later today I shall speak further on this matter. In the meantime, I shall permit the Senator from Illinois to speak first. I shall speak second.

Mr. DOUGLAS. Mr. President, I shall not discuss the military prowess of the graduates of the Virginia Military Institute; it is not necessary that I do so, because they have an imperishable record in the annals of our country.

I should instead like to deal with the matter at hand, and try to reconstruct as accurately as I can what happened.

On the morning in question, the Senator from Florida [Mr. HOLLAND] walked up the center aisle and approached me at my seat, which is at the side of the aisle, and asked me whether I would attend a meeting in the Banking and Currency Committee, to consider a galvano bill which he had. I was somewhat mystified by the term "galvano."

Mr. HOLLAND. So was I until I looked into it.

Mr. DOUGLAS. He then went on to say that the chairman had complained that he was not able to get a quorum at early morning meetings, and asked me if I would attend this meeting.

If I make an inaccurate statement at any point, I wish the Senator from Florida would correct me.

I replied that I would be very glad to attend and to help make a quorum.

Our memories apparently differ as to what followed after that.

After I had made that statement, the Senator from Florida started to move

away. I added that the chairman had taken the position that he did not want to bring up the truth-in-lending bill. The Senator from Florida thinks I told him that I would waive bringing up the truth-in-lending bill. I certainly have no memory of making such a statement; in fact, according to my memory, I said exactly the opposite. For me to have said that I would waive bringing up the truth-in-lending bill for consideration would have been a complete reversal of the position I have always taken. I have never been opposed to having the committee go about its business; I have merely said that when the committee does meet, I think that I, as a member of the committee, should have a right to request committee action on that bill. Of course, it is within the power of the committee not to grant such a request; but I think I do have a right to make that demand.

The memory of the Senator from Florida and my memory on this point differ. I regret that this has happened; I can only say that I certainly never thought I had consented to withhold the truth-in-lending bill from committee consideration.

Then I went back to my office, and in the course of the afternoon I dictated the letter to the Senator from Virginia which appears on pages 11728–11729 of Friday's CONGRESSIONAL RECORD.

If the letter is read carefully, it will be noticed that I never said that I would not attend the forthcoming meeting of the Banking and Currency Committee. To the contrary, I said that when the meeting occurred on Monday, I would move to report the bill S. 750.

I renew that statement. I shall be very glad to meet at any time which the chairman of the committee, the distinguished Senator from Virginia [Mr. ROBERTSON] sets. I shall be very glad to have the galvano measure considered. I am perfectly willing to have it given priority, although technically I am not certain that this should happen. I shall be glad to have the joint resolution given priority. I shall be glad to have the forest tract bill also considered ahead of the bill S. 750, and I am agreeable to the committee's voting on both of those bills even though I think one bill may still be in a subcommittee. I would move to discharge it, to have it brought out of the subcommittee and have it considered by the full committee.

I believe the galvano measure has never been referred to subcommittee. I shall be glad to move to waive the referral to a subcommittee so that it properly may be considered in the full committee.

Mr. President, all I ask is that there be regular rules of procedure. What has happened is that our good friend from Virginia, who is strongly opposed to the bill S. 750, is refusing, or up to now has refused, to have the bill considered except for the 15 or 30 minutes which he gave to the subject at an earlier meeting on April 9.

All I am asking for is equal treatment with other members of the committee. I think it is somewhat unusual and improper for the chairman to say that there are certain bills which he favors that will be put through on the "express," and that others will be "sidetracked" and never considered. That is the whole issue which is at stake.

If the Senator from Virginia will pardon me, his arguments have differed from time to time. At one time he claims that he was not able to get a quorum; then he alleges that I am trying to prevent the galvano measure and the forest tract bill from coming up. This is not my purpose, and has never been my purpose. I am perfectly willing to have those bills considered. I merely say that they should be considered in the committee in regular order, and that some time should be left so that I can at least bring up the bill S. 750.

On the merits of that bill, S. 750, there can be disagreement. The Senator from Virginia evidently intends to speak against it this afternoon. If he will tell me when he intends to speak, I shall try to be present so that I may give my version of the case.

I am sorry that this misunderstanding has arisen between the Senator from Florida [Mr. HOLLAND] and myself. I certainly have no memory of agreeing that I would not bring up my bill in the committee. That would have been a complete reversal of the position which I have repeatedly taken. And while I would very dearly like to oblige the Senator from Florida in every way, I wanted to help him surmount the obstacle which he thought existed, namely, the fact that he was not going to be able to obtain a quorum in the Banking and Currency Committee to consider the galvano resolution.

The Senator from Virginia a week ago Saturday had complained that he could not get a quorum. I wanted to assure the Senator from Florida that I would not only be present but also that I would vote for his bill. I still feel that I had the right, at least, to have my bill, the truth-in-lending bill, considered. I shall be glad to answer any questions anyone may have on the question.

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

Mr. DOUGLAS. I yield.

Mr. MANSFIELD. In view of a somewhat sticky situation which has developed, in view of the statement made by the distinguished chairman of the Committee on Banking and Currency that a meeting would be held on the bill of the distinguished Senator from Illinois on Monday morning next, in view of the fact that the joint resolution which the distinguished Senator from Florida [Mr. HOLLAND] has called to our attention has a time limit of June 13 for the striking of a galvano to celebrate the 50th anniversary of the Pensacola Air Station, and in view of the fact that this will cost nothing—not a thin penny—to the U.S. Government, I was wondering if the distinguished Senator from Illinois [Mr. DOUGLAS] would, in view of those circumstances, provided that we can obtain clearance all around, consider the possibility under a unanimous-consent agreement of discharging the committee from further consideration of this particular joint resolution so that it can be brought up at an appropriate time for consideration by the Senate. I hope to make the request, and in view of the unusual circumstances, I would hope that the Senator would give it his serious consideration.

Mr. DOUGLAS. First, let me say that I am not opposed to the galvano measure. I have only the friendliest feelings toward the Senator from Florida. I shall be very glad to do what I properly can. It seems somewhat ridiculous that we must discharge a committee in order to get action on so minor a measure as the one about which we are speaking.

I believe that the Senator from Virginia must have read my letter very hastily and reacted rather speedily and thought I was objecting to a meeting of the Banking and Currency Committee.

Quite to the contrary. I am ready to have the committee meet and I am ready to make the galvano joint resolution the first order of business. I merely ask that after the galvano measure has been disposed of and the forest tract bill has been disposed of, I shall at least be privileged to be recognized by the chairman to propose the bill S. 750, and not be ruled out of order.

Mrs. NEUBERGER. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mrs. NEUBERGER. Is there a unanimous-consent request before the Senate?

The PRESIDING OFFICER. No.

Mrs. NEUBERGER. Mr. President, if such a request is made, I should like to be given notice, and I should like to be on record as objecting, because I believe the procedure is very unusual. It is an extraordinary request of the chairman of our committee to meet on Monday morning at 8:30 a.m. May I ask the majority leader what time it is proposed to convene the Senate on Monday?

Mr. MANSFIELD. I would have to hazard a guess. My guess would be 12 o'clock noon on Monday next.

Mrs. NEUBERGER. Then I do not understand why there should be any extraordinary 8:30 a.m. meeting of the committee. The usual time for committees to meet is 10 o'clock a.m., unless the Senate is in session. I do not see how the proposed extraordinary action could help the proposal of the Senator from Florida [Mr. HOLLAND]. If the committee cannot obtain a quorum to consider the joint resolution, how would the situation be helped? Many members of the committee are very much interested in the bill to which the Senator from Illinois has referred. We have not had an opportunity to have the bill fully considered in the committee. I am perfectly agreeable that there be a committee meeting at the usual time of 10 o'clock on Monday. But the purpose of an 8:30 a.m. meeting is obviously to see that a quorum is not available.

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

Mr. DOUGLAS. I yield.

Mr. MANSFIELD. In view of the statement that if a unanimous-consent request were made there would be an objection, I wish to inform the Senate that there will be no unanimous-consent request.

Mr. DOUGLAS. So far as I am concerned, I should be glad to meet at 8:30 a.m.; if the chairman of the committee wishes to hold a meeting at midnight, I shall come at that time. I am perfectly willing to have the galvano measure made the first order of business. I am perfectly willing to have the forest tract bill made the second order of business. But I reserve the right to bring up the bill S. 750 for consideration at that time. If the notice which I gave about bringing up S. 750 caused the chairman to call the whole meeting off, I suggest, if the Senator from Florida wishes his joint resolution to be considered by the committee, that he persuade the Senator from Virginia to agree that at the proposed committee meeting the galvano and forest tract measures be considered, and that then I be allowed to make a motion to bring up the bill S. 750, instead of saying, "If you intend to bring up the truth in lending bill, we will have no meeting at all," which is what the chairman apparently did last Friday.

Mr. ROBERTSON. Mr. President, will the Senator yield to me?

Mr. DOUGLAS. I yield.

Mr. ROBERTSON. I tried to make it clear last Friday. I said we only had half an hour this morning and that we could not consider the galvano resolution and the truth-in-lending bill in half an hour. I have now called a meeting for next Monday. When I called it, I did not know at what hour the Senate was going to meet. I wanted to give the Senator all the time possible. I am tied up every morning in Appropriations Committee work for the rest of the week. I am under a definite obligation to the majority leader who gave us the privilege of carrying this work forward.

I suggested that we meet at 8:30. Then we would have until the time that the Senate convenes. That meeting would be called to consider S. 750. If someone at that meeting wants to bring up the galvano resolution or any other bill, I doubt if there would be any objection made. But, from now on whenever we call a meeting of the committee, it will be on S. 750. And we will not call a meeting for any other purpose. That is the purpose for which we are calling the meeting on Monday.

As the Chair said, it is an impossibility to satisfy everyone on the committee with regard to this bill or any hearing. We tried time after time before we got into the extended debate, and we could not get a quorum.

The Appropriations Committee has been holding hearings with just one member present. They have a rule which permits that procedure. They can hear testimony, but they cannot report a bill with one member. We cannot handle the most controversial bill of the entire session with one or two committee members present. We must have a quorum. We must stay there and complete the discussion and then vote. If we cannot get a quorum, that is something else.

Some members do not want to hold any meeting at all. Some would like to have a meeting at 10 o'clock. Others might like to come in about 11:15. We cannot please everyone on this committee. A good many of the members do not want anything to do with this bill at all. The chairman of the subcommittee would not have taken 4 years to get it out of his own subcommittee if the bill were popular.

Mr. DOUGLAS. Mr. President, do I have the floor?

The PRESIDING OFFICER. The Senator has the floor.

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

Mr. DOUGLAS. I yield.

Mr. HOLLAND. I want to make it clear that I appreciate the two very real concessions that have been made by my two distinguished friends. The Senator from Virginia [Mr. ROBERTSON] if I understand him, has agreed to call a meeting. And as many meetings as may be called hereafter at this session, I think, would be subject, under his statement, to the same announcement, that he would expect to have the truth-in-lending bill become the first order of business.

I am not familiar with that bill. I am not a member of the committee. The distinguished Senator from Illinois [Mr. DOUGLAS], notwithstanding the fact that he and I are in disagreement on certain facts—and I can understand that those things might occur—is perfectly willing, when the meeting is called by the Senator from Virginia, to have the galvano bill—which I happen to be the sponsor of, and which is a matter of small consequence to the Nation, but of great concern to all who have served at the Naval Air Station at Pensacola, Fla.—considered. I was in hopes that that course might be followed. I have no means of knowing how long it would be before action could be taken on the matter. Until the bill is passed, the Secretary of the Treasury is not authorized to proceed. This would be accomplished entirely at the expense of the city.

I am grateful for these two very real and friendly concessions. I am in hopes that we can take that further step today. I just do not know how soon the leadership would be willing to have us dip into the calendar and pick up a bill of this type and pass it.

I believe it would be passed by unanimous consent. It relates wholly to a patriotic objective that I think is important. I do want to express my appreciation to both of the Senators. I say to the distinguised Senator from Illinois that while my recollection remains completely different from his on the one detail as to the conference, on which he has expressed his recollection, I make no charges. I am not interested at all in bringing out any issue of that kind.

I am not infallible. I do not suppose that any of us are infallible. But I certainly would not have gone to the Senator from Virginia and told him that the Senator from Illinois had told me that he would not call up the bill unless that had been my understanding.

I am grateful to both Senators. And I hope that somehow during the course of the day we can get the bill on the calendar so that it may be handled at an early time.

Mr. DOUGLAS. Mr. President, I would like to add one or two words. Although perhaps too much has already been said about this matter. I did not correct all of the misstatements that the Senator from Virginia made on Friday. But on page 11728, the Senator made a statement that Senator CLARK and I "did not want anything to come out of the committee unless the truth-in-lending bill came out first."

That has never been our position. We have simply asked that the committee consider S. 750. The committee can do what it wishes with it, nor, indeed, have we insisted that S. 750 must have priority. We simply said that at meetings of the committee where other business is considered, we have the right to have this, or any other matter brought up.

I feel that S. 750 should be brought up at the forthcoming meeting of the Banking and Currency Committee.

After the Senator from Virginia [Mr. ROBERTSON] made his statement, I suddenly remembered that I have an appointment in southern Illinois on next Sunday afternoon. I will have to drive 150 miles to get to St. Louis in order to get a plane. But I cannot catch a plane until the next morning. This brings me to Washington at about 11:30. I would hope that the meeting could be held on next Tuesday, or on Friday of this week, if necessary.

I made this request to the Senator from Virginia personally. I do not think at the moment he is favorably inclined to it. But I hope that upon consideration he may be.

As far as I am concerned, if there is no further discussion on this matter, I am ready to yield the floor.

The PRESIDING OFFICER. The hour for morning business has expired. Is there objection to the Senator from Texas [Mr. YARBOROUGH] proceeding?

There being no objection, it is so ordered.

VETERANS WITHOUT EDUCATIONAL OPPORTUNITIES PLEAD FOR GI BILL

Mr. YARBOROUGH. Mr. President, for the past several months, I have tried diligently to secure consideration of S. 5, the cold war GI bill. We have heard eloquent pleas from editorials, educators. and numerous veterans for its passage. Today I would like to concern myself with a group of citizens who present the most convincing argument for the passage of this bill—those young men who themselves would be affected by the benefits of this bill.

Instead of trying to present the case of these gentlemen in my words, I have selected three letters out of many that I have received in the last month which illustrate the mounting need for the enactment of the GI cold war bill. First, I would like to quote a young man who writes on behalf of his fellow servicemen in his unit when he states:

> Many of us hope to further our education upon completion of our military service, and the benefits we might derive from this bill would certainly be a great help to us.

Next, I have a plea from a recently discharged young man who lacks the funds to attend college, when he states:

I don't have a trade or profession as my high school * * * only prepared me for college. I am above average in intelligence, and believe I could do well in college as I have a thirst for knowledge.

Last I would like to share with you the words of a young veteran who is now attending college:

I am attending Pan American College at the present time and have found that there are many other veterans who would qualify under this bill, were it passed, attending Pan American College, or who would be attending if they were financially able.

Of all the statements that can be made in favor of this bill, I view the sincere urgency of these letters to be the most persuasive. To illustrate the desire of these young citizens to improve themselves and their country, Mr. President, I ask unanimous consent that these letters be printed at this point in the RECORD; from Lt. Henry W. Neill, Jr., of Fort Carson, Colo.; from Fred R. Hall, of Mesquite, Tex.; and from William J. Wilson, of McAllen, Tex.

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

FINANCE AND ACCOUNTING OFFICE, U.S.A.G.,
Fort Carson, Colo., May 15, 1964.

Hon. RALPH W. YARBOROUGH,
U.S. Senate,
Washington, D.C.

DEAR MR. YARBOROUGH: While serving overseas during the early part of 1963, several of my friends and I wrote to you requesting information concerning the cold war GI bill (S. 5). The literature we received at that time was most enlightening, and the consideration given our inquiry was greatly appreciated.

Although I am now stationed with a different group of men, I find the interest in this bill just as great. Many of us hope to further our education upon completion of our military service, and the benefits we might derive from this bill would certainly be a great help to us.

Any additional information you could forward me concerning this bill, and its progress in Congress, would be greatly appreciated, as would any indication of what action we might expect the present Congress to take concerning it.

Thank you for the support you have shown the cold war GI bill in the past.

Sincerely yours,

HENRY W. NEILL, Jr.

MESQUITE, TEX.,
April 27, 1964.

Hon. RALPH YARBOROUGH,
U.S. Senate,
Washington, D.C.

SIR: I am writing concerning your cold war GI bill of rights.

I served in the Navy from 1957 to 1961, and since my release I have been floundering around from one job to another.

I don't have a trade or profession as my high school (Thomas Jefferson, San Antonio) only prepared me for college. I am above average in intelligence, and believe I could do well in college as I have a thirst for knowledge.

There must be many other young men who are in the same fix in which I find myself. Is there any hope for us, sir?

Very sincerely,

FRED R. HALL.

McALLEN, TEX.

Senator RALPH YARBOROUGH,
Senate Office Building,
Washington, D.C.

DEAR SIR: I am a recently discharged serviceman and am greatly interested in the new GI bill before Congress at this time. I am attending Pan American College at the present time and have found that there are many other veterans who would qualify under this bill, were it passed, attending Pan American College or who would be attending if they were financially able.

The majority of the servicemen who were serving at the time of the Berlin and Cuban crisis are of legal voting age and are influential in the community at the present time. As the issue is now fairly clouded both in the newspapers and on television I would like to ask for some up-to-date truthful information on the subject.

If you would be so kind as to send me any information concerning the GI bill that is presently releasable, I would be very glad to pass it on to the people concerned, and where it came from. We in the Rio Grande Valley wish you the best of luck in the coming campaign.

Sincerely,

WILLIAM J. WILSON.

EL PASO COUNTY HISTORICAL SOCIETY SUPPORTS THE GUADALUPE NATIONAL PARK BILL

Mr. YARBOROUGH. Mr. President, I am deeply gratified by the almost unanimous support being given to the creation of a Guadalupe Mountains National Park in west Texas. My bill, S. 2296, would preserve some 70,000 acres of this picturesque mountain range. Among the most recent of the many resolutions that have been passed endorsing the proposal is one from the El Paso County Historical Society. I ask unanimous consent to have it printed in the RECORD.

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

RESOLUTION ON GUADALUPE NATIONAL PARK

Whereas the preservation of sites where significant historical events and movements have occurred and which possess a colorful and rich historical heritage are of particular importance to a regional historical society; and

Whereas the area designated in a bill now before the U.S. Senate as "Guadalupe National Park" is stamped with an historical heritage which represents the great cultures, ideas and movements which have molded the traditions of the American Southwest; and

Whereas the Guadalupe Peak-McKittrick Canyon area is rich with the lore of the southwestern Indian tribes; was the site of important campaigns against the Comanches and Apaches; was a welcome landmark and beacon arising above the desert plains for travelers along the southern routes; was visited by travelers, traders, and immigrants who passed it on several important southwestern travel routes; including the famous Butterfield Express Line; abounds with stories of lost mines and buried treasures; and was the witness of the most significant and colorful chapter of southwestern history; the great westward migration; and

Whereas it is the belief of the El Paso Historical Society that the rich historical heritage of this area can best be protected and preserved, and the natural beauty of the area best displayed and made available to the public by the U.S. National Park Service: Now, therefore, be it

Resolved, That the El Paso Historical Society unanimously endorse the bill now before the U.S. Senate to create "Guadalupe National Park" and recommend and encourage its prompt enactment into law.

CONREY BRYSON,
President.

Attest:
MAY 1, 1964.

EDWARD F. SHERMAN,
Director.

UNIVERSITY OF TEXAS FACULTY PAYS TRIBUTE TO LATE WALTER PRESCOTT WEBB, ONE OF ITS ALL-TIME GREATS

Mr. YARBOROUGH. Mr. President, on Friday, December 20, 1963, it was my privilege to insert in the CONGRESSIONAL RECORD a series of articles from various publications in memoriam to the late, distingished historian and educator, Walter P. Webb, former president of the American Historical Association.

These articles have already proved of great value to other historians, in fact to all serious students of the Southwest.

Because of the interest already shown in the life and works of Walter Prescott Webb, it is important that certain further articles and documents be included in the RECORD.

I ask unanimous consent that the documents and minutes of the general faculty report of the special Walter Prescott Webb memorial resolution committee, University of Texas, Dr. Joe B. Frantz, chairman, titled "In Memoriam," the tribute of the faculty of the University of Texas to distinguished historian Walter Prescott Webb, be printed in the RECORD, with the attached bibliographical material.

I also ask unanimous consent that an article from the Journal of the West, July 1963 edition, entitled "Walter Prescott Webb, 1888–1963, Western Historian," by Franklin Parker, be printed in the RECORD.

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

IN MEMORIAM—WALTER PRESCOTT WEBB

(Report by the general faculty of the special Walter Prescott Webb Memorial resolution committee)

The mortal mirror of excellence which Walter Prescott Webb had fashioned for the University of Texas and its Department of History was shattered this past March 8, 1963, when Professor Webb's half-century of association and devotion was terminated by an automobile accident a dozen miles south of Austin. If death is ever fitting, Webb's death was proper, for he departed this world at full speed, returning from a short whirlwind speaking and autograph tour in connection with his latest literary effort.

To detail Webb's activities about the university campus and in his profession, to delineate his character, or to define his contributions as a man, a writer, a professor, and a thinker would require a short pamphlet. He attended the university as an overage undergraduate, received all his regular degrees here, and taught on its faculty from 1918 into 1963. In that protracted period he held most important positions in his profession, served on most of the university's elective committees, advised as well as resisted administrations, operated widely in several slices of Texas life, and made his influence felt in circles seldom touched by most academics.

Briefly, the essential facts of Webb's life are these. Born in Panola County, Tex., on April 3, 1888, he moved with his family when he was 3 years old to Stephens County in West Texas, where he learned from living the lessons of a semiarid, lightly treed, and frequently forbidding agrarian environment. When 60 years later a traditional graduate student intent on a traditional answer would ask him when he started gathering material for his book, "The Great Plains," Webb would answer him with characteristic bluntness, "When I was three."

The son of a sometime country schoolteacher who farmed for a living, thought and argued for pleasure, and taught for supplementation, Webb had little formal precollegiate schooling, prehaps 4 years altogether. Determined to escape the soil, he early decided to be a writer or editor, but turned to teaching as a profession to underwrite his literary efforts. He never turned away, and although 1 month shy of 74 years old when he died, he was exploring teaching by television, having already videotaped two of his courses and having deeply involved himself in an American civilization course whose conception was little short of magnificent. He, of course, was the person in this instance who had conceived.

Through a boyish letter to a southern literary magazine, the Sunny South, Webb the largely untaught country boy was contacted by a Brooklyn toy dealer, William E. Hinds, who encouraged the youth, with so little to recommend him, to go to college and to prepare himself to be a writer. "Remember," Hinds wrote Webb in his first letter, "in the bright lexicon of youth there is no such word as fail." For the next three decades Webb would often need to recall that quotation.

Parts of Hinds' encouragement to Webb was tangible, and beginning in 1909 Webb worked on his college degree at the University of Texas, partially with funds he saved while intermittently teaching in public schools at all levels and of all sizes and partially on loans from William E. Hinds, whom Webb never met. Meanwhile Webb progressed up the pedagogical ladder, teaching in one-room schools in Stephens and Eastland Counties, at Beeville, at Cuero, where he was a principal, and at Main High School in San Antonio. He introduced the first school yells Beeville had ever heard, and he also coached the tennis team to the State title. In San Antonio he flirted with the idea of becoming an optometrist, a flirtation triggered by a dispute over policy at Main High School. His argument was principally with one man, and as Webb said later in life, "One of us had to go, and he was the superintendent."

Whether Webb could have left teaching and writing is not arguable, for before he quit he had accepted a speaking assignment at the annual meeting of the Texas State Teachers Association on the teaching of history in high school. Frederic Duncalf, then a junior member of the university's department of history, liked what Webb had to say, and returned to Austin recommending strongly that Webb be brought in to instruct future public school teachers of history. Thus Webb, at 30 years old, just 3 years removed from his bachelor's degree, joined a department he was to serve with increasing distinction for 45 years. Except for visiting stints he would never leave the university. He did teach at Stephen F. Austin, Duke, Northwestern, Harvard, Wyoming, Houston, Rice, and Alaska, in addition to London and Oxford, and spent one brief period as consultant to the National Park Service.

Hardly a major university failed to invite him as a lecturer on its campus, and he was equally responsive to invitations from small colleges and high school teachers' groups, because he felt a function of a professor was to give as wide service as possible.

At Texas he supervised approximately 70 M.A. theses and 32 Ph. D. dissertations. Meanwhile he moved from instructor to assistant professor in 1920, to associate professor in 1925, and to professor in 1933.

In later years he liked to twit his colleagues all the way to the president's chair with the remark, "I came along at the only time I could have made good here. You fellows would never have hired me; and if you had hired me you wouldn't have kept me; and if you had kept me, you wouldn't have promoted me." And he likewise transferred some of his own early hard experience to struggling students, especially at the graduate level.

"I've never sat on a doctoral examination which I could have passed myself," he would say as he voted to pass students which the remainder of a committee was unanimous in rejecting. No great grademaker himself, he tended to grade high, though he was no easy mark for a pass. Webb liked to read, widely and indiscriminately; any student who would evince similar likes he would pass regardless of whether he had read what was assigned, but he had to read.

Webb likewise was a bit of a soft mark for the offbeat student. When one girl, instead of turning in a traditional term paper, handed him a parcel of homemade cartoons illustrating a point, Webb was entranced. "It makes more sense than nine-tenths of the papers I get," he said half-truculently to a colleague who suggested that this sort of approach shouldn't be encouraged. The girl received an A.

What did Webb do? Specifically, he wrote "The Great Plains" in 1931. It won the Loubat Prize, given by Columbia once every 5 years to the book making the greatest contribution to the social sciences. A decade later it was honored by having a national conclave examine it as one of the most significant books on the American scene; and two decades later in a poll of the profession it was voted the most significant book of the past quarter-century by a living historian.

Webb wrote the definite history of the most famous of Western law-enforcement agencies, the Texas Rangers. Webb's estimate of it was that the book was definitive but "surprisingly dull." His "Divided We Stand" stirred considerable controversy in historical, economic, and political circles, not all of which has died. In 1952 he brought out "The Great Frontier," a book which again provoked controversy and led to Webb's latest thesis being the topic for analysis by the Second International Congress of Historians of Mexico and the United States, a title which doesn't include the South American, Australian, British, Canadian, French, and Spanish historians who participated. A volume of his shorter pieces, "An Honest Preface," appeared in 1959.

At the time of his death Webb had just brought out "Washington Wife," a diary which he and Mrs. Terrell Webb had edited and which in 2 weeks after its appearance had hit the national best-seller lists. Between times Webb had written several public school textbooks, a small piece of promotional propaganda called "More Water for Texas," a limited edition of "Flat Top Ranch," numerous articles for national magazines, especially Harper's, several of which had again stirred the sensitive.

In the professional journals Webb was hardly known. In the two leading historical journals he had a lifetime total of seven reviews, four in one and three in the other. The only two articles which appeared on the major journals were is presidential addresses for the Mississippi Valley Historical Association (1955) and the American Historical Association (1958). Of the latter association he was, incidentally, the only president ever elected while teaching in a southern university or while teaching west of the Mississippi.

Honors came to Webb, despite the fact that he was in his midforties before he obtained his Ph. D. In 1958 the University of Chicago, which had once rejected him for a Ph. D., awarded him an honorary doctor of laws; earlier he had received a similar degree from Southern Methodist University. He was Harkness lecturer in American history at the University of London, and Harmsworth professor of American history at Oxford, from which latter institution he held an honorary M.A. Oxon.

At the University of Texas, Webb rose to the rank of distinguished professor, was chairman of the University of Texas Press Advisory Board, a long-time member of the Committee on Academic Freedom and Responsibility (the latter noun being his addition to the committee's title), several selections committees for university administrators, and so on. He was elected to Phi Beta Kappa, and at the time of his death was one of its national lecturers. He was a fellow of the Texas State Historical Association, was director of the association for about 8 years, a fellow of the Texas Institute of Letters, a member of the Texas Philosophical Society, and a regular attendant at a Thursday night poker club. In the mid-1930's he shot the rapids of Santa Elena Canyon in an attempt to dramatize the necessity of making a national park out of the Big Bend.

While with the Texas State Historical Association he promoted the idea of a Junior Historian movement, forming five public school chapters in 1940. By 1959 the number had reached 171 chapters. Many believe, with J. Frank Dobie, that "the far-reachingness * * * of this Junior Historian movement can't be determined at all" and may well be the greatest contribution to history which Webb had made.

Others would argue that the two-volume "Handbook of Texas," which Webb conceived and originally promoted, may be even a greater contribution to the State. Like the Junior Historian idea the "Handbook," with its 16,000 articles contributed by 1,000 historians, was unique, though both have since been widely admired and copied in other States.

And so the list continues. A $10,000 gift from the American Council of Learned Societies for a lifetime of distinguished scholarship; invitations to talk to physicists and architects and psychologists; a highly successful boys' camp at his Friday Mountain Ranch; the launching (with Charles E. Green) of the Headliners Club, Austin's first downtown social club; the rebels' table (with Dobie and Roy Bedichek) at Town and Gown; as adviser on the staff of Senate Majority Leader Lyndon B. Johnson; an adviser to founders of new magazines (True West and Frontier Times are only two examples); a severe critic of Coca Cola on the Texas campus; one of the first four distinguished alumnus award winners from the Texas Ex-Students' Association; the list seems interminable, and almost incredibly varied.

To talk of the intangibles, of Webb the teacher, Webb the man, and Webb the colleague, leads to the same sort of ineffability encountered when most of us try to describe a sunset, or explain jazz, or why we like our friends. He was not a smooth lecturer, but his voice, dry and flat and western as the plains he came from, carried compulsion. As he grew older and his life richer with recognition, he developed a feeling of quiet power which he could communicate to his auditors. But mainly he was a suggestive teacher who threw out ideas, many of them barely formed, that sent dissenting students to the library or to Scholz' to study and to argue and particularly to think. Like a good cowman he often parabolized, instructing his students in word pictures drawn from the earth to which he always remained close. He probably thought of himself as an artist who worked not with brushes or strings but with words. But on the other hand he could

be distressingly straightforward and succinct, cutting through torrents of argument to deliver directions that were blunt and even brutal, as both faculty and students learned on painful occasions. Logan Wilson likened him to a cactus; Harry Ransom observed that whereas most of us work by "making salads, compotes, mosaics," Webb "starts by scratching his own mind." Every man who knew him felt he owned a special piece of him; not all felt any affection or warmth, but each knew a memorable moment when Webb either opened a curtain to illuminate a thitherto obtuse outlook, or else delivered a generalization that was as unforgettable as it was unacceptable.

In his last annual report to the university's administration Webb gave an insight into the state of his intellectual affairs just before his death. As usual, it shows something of the man also. Under the question regarding "continuing research," he wrote:

"There may be some question as to whether what I am doing can be classed as 'research.' I am, I think, gathering up the loose ends of a long, exciting, and disorderly life by doing essays on the American West, The Emerging South, and the implications of The Great Frontier thesis." Then he goes on to describe almost offhandedly his work on "Washington Wife" and his Ford Foundation project in American civilization.

Webb married twice. His first wife was the former Jane Oliphant, of Austin, whom he married in 1916 and who preceded him in death in 1960. Surviving is one daughter, Miss Mildred Webb, currently a humanities research assistant II at the university. In 1961 Webb married Mrs. Terrell Maverick, widow of the late Congressman and San Antonio mayor, Maury Maverick. She was seriously injured in the accident which took Webb's life, but has since recovered markedly.

Perhaps Gov. John Connally, in proclaiming that Walter Prescott Webb should be one of the two non-office-holding civilians to be buried in the State Cemetery, summed up Webb's career as pithily as anyone when he said:

"More than a scholar-writer, Dr. Webb tended cattle, drank coffee from a can with the Rangers as he went on their manhunts, shot the rapids of Santa Elena Canyon to focus national attention on the natural wonders of Texas, and was forever at the call of the State for honest, unselfish advice in solving its problems. Friend of the mighty and friend of the friendless in Texas, he was a 24-hour-a-day worker for its greatness in all fields."

The list which follows is only partial. Webb had little use for recordkeeping, except as he might need to defend himself later. Many of his articles and reviews were not listed in his annual reports to the university, and he not infrequently would merely write in the activities and publication columns, "Nothing of particular significance." By and large he disdained carbon copies, and often lost copies of older articles, fiction (he sold at least three short stories), and reviews. Possibly this list will lead readers to remember other bibliographical items and submit them to the committee in order that the list may be made more nearly complete.

A. R. LEWIS,
J. A. BURDINE,
JOE B. FRANTZ,
Chairman.

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[From the Journal of the West, July 1963]

WALTER PRESCOTT WEBB, 1888–1963—WESTERN HISTORIAN

(by Franklin Parker)

Famed historian of the West, Walter Prescott Webb, died March 8, 1963. The car he was driving overturned on a main highway 12 miles south of Austin, Tex. Dr. Webb died almost immediately. Mrs. Webb, who was with him, was injured but recovered.

First a student at the University of Texas in 1914, Dr. Webb had taught there almost continuously since 1918. Rustic and caustic, his career was unorthdox, his writings brilliant, and his themes controversial. "The Great Plains" and "The Great Frontier," his most noted books, evoked criticism and debate. Both are widely read and are said to be classics in their field.

About 1918 the new history instructor at the University of Texas began reading original Texas Ranger sources. He learned a lot about the rangers—their dependence on the

horse, their love for the Colt revolver, and their fighting technique, particularly against the Comanche Indians. In a moment of synthesis during this research Webb saw the rangers as an advance guard for easterners adjusting to the Great Plains environment. His imagination soared. He asked himself: what happened when Americans emerged from their moist eastern woodlands to the dry, flat, unwooded, Indian-ruled plains?

Webb saw the Great Plains as an abrasive, wearing away and changing old ways of thinking and doing. The plains forced the westerner to develop new techniques, modify laws, find new weapons, use windmills for drawing water, attempt dry farming, use barbed wire fences, and write a new romantic literature.

"The Great Plains," published in 1931, evoked criticism from historians because of its broad generalizations. But it delighted western readers and writers who liked to think of themselves as new men with new ideas and new approaches. The book was a best seller and became a standard college textbook. It was never revised by Webb who quoted his publisher as saying that it would never go out of print.

Webb returned to his research on the "Texas Rangers." His book of that title was published in 1935, 18 years after he began it. Publication coincided with the centennial of the Rangers' founding. Paramount Pictures bought the story rights and produced it as a motion picture in 1936 starring Fred MacMurray. Webb later commented, "I am not going to tell you what I got for it in the midst of the depression, but I will say that what I got made the depression more tolerable."

Webb next wrote "Divided We Stand: The Crisis of a Frontierless Democracy," a pamphlet published in 1937. The U.S. Supreme Court had just declared the National Recovery Act unconstitutional. Webb wrote the pamphlet in a burst of indignation. He charged the North, led by the Republican Party, with seizing economic control of the country at the expense of the South and West. The book trod on many toes and brought a storm of protest. But it influenced President Roosevelt to declare the South the No. 1 economic problem of the Nation.

Chapter VI of "Divided We Stand" gave Webb another moment of synthesis for his next book. "The Great Frontier" was published in 1952, after 13 years of thought, research, reading, and organizing student seminars on the topic. "The Great Plains" was regional, "Divided We Stand" national, and "The Great Frontier" international. Webb looked at the new lands discovered by Columbus and others around 1500 and asked himself what effect they had on the last 450 years of Western civilization.

The answers Webb found centered around a boom hypothesis. The new wealth from new frontiers flowing into Europe had precipitated a gigantic windfall. The boom had interjected something new into the narrowly confined mind of Europe. New conditions stimulated new ideas about capitalism, democracy, individualism, technological advances, and progress. In short, said Webb, modern civilization rests squarely on the windfall which the frontier freely bestowed on Europe.

This was a bold thesis. It cut across many disciplines and it evoked much criticism. Rightwing groups did not like Webb's conclusion. He had said that since the closing of the frontier around 1900 boom-born institutions like democracy and capitalism were finding themselves increasingly in trouble. The book, published during the McCarthy era, was suspect.

The writing that stirred the most furor was Webb's "The American West—Perpetual Mirage" in Harper's, May 1957. Webb analyzed the difficulties desert conditions imposed on people in desert States. His purpose was to spotlight the problems so that solutions might be found. But westerners and western newspaper editors were angered. They disliked what they thought was criticism. Webb was accused of bearing a grudge against the West. He was deluged by hostile letters and editorials.

The West nurtured Webb, the West occupied his thoughts, and it was the West that he loved. History as high adventure began for him on a poor farm in Stephens County, Tex. A dreamy and lonely youth wrote a letter to the editor of Sunny South saying that he was a Texas farm boy who wanted to be a writer but had no education or money. Back came a letter from a reader, William E. Hinds of Brooklyn, N.Y. Hinds sent books. He later sent money. Webb went to school a year and worked a year to repay the loan. He repeated the process until he had received a bachelor's degree from the University of Texas. The team of Webb and Hinds was short lived and singular.

Mr. Hinds died in 1916. Webb never met him. Webb taught in public high schools for a time and then joined the history department at the University of Texas. In "The Search for William E. Hinds," Harper's, July 1961, Webb paid moving tribute to the man who had helped him, sight unseen. The debt is perpetuated in the Webb-Hinds Scholarship which Dr. Webb established at the University of Texas.

Webb's other writings include "Handbook of Texas," 1952, "More Water for Texas," 1954, "An Honest Preface," 1959, and an introduction to "Ellen Maury Slayden, Washington Wife," 1963. He earned all of his degrees from the University of Texas. He taught there for more than 40 years except for brief periods at the Universities of London (1938) and Oxford (1942–43), Rice University (1959), and the University of Houston (1959–60). He received honorary degrees from the University of Chicago, Southern Methodist University, and Oxford University. He directed the Texas State Historical Association and edited its Southwestern Historical Quarterly. He was president of the Mississippi Valley Historical Association in 1955 and of the American Historical Association in 1958.

The last piece he wrote was, fittingly, regional. It appeared as scheduled in a supplement to the student publication, the Daily Texan, 2 months after his burial. "There is something infectious about the magic of the Southwest," Webb wrote. "Some are immune to it, but others must spend the rest of their lives dreaming of the incredible sweep of the desert, of great golden mesas with purple shadows, and tremendous stars appearing at dusk in a turquoise sky. And I am one of these."

CHAIRMAN JOSEPH McMURRAY, OF FEDERAL HOME LOAN BANK BOARD, ADDRESSES TEXAS SAVINGS & LOAN LEAGUE

Mr. YARBOROUGH. Mr. President, it was my privilege to attend the 42d annual convention of the Texas Savings & Loan League on Monday, May 18, 1964, in Tyler, Tex.

The chairman of the Federal Home Loan Bank Board, Mr. Joseph P. McMurray, delivered an excellent address at this convention entitled "Management and the Mission of the System," which is of importance nationally.

I ask unanimous consent to have this address printed in the RECORD.

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

MANAGEMENT AND THE MISSION OF THE SYSTEM

(By Joseph P. McMurray)

I am indeed proud to be with you here in Tyler today, among so many distinguished Texans; and I am thankful for this opportunity to exchange views with the Texas Savings & Loan League. You have made your leadership felt throughout the industry, and we trust that meetings such as the present one will lead to even greater advances.

As a matter of fact, the great State of Texas is legendary for leadership in all walks of life, as everyone knows. The very name "Texas" is a household word for the biggest and best, for the "firstest and the mostest." This has been common parlance in our country for generations.

But today, we in Washington have a very special reason to appreciate more keenly than ever before those supreme qualities that give Texas first rank in so many ways. For during recent months, we have been fortunate enough to have a great Texan—indeed a great American—at the head of our National Government. And those of us who are privileged to serve with him have had personal cause to be grateful that this Nation should have had a statesman of his stature at a time of need.

Working with the President is an inspiration and a challenge for all of us. He is preeminent in political wisdom, and his energies are boundless as his insight is profound. But he also has great human sympathy and understanding; and I have a very special reason for admiration and enthusiasm—one which touches on subjects of mutual interest to us here today.

Let me begin by saying that I am particularly impressed with the President's war policies—and by that I do not mean so much the shooting wars, or the cold war. I mean that program which he has called the war on poverty. For this war has an immediate impact on our special interests in the business of home mortgage financing. Let me explain a bit further.

As you may know, for 20 years I have waged a continuing battle for adequate housing for the poor (as I have also done for middle-income families). I strove for this cause in both Government and private activities—first, as a staff director of the Banking and Currency Committee of the U.S. Senate, then in my capacity as an official in New York, and later in 1960 in a special study I made for the National Association of Home Builders. In my report to the latter, I concluded that the elimination of slums and inadequate housing was a target of first importance to our national well-being. This was, in a sense, a declaration of war on poverty in housing. And now, it is indeed heartening to observe that the President's current war on poverty will give impetus to this historic crusade against inadequate housing and slum dwellings. So let us join all citizens, everywhere, in the ranks of the President's war on poverty, and do our bit on the housing front.

Let me assure you that a crusade to eliminate substandard housing will not be damaging to your interests. On the contrary, it will benefit the savings and loan business substantially. I pointed this out in my report to the National Association of Home Builders 4 years ago, when I said, "Clearly the demand for private housing will be tremendous, even apart from this program; and in view of this demand it does not appear that there is any reason for concern that homes provided under this program will offer any real competition to construction for the normal private market. In fact, it is the purpose of this plan to encourage a sub-

stantial increase in total home production. The benefits of this proposal to improve substandard housing will go far beyond the number of units directly aided. It is meant to stimulate production of lower priced and moderately priced housing generally"

Today, 4 years later, it is gratifying to see projects like the Tulsa plan that have come about as a result of my report. The National Association of Home Builders, in cooperation with the Tulsa Home Builders Association, Housing and Home Finance Agency, and the city of Tulsa in Oklahoma, that great neighbor of your State, is now demonstrating what can be done. In fact, the project is called a demonstration program. There, private enterprise is constructing 100 homes for low-income families.

The Tulsa Builders Association has formed a nonprofit managing corporation called Home Builders Demonstration, Inc. This corporation has contracted with builders who will receive a standard profit for such projects. The corporation will lease the houses at subsidized rents, where necessary, with the subsidy paid by HHFA. The occupants are permitted to establish an escrow fund to accumulate a downpayment to purchase the home.

Information on this program is available from the Tulsa Home Builders, but Dick Hughes, of Fort Worth, Tex., a past president of the Home Builders, and the chairman of the committee who hired me to make the study and to whose committee I made the report, is a key participant in this program; many of you know him and can get information directly from him. You and your industry can make a great contribution to our national well-being by helping the organization of projects of this type and other possible ones suggested in the report wherever the need may exist.

But, to enter upon a civic endeavor such as this, we must first be sure that our own house is in order: and this brings me to the subject for today, which has to do with management and the mission of the system. By "management" we mean the performance of each association. And stated in its simplest form I think my theme would be: "The better the management, the less the rulemaking."

There are certain statutory principles, as originally set down by the Congress, which the Board is instructed to preserve, and which members are required to live by in return for insurance of their accounts, advances of credit, and other benefits.

These minimum "conditions of membership" so to speak, required by Congress, are primarily three. They really form the outline for my talk today, and are as follows:

First, economical home finance; second, soundness of operations; and third, adequate reserves, for the financial stability of members.

These three, then, are the minimum requirements. There is nothing we can do to change that. We, the officers of the club—that is, the Chairman and the other members of the Board—are asked only to spell these principles out to you in the form of rules. So, as long as some rulemaking is necessary, we are anxious to make these rules as lenient as possible in order to leave you the widest latitude which you can justify by your management performance.

As to the first—economy to the borrower—I believe this is a direct result of sound operations, and what it adds up to is good management.

Good management, as it pertains to the savings and loan industry, was once defined by a group of highly competent consultants to the U.S. Savings & Loan League, and I pass it on to you with my concurrence.

They said that "managers of associations should always assume that they (1) pay too much for money, and (2) have excessive operating expenses." These are excellent precepts, especially if you look at the results of a study we now have in process at the Board. This study reveals some interesting facts showing what economical home finance really means. Let me state a number of the facts.

First, the average association has expenses of 1.2 percent of its assets. This ranges from as little as seven-tenths of 1 percent to over 2 percent. Except for the fact that very small associations are at the high end of the range, there is little variation by size of associations.

From these facts we are led first to the observation that increased efficiency does not accompany size to the extent that we would expect.

Second, a good many associations have quite low operating ratios. About 2 percent of the associations operate for less than seven-tenths, and about 24 percent of all associations operate for less than 1 percent. Economical operations are possible and, as the next few points will demonstrate, are essential to economical and sound home finance.

Third, as expenses rise, so do the costs to the borrower. Interest rates and fees on mortgages rise sharply with operating expense ratios. I would not want to just say that the high expenses cause the high interest charges. The line of determination could run the other way around.

If you look further, though, you find that the evidence seems to push toward the conclusion that high expenses cause high charges. If so, then the control of expense ratios must be tightened if this industry is to achieve economy—one of its primary congressional mandates.

It is sometimes argued that high expenses are justified in order to attract savings capital, especially in areas where mortgage money is badly needed. And apropos of this, it is true that our study shows a kind of correlation between very rapid growth, and high expense. However, there are other elements in this relationship; and the whole subject needs further testing, as we shall see later on.

The fourth point I want to make is that the higher the expense ratio, the higher the foreclosure rate, and also the ratio of real estate owned and real estate sold on contract. Now, this would appear to upset the "need for growth" argument; for if such a need existed, allegedly because of an inadequate supply of mortgage money and housing, the expensive, high dividend operation would not have the typically high foreclosure and slow asset ratios revealed by our study.

From these findings, I think we must come to the realization that a high expense ratio generally is a sign of weakness in management. We must accept the fact that a high expense institution does not, as a rule, fulfill the requirement of economical home finance.

We must consider carefully the probability that the high expense institution is often also the less or least sound institution.

Here is a challenge for each of you, for the officials of your league, and for all trade organizations in this industry. Let's get at the cause of high expense. Study it here in Texas and elsewhere. See if you can find its causes and cures. Of course, we could regulate, even more intensively than we have, based on the expense ratio and, indeed, we may be forced to do so. But you and your industry could contribute more by a self-directed appraisal that brings about a favorable change, than we could, with a mountain of regulations. So, here you have a target, a challenge, a task. You could cure this without the prod of the regulator and prove that self-discipline can outperform supervision.

My next point deals with the soundness of credit. Our preliminary findings indicate several things.

First, high expenses, high foreclosures, and a large volume of slow assets are closely related.

Second, rapid growth, high foreclosures, and high slow assets are closely related.

Third, high dividends, high foreclosures, and high slow assets are closely related.

Fourth, high interest and fees on mortgages are also related to high foreclosures and slow assets.

These four points demonstrate that there are a number of practices open to the most serious question. You, as well as we at the Board, must recognize these difficulties, and must take steps to correct them. There seems little point in pursuing rapid growth by paying high dividends and running an expensive shop if the consequences are only high charges to borrowers and unsound practices, as this study demonstrates.

Our premise in all this is that strong evidence of bad loans and slow assets are most frequently caused by weaknesses in management. No one would dispute this. And when we see evidence of bad lending closely related to high expenses, excessive charges to borrowers, big dividends, and rapid growth, we are forced toward the conclusion that these things are caused by weakness in management. When all of these elements, high charges, high expense ratios, and high dividends, are closely related to foreclosures and slow assets, then the quality of management is open to question.

In answer to this, the associations involved may say (as we have commented above): "High costs are not really the fault of management. We are in a money-short area, and we need to push our growth in order better to serve the public. That is really why we have high dividends, expenses, and interest costs."

Then we ask the question: "Why should the short-money area, and the need for rapid growth, justify such a fallout of poor loans?"

The typical answer is neat, to the effect that, in a short-money area, there is much activity, and much moving about of industrial and commercial development locations, and that naturally some loans are going to get "left in the lurch."

But on closer examination, this argument falls down because: First, not all rapid growers in these communities show bad results in high foreclosures and slow assets. Second, those rapid growers who do show bad results are also found to charge about 1 percent higher interest rates than the others. This, of course, results in higher-risk loans.

Thus, it appears from our agency study that some associations go into this high-risk business knowingly, and this conclusion is confirmed in a recent survey made by the Sacramento State College, in California, which showed that some lenders will ignore the problems and danger signals in their areas just in order to get loans. These are high-yield loans; and the price they pay is a correspondingly high ratio of foreclosures and slow assets.

Thus, the defense of high charges and dividends, based on industry moving about in the fast-developing areas, falls down. Management must take the blame. As we recall, from our high school Shakespeare: "The fault, dear Brutus, is not in our stars, but in ourselves, that we are underlings." In the end, it is judgment that counts.

In view of such facts, the Board has found it necessary to take cognizance of poor lending results in drafting the reserve regulation, in regulating participations, and in developing policy for advances. This matter should be of serious concern to you, even though you may not be one of those in a class with poor lending results. I say this because I believe it is up to you to stamp out abuses of your less virtuous colleagues in the industry, so that further regulation will not be necessary. Otherwise, the many who are upright will suffer for the misdeeds of the few. For as Edmund Burke said so well: "All that is necessary for the triumph of evil, is that good men do nothing."

Thus, it is no longer enough to be good. We must also be our brother's keeper. The good must now lock arms and move to a new horizon in which the integrity of that which they value is protected and preserved. May I say that the good institutions outnumber the weak and the foolish to such an extent that this task should not be difficult to accomplish.

My third and final point is related to the principle of adequate reserves. Those of you who are students of the National Housing Act know that the associations must set aside reserves satisfactory to the Board before paying dividends. The question arises: What are satisfactory reserves? The answer must come in several parts, reflecting some of what I have already presented.

The first principle is imposed by the National Housing Act; namely, a minimum reserve of 5 percent against savings. In building any system, we have to keep this in mind. The 5 percent is a minimum and the Board is directed to obtain reserves it considers adequate, which may mean a higher rate.

The second principle involves the degree of risk in the average portfolio. As you know, the industry argued for a 16-percent cushion free of taxes in 1951. Congress granted 12 percent. In the 1962 legislation it seems as if Congress has said 6 percent, but this is not strictly correct. You may still accumulate a total reserve of 12 percent tax free. Based on industry presentations, it would appear that 12 percent would be a desirable target. We wouldn't quarrel with that, but ultimate targets and current realities are two different things.

As nearly as we can tell, and the position is partly a rule of thumb, an 8-percent reserve ratio should offer adequate protection against loss in the average situation. We should like to move associations in that direction. Yet, here too we have to deal with history and current conditions. Based on our calculations, the average association should be able to grow at least as rapidly, and probably more so, as it has in the past if it provides a 6-percent reserve against its increase in risk assets.

Now the average association is exceedingly sound and strong. So while the 6 percent is below our general target of satisfactory reserves, it does not give too much concern.

Nevertheless, we should prefer 8 percent and will attempt to encourage and direct institutions in that direction. As you know, the reserve regulation treats the over 8-percent reserve association more liberally than others.

Having settled at 6 percent, we found that in order to maintain or achieve it, each association ought to supply at least that much as it grew. Exceptions were provided for over 8-percent associations and no requirement is imposed on over 12-percent associations. We also provided exceptions for younger or smaller associations which were blurred accidently in our last amendment. However, that will be adjusted on final publication.

The 6-percent margining requirement really amounts to only slightly more than 5 percent on savings, since the 6 percent applies only to risk assets. On the average, total savings would exceed risk assets by at least 10 percent. The effective margining against savings, therefore, is only 5.4 percent of saving. You can see that this is a very mild boost from past practice.

Perhaps I ought to say something about our original proposal for the reserve regulation. It would have required increased margining for more rapidly growing associations. In principle, I still think this has validity. We did hit some technical problems that turned us away from this approach.

Nevertheless, the higher incidence of foreclosures and scheduled items among rapid growers, compared with the average association, indicates that the principle is still valid. We have preserved it in practice, even though in form it has been abandoned.

That brings us to the question of asset quality. In discussing soundness of credit and operation, I mentioned that about 45 percent of the rapid growers had unfavorable experience. This is reflected in foreclosures and scheduled items. We have adopted an additional capital margin for scheduled items. In this way the fast grower with substandard performance, and all substandard performers, can be up against a more rigid requirement without affecting the overwhelming majority of good performers. As experience accumulates, we may adjust the mix of requirements to be still more selective and, hopefully, more effective.

In closing, it seems appropriate to restate some basic thoughts.

First, economical operation is an end you must seek. The evidence that high-cost operations are inefficient in a number of respects is strong and clear.

Second, lenders with high operating expenses also show the greatest propensity to less than satisfactory performance in terms of soundness. Sound operations cannot be achieved by those who seek the highest return merely to show the most glowing profit statement, or to pay the highest dividend; for they must accept risks in exchange for the high profits that lead down the primrose path.

Our obligation is to control such operators more closely and intensively than the rest of the institutions. Your obligation is to help us bring them into line.

And last, no substitute can be found for adequate reserves. A properly designed reserve mechanism will bring those who are foolish or unwise into focus quickly, and will protect the rest of you from their ill-considered behavior.

As you know, we have moved on all three of these fronts. The reserve regulations, our rules on participations, our discussions with the banks on advances policy, and other of our actions, are aimed at getting, in terms of management, the results that Congress directed.

You must act, too. Some of the reasons for your striving to achieve these goals have already been mentioned. But one more point remains. American industry has been successful because it has recognized that the rewards go to those who do a good job for the public. You who are in a financial industry have an even greater responsibility toward that public than the average business. Without a strong sense of public duty, you cannot long enjoy the fruits of success. If you join us in driving toward the goals that Congress has directed, you, we, and most of all the public will reap a good harvest. Your immediate gain will be the material reward that any success brings, but, more importantly, you will have set a pattern for future generations to follow with admiration. The key to this more enduring success is in your hands. I hope you will use it.

Let Texas lead the way.

CONFLICT OF INTEREST AND PUBLIC CONFIDENCE

Mrs. NEUBERGER. Mr. President, Edward P. Morgan is one of the most perceptive commentators of the American political scene. One of his regular radio network programs recently originated in Portland, Oreg., where he was an observer and commentator on the primary election. His visit to Oregon coincided with the inquiry here in Washington into the financial and business interests of Members and employees of the Senate, better known as the Bobby Baker investigation.

Mr. Morgan chose as the subject of his remarks the double standard of Congress on the question of conflict of interests. In his talk, he makes generous reference to S. 1261, jointly sponsored by the junior Senators from Oregon and Michigan, and the senior Senators from New Jersey and Pennsylvania. If enacted, this bill would proceed toward eliminating the temptations and ugly rumors of conflict of interests within the Government by requiring full disclosure of all financial interests by the Members of the Senate and the House of Representatives, and all Government employees in the executive and legislative branches who receive an annual salary in excess of $15,000.

Mr. President, I ask unanimous consent to have Mr. Morgan's comments printed in the RECORD.

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

PORTLAND, OREG.—Whether or not the Bobby Baker case figures as a cutting issue in the 1964 presidential campaign remains to be seen. The hinterland does not seem to be excited or even avidly interested now in its sordid scenario. The Senate Rules Committee, which reluctantly investigated the amazing financial and other machinations of the former secretary to the Democratic majority, is expected to issue a report—possibly in the next fortnight—sternly condemning such practices but this won't be enough to prevent their repetition or materially bolster the sagging standards of congressional morality. The trouble is that Congress is not about to correct its own sins, present or future, let alone atone for past ones. After all, as North Carolina's Senator JORDAN, chairman of the Baker inquiry, said with ingenuous candor early in the proceedings, "we are not investigating Senators."

Some Senators, however, think the time has come to do just that. Today as a matter of fact Senator CLIFFORD CASE, Republican, of New Jersey, in a stormy session of the Rules Committee, declared no investigation of Baker "can have any real meaning without an investigation of relations" of Members of the Senate with him.

Several months ago, Oregon's Senator MAURINE NEUBERGER, a Democrat, joined CASE and Democratic Senator JOSEPH CLARK, of Pennsylvania, in introducing legislation aimed at correcting the double standard in Washington on conflicts of interest.

"Congress," Mrs. NEUBERGER writes with obvious feeling in the May issue of Pageant magazine, "has long demanded full disclosure of financial holdings from the other two branches of Government while winking at the questionable practices of its own Members. Congress needs a code of ethics backed by law to protect the public from the few dishonest legislators and to protect honest legislators from public suspicion or unjust allegations from political rivals."

Senator NEUBERGER impatiently rejects the standard defense of the status quo in congressional morality which argues that when a legislator gets out of line the voters can turn the rascal out. "The weakness of this argument," she says, "is that the public is at a distinct disadvantage * * *. Voters have little or no knowledge, as a rule, of the nature of their Congressman's financial interests. A Senator might sit on the Agriculture Committee, which writes farm legislation involving billions in crop subsidies, but the public would be completely unaware of whether or not he is speculating in com-

modity futures. Nor would it know if a member of the Finance Committee attached a rider to a tax bill to benefit a private enterprise in which he had gambled his financial life."

So the Neuberger-Case-Clark bill, while not preventing a lawmaker from making private investments or using his personal influence with a Federal regulatory body, would require him to report publicly what his holdings are and to keep a record of his contacts with Government agencies. This annual requirement would extend to top congressional staff aids (Baker was one of these) and to the executive branch. After all, Senator NEUBERGER pointedly recalls, a Secretary of the Air Force in the Eisenhower administration and a Secretary of the Navy in the Kennedy administration developed clouded conflicts of interest between their Pentagon assignments and their private businesses.

Additionally, the bill would modernize the Corrupt Practices Act to require full reporting of congressional campaign expenses. Senator NEUBERGER was astonished and chagrined to find her meticulous report of expenses for her reelection in 1960 returned to her with a note from the Senate Secretary's office saying it was not necessary. A loophole in the law allows candidates' committees to handle such finances and committees operating within a State are not required to report campaign expenditures.

This brought the lady from Oregon back to one of her major concerns in politics: how to finance campaigns so candidates are "less dependent upon large business interests and labor unions for their contributions." Mrs. NEUBERGER has introduced what she calls a first-step bill in this direction. "It provides that the Government match every private contribution of $10 or less (from a voter.) Both the private and Federal contribution would be held by the Treasury Department and applied to certain designated campaign bills submitted by the candidates. The hope is that the Federal matching provision would stimulate political campaign committees to go after more small contributions and less large ones."

"Congress," her Pageant magazine article concludes, "must act not only to protect the general public, but to protect its own integrity and to preserve public confidence in its capacity to function freely and wisely amidst the manifold pressures of an untidy world."

The maddening trouble of it is that the manifold pressures of an untidy Congress have kept the mild reform legislation of Senators NEUBERGER, CASE, CLARK and others locked up in committee pigeonholes where they will probably stay unless and until the electorate becomes sufficiently aroused to demand action.

This is Edward P. Morgan saying good night from Portland, Oreg.

RESOLUTION OF THE PUTNAM COUNTY, N.Y., BOARD OF SUPERVISORS

Mr. KEATING. Mr. President, on May 12, the Board of Supervisors of Putnam County unanimously approved a resolution opposing the erection of overhead wires for transmission of utility lines, except in cases where the utility lines conform with the comprehensive county plan approved by the supervisors and now in effect.

A copy of this resolution is being forwarded to the Federal Power Commission.

Mr. President, I ask unanimous consent to have this resolution printed in the RECORD.

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

Resolved, That this board of supervisors go on record as further opposing any erection of overhead wires for the transmission for electricity or other utility lines without conforming with the comprehensive county plan, approved by the supervisors, now in effect, and that a copy of this resolution be forwarded to the Federal Power Commission at Washington, D.C., Senator JACOB JAVITS and Senator KENNETH B. KEATING.

Attest:

JOHN P. MORRIS,
Clerk of the Board of Supervisors of Putnam County.

SUPREME COURT DECISION IN PRINCE EDWARD COUNTY SCHOOL CASE

Mr. JAVITS. Mr. President, I ask unanimous consent that I may be allowed to proceed for 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. president, I invite the attention of the Senate to the fact that the Supreme Court has just decided—at long last—the Prince Edward County school case.

I ask Senators to take note of the fact that the case goes back to 1951, that it has just been finally decided by the Supreme Court, and that even now it goes back to the district court in Virginia for further proceedings.

The case was decided in favor of the schoolchildren. Prince Edward County is directed to reopen its schools and to raise the necessary tax money to support them.

Mr. President, let us remember that from 1959 to 1963—4 years—Negro children did not even go to school in Prince Edward County, that there was a blackout on education for Negro children in Prince Edward County.

If we are going to go through this same kind of procedure in every case with every recalcitrant county that insists on maintaining unconstitutional laws and practices, people will indeed be driven to extremes in their reaction.

It is the duty of legislators to anticipate the demands of justice. It is their duty to see that general law covers the demands of justice.

One of the great issues we face in the civil rights debate is the timetable. We must have a just answer to give to people like those in Prince Edward County, or we shall be in for a great deal of trouble. That timetable is rapidly running out.

So when many of us speak about the need for agreement on what amendments we shall adopt, and which are in the process of being worked out this very minute, to move into the cloture phase, which will be the "payoff" in the debate as far as the Nation and the Senate are concerned, it is Prince Edward County and cases like it which underline exactly what we say.

One can only express the hope that, now that the Court has laid down its decree, the State of Virginia, with its great traditions in the founding of this Nation, the home of Patrick Henry and George Washington, will, through its citizens and State and county officials, now loyally carry out what the Court says must be done.

Judge Black has written a historic decision that a State or part of a State cannot, by denying tax funds for schools, effectually perpetuate segregation which the law forbids if it opens a school.

I hope the country will take into consideration both the case itself and the long and tragic lapse of time in which there was a blackout of education in the area until some people, in 1963, by voluntary contributions, enabled Negro children to go to school. I believe the history of this case helps toward an understanding of what we mean by the urgency of the civil rights bill, the urgency for peace, order, and tranquillity in the country that it be enacted before the summer sets in.

I express the hope that the State of Virginia and its counties will now use their great tradition of constitutionalism and will carry out in good faith the decision which the Supreme Court has made.

ARMING FOR A TRADE OFFENSIVE

Mr. BARTLETT. Mr. President, the first great common market in modern times came into being in 1789 with the adoption of the U.S. Constitution. All the duties and tariffs between the colonial States were swept away to the incomparable benefit of the American economy.

The lessons taught by this trade expansion in the young Republic are still valid today—only today they have application not just to national but to international trade. This is clearly set forth in a speech made to the San Francisco Area World Trade Association by the able chairman of the Senate Commerce Committee, the senior Senator from Washington [Mr. MAGNUSON].

It is time to utilize to the utmost our talents in salesmanship and production in the world's markets.

We must compete for these markets—on both sides of the Iron Curtain—and business and government have reason to work together in this effort—

Says Senator MAGNUSON. I ask unanimous consent that this perceptive and forthright speech may be made a part of the RECORD at this point.

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

ARMING FOR A TRADE OFFENSIVE

There must have been, in 1786, at least one successful New York manufacturer who didn't give a hang about exporting to Boston, Richmond, or Philadelphia. He was content with the New York market. He knew his customers; they knew him. He wasn't interested in unraveling red tape to ship goods over the border only to be met by another State's duties and tariffs. Besides, in the New York market he was well protected by tariffs, duties—and bad roads—from competition from foreign States.

"They don't sell in New York, and I don't sell in Boston." he might have said. "Exports? Who needs them. I'll export to Brooklyn."

One year later, in 1787, the delegates to the Constitutional Convention in Philadelphia proceeded to sweep away all interstate trade barriers. The reluctant merchant was left standing unprotected in the midst of the world's first great common market.

Now he was forced to compete with goods from all over the Union in his own local market. But he soon discovered that if he could compete successfully in New York, there was no reason why he could not compete—equally successfully—in Boston and Philadelphia.

Clearly, to those early American businessmen whose horizons lifted to encompass a whole nation, the common market created by the Constitution brought not only fierce, competitive challenge, but unmatched opportunity.

We are still digesting that lesson—now in the context of a world market. Too many American businessmen are yet inclined to turn their backs on foreign markets.

Times are good. The American consumer continues to consume at a record pace. Foreign trade entails uncertainty, strange trade patterns, redtape. "Export? I'll export to Texas."

But the American consumer dressed in his English suit, sporting an Italian tie and shoes, checking time on his Swiss watch as he takes his wife in their Volkswagen to a French movie, carries a message for the American businessmen: He who turns his back on foreign markets, ends up facing foreign competition in his front yard. The American common market is no longer the private preserve of the American businessmen.

American business is challenged at home. But if it can meet foreign competition at home, and there is no reason why it cannot, then it can compete effectively and dynamically throughout the world. If we cannot compete in Tokyo, London, or Frankfurt, then we soon will not be competing effectively in Walla Walla and San Diego.

And if it is essential for the economic well-being of the individual businessman that he learn to compete both at home and abroad, it is equally essential for both the economic and political well-being of our Nation. Although we remain the largest exporting and importing nation in the world, our leadership is now sorely pressed—pressed by the growth of the European Common Market, by the Communist trade offensive among the less-developed and uncommitted nations, pressed by the need to maintain a favorable balance of payments, and pressed by the need for new jobs for the unemployed and the 13 million new jobseekers who will enter our labor force within the next decade. Each billion dollars of new exports means 100,000 new jobs.

There is no reason why we should be intimidated by this task. We have a great trading tradition. Today American companies sell watches to Switzerland and china to England. President Johnson is not the only American who knows how to close a "better deal."

But if the gross volume of our exports remains high, our share of the world's markets has entered a steady decline. We export 4 percent of our gross national product. West Germany exports 16 percent—four times that share of her gross national product. France 11 percent, Great Britain 14 percent—the European Common Market as a whole 12 percent—most of the world's developed nations export a far greater share of their national product than do we.

The experts blame the apathy of the American businessman. If there is apathy, and I am not sure there is, then it is an economic malady compounded of misinformation, fear of redtape, and uncertainty as to Government policy—particularly with respect to trade with Eastern European countries. Nothing would cure it quicker than the scent of rich rewards from the successful plunge into foreign markets. But there will be no such rewards so long as uncertainty and misinformation paralyze our selling efforts abroad.

Many Americans were surprised, if not outraged, at the proposal to sell surplus wheat to the Soviet Union.

Yet it has never been U.S. policy to embargo or oppose the sale of foodstuffs to the Sino-Soviet bloc countries other than Cuba, China, North Korea and North Vietnam. We had never before sold the Soviets grain because they had never offered to buy any.

But the great public clamor at the wheat sale is evidence of the failure of our policymakers to communicate our trade policy to our citizens.

Every citizen, and in particular every American businessman, should be informed that the wheat sales, and indeed all commerce in nonstrategic goods with the East European countries, furthers both the trade and foreign affairs policies of the United States.

Quaker Puffed Wheat may be shot from guns, but wheat shipments won't add to the firepower of Soviet arms.

In its most elementary terms, the wheat deal involved the exchange by us of a surplus commodity: wheat, for a commodity in which no country has a surplus: cash.

The two wheat sales added over $125 million to the receipts we need to balance our international payments, strengthen our dollar, and maintain our gold reserves. And in the bargain, we saved $14 million a year in grain storage fees.

These were tangible benefits. The wheat sale also served as an object lesson to the world in the superiority of a free agricultural economy.

The wheat deal is past history. It may not recur, though Russian buyers this year are reportedly seeking another 100 million bushels of wheat—primarily from Canada—to replenish their reserves.

But capital equipment and industrial machinery are high on Khrushchev's shopping list and Soviet teams are today out hunting for capital equipment among our friends and allies. Wherever they go in Western Europe and Japan, they will find willing sellers for such equipment, including entire industrial plants.

The realities of industrial production in the free world have changed since we instituted our present export controls. Fifteen years ago, the United States was the sole world's supplier of most industrial equipment. Today a dozen countries compete effectively in the market for capital goods.

We keep our heads in the sand if we expect to deny the Soviets access to modern industrial goods by refusing to sell our own. The national leadership of the chambers of commerce is exactly right in believing that there is no point in telling an American businessman that he can't sell to a willing buyer anywhere, unless it is clear that such sale is inimical to the interests of his country.

We in Government have not fulfilled our obligation either to inform the American businessman of the desirability of increased trade with East European countries in nonstrategic goods or to eliminate those impediments to East-West trade which remain as a vestige of outmoded and discarded foreign policy.

If the timidity of the American businessman in reaching out for trade with the Soviet bloc reflects uncertainty as to national policy, the failure of American business to tread more than ankle deep in allied markets, particularly Europe and Japan, reflects something else again, the anemic American sales effort.

Too often American industrial capacity and know-how are untapped because we do not have effective salesmen in the field to convey the product of this capacity and know-how to the doorstep of the potential customer. The best products in the world will not sell themselves. We, of all people, should know this, living as we do in a country where an aspirin manufacturer can convince millions of consumers that his brand of aspirin is "fast, fast, faster" than any other, when, in fact, all aspirin is the same.

Government and business are trading partners in the drive to expand American exports. The interests of government and business are mutual—not conflicting. If government acts as a roadblock to foreign commerce, then it is failing in its primary obligation. And the governments of most trading nations have taken a leading and aggressive role in promoting the export trade of their citizens. Though your Government has begun to play its rightful role in export promotion, we have not yet matched the efforts of our competitors.

The Department of Commerce has stepped up its export promotion activities. Trade missions, trade fairs, trade centers—each serve to display the wares of American business.

I am delighted that the program of mobile trade fairs, in which I have personally taken a strong interest, is now well underway. I am informed by Secretary of Commerce Hodges that the Commerce Department has authorized the distribution of support funds for four proposed mobile trade fairs which meet the standards set by the Commerce Department. The mobile trade fair, as a trade promotion technique used by the Department of Commerce in cooperation with private enterprise, is in the highest tradition of government-business cooperation.

So, too, the commercial attachés, within the limits of time and their own minimal business experience, provide information and assistance to the aspiring U.S. exporter.

But these efforts are not enough. What is needed is a selling effort for American business as a whole, comparable to the vigorous selling activities now carried on by the few exporting giants of American industry.

I have been greatly intrigued by the newly developed Executive Service Corps, promoted by Senator HARTKE and David Rockefeller. Sponsored by the private business community, and backed by the resources of AID, the corps will draw upon the pool of newly retired executives to assist in the development of industry in semideveloped countries.

As Senator HARTKE has observed, this may be a golden opportunity for American business to render technical assistance of a kind which American businessmen are peculiarly well qualified to give. At the same time, the corps would provide useful and creative employment for men of talent and experience who are not ready to be put out to pasture. Primarily, of course, the Executive Service Corps would require the services of managerial and technical experts. These men are in a very real sense an untapped natural resource of the American enterprise system.

But there is a similar reservoir of veteran sales personnel. Why not enlist their talents in aid of our export expansion goals? Why not a volunteer export expansion service—not with the essentially humanitarian goals of the Executive Service Corps, but with the hardheaded and enormously significant objective of infusing fire into our export expansion program?

Our commercial attachés, under the stimulus of President Kennedy's export expansion program, in 3 years trebled the number of "trade opportunities" which they opened up for American exporters. And the cash value of the transactions arising directly from these trade opportunities has jumped from $3 million to $20 million in the last 2 years.

As commendable as this effort has been, implemented by commercial attachés who are likely to be relatively inexperienced in

the ways of the business world and saddled with dozens of chores unrelated to the job of promoting exports, it is still a pale achievement when matched with our total exports which, for 1964, are now at a projected annual rate of $24.5 billion.

By contrast, how much could we accomplish by placing in a country with a developed market, a man with 30 or even 40 years of hard, competitive selling experience.

Free from a desk, armed with preliminary grounding in the language and economy of the assigned country, he could get out into the business community with a keen and experienced eye for sales opportunities.

Here is a man who could sit down with his sales counterpart in the business community of any country in the world. He could talk knowledgeably and in the language of trade that the businessman understands about American product lines, commercial practices and produot suitability for the local market. And he could lay to rest many of the hoary and ugly misconceptions about doing business with Americans.

Equally important, he will be able to convey back to the American businessmen at home an accurate and realistic picture of the opportunities for new market penetration.

Nor are the possibilities limited to developed countries. We have too often failed to channel American aid into American trade. A member of the Export Executive Service in an underdeveloped country could well spot the opportunities for grafting healthy trade relationships upon developing aid projects.

Too often U.S. aid dollars have helped a developing country to its feet only to see our competitors from other countries cash in on the resulting new markets for modern industrial plants, machinery, chemicals, and transport equipment. We need alert businessmen on the scene to discover and exploit these opportunities and to find ways of selling what these growing countries need. Trade and aid must become inseparable partners.

Again, in East European countries where American businessmen have feared to tread, the export expansion volunteer—with the clear and unwaivering support of his Government—could be the entering wedge for an expanding United States-Soviet bloc trade.

Plainly, there are potential hazards and roadblocks in such a proposal. It is by no means certain that the business community and individual volunteers could be enlisted in significant numbers for such an enterprise. This project will require perceptive and painstaking planning. Conflicts of interest must be avoided or neutralized. Coordination with the offices of commercial attachés must be worked out to avoid overlap or friction.

Nonetheless, I see great potential in this proposal as a trade expansion resource which could bridge the gap between the essentially one-shot fair and the structural limitations of the commercial attachés. I have, therefore, instructed the staff of the Senate Commerce Committee, in cooperation with the Commerce and State Departments, to explore the feasibility of and to blueprint a proposal for such an Export Expansion Service.

Most important, we will need the support of men such as yourselves. I solicit your aid and counsel.

I believe, and I know that you share that belief, that the natural partnership between Government and business offers great promise for the future of American exports. More than that, the future role of the United States as a leader of nations depends in no small part upon the success of that partnership.

VETERANS OF 442D VETERANS CLUB OF HAWAII ENDORSE AND CALL FOR PASSAGE OF GI BILL

Mr. YARBOROUGH. Mr. President, the cold war GI bill has received active support from many organizations, but few have been as illustrious as the 442d Veterans Club. This club represents the approximately 6,000 men who served in the 442d Regimental Combat Team in Italy and France during World War II. The entire membership of the 442d was composed of American volunteers of Japanese extraction. The 442d, known by their celebrated slogan, "Go for Broke," became, in the words of Gen. Mark Clark: "The most decorated unit in the entire military history of the United States," a record for which a tragic number of them paid with their lives.

Mr. President, I am proud to announce that one of the cosponsors of S. 5 was a member of the 442d, and who at this moment I am very happy to note, is the present occupant of the chair. The valuable service which the Senator from Hawaii [Mr. INOUYE] rendered to his unit and the United States is shown by the fact that he entered as a private in 1943 and received a battlefield commission as a second lieutenant in 1944.

I am deeply honored by the support which the 442d Veterans Club has announced for the cold war GI bill, S. 5, and I ask unanimous consent to have its letter printed in the RECORD.

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

THE 442d VETERANS CLUB,
Honolulu, Hawaii, October 17, 1963.

Senator RALPH W. YARBOROUGH,
Chairman, Subcommittee on Veterans' Affairs, Washington, D.C.

DEAR SENATOR YARBOROUGH: This is in reference to the cold war GI bill 5, presently on the Senate Calendar awaiting consideration.

As an organization vitally interested, the 442d Veterans Club solicits your support in producing favorable legislative action for the benefit of our young veterans now denied educational benefits under the existing GI bill.

Sincerely yours,

TAKAO HEDANI,
President.

LIBRARIES IN D.C. SCHOOLS—LORRAINE GOLDMAN'S ANSWER

Mr. HUMPHREY. Mr. President, it is no secret to anyone in this body that the schools of the District of Columbia cry out for adequate library facilities. This is only one of several urgent needs of the District of Columbia school system. Hundreds of Washington schoolchildren pass through their early formative years without ready access to a decent school library, with its many doors to the enrichment of life and learning. To keep those doors closed is a tragedy for the children and a disgrace to the Congress.

Washington has 135 elementary schools, and not one of them has the kind of library which is considered adequate by the American Library Association. None of them has a professionally trained librarian. The situation in the junior high and high schools is scarcely better.

What the District schools do have is a few volunteer librarians, some commendable efforts by civic groups to fill the book gap in perhaps 11 or 12 percent of the public schools, and some rare people like Don and Lorraine Goldman. The shortage of good libraries, librarians, and books leads directly to the neglect of good reading habits, and this is all too evident to those we hold responsible for teaching our children in schools. The Goldmans knew this when they moved to Washington from California 2 years ago, and they know it even more now.

Lorraine Goldman teaches 11th and 12th grade English at Dunbar High School. Her approach to the book gap in D.C. schools is a modest one, but it has been a heart-warming success in its own terms. The story of Lorraine Goldman's unique effort to bring children and books together into a lasting friendship was told by Edward P. Morgan in his May 5 broadcast on the American Broadcasting Co. We can be thankful for people like the Goldmans, and we can be grateful that Ed Morgan told their story to his listeners. It is a story which may make some of us think more carefully about the vital need for additional funds to bring District of Columbia library facilities up to acceptable standards.

Mr. President, I ask unanimous consent that the May 5 radio broadcast by Edward P. Morgan be printed at this point in the RECORD.

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

BROADCAST BY EDWARD P. MORGAN

The District of Columbia has been subjected by an arrogant Congress to the humiliation of taxation without representation for generations. The fact that this year for the first time District of Columbia residents can vote for President and that today in primary elections both parties have picked their delegates to the national conventions and other officers cannot hide the monstrously larger fact that the capital of the so-called free world denies its citizens that fundamental right of an open society—the ballot.

Someday this odious situation will be corrected and Washington will have an elected government of its own. Meanwhile this travesty on democracy is made a little less intolerable by the stubborn courage and marvelous ingenuity of individual people. During National Library Week recently I reported on the shocking condition of libraries in Washington public schools. Indeed in elementary schools they virtually do not exist. But at Dunbar High, a school in the middle of a poverty-plagued Negro ghetto not far from Congress' newest and most hideous multimillion-dollar office building, things are different. And thereby hangs a tale in which a transplanted teacher from California is the heroine.

When Don and Lorraine Goldman moved to Washington 2 years ago they were stunned by the fact that they had become voteless, that Congress, busy dipping into the pork barrel for home consumption, was frequently downright hostile to the basic educational and other desperate needs of the Nation's Capital. Lorraine Goldman took a position teaching 11th- and 12th-grade English at Dunbar where the grim faculty joke is that English is a foreign language because so many of the students come from deprived

homes with illiterate parents and with whom a book is an alien, useless thing not numbered among the spare household goods.

Enter Mrs. Goldman, young and freshly filled with a logical naivete of enthusiasm stemming from a fine university education. What a rude awakening to an idealist to be confronted with student attitudes about learning ranging from indifference to outright refusal. But gradually an idea began to jell in Mrs. Goldman's mind. She had visited a book display in Washington at which several leading publishers were showing their latest paperback wares. Teachers were invited to take a free armload back to the classroom for trial. The paperback, need it be said, has come a long way culturally since its first girlie-cover days. What, Mrs. Goldman wondered, if she could acquire an attractive selection of paperbacks, keep them handy near her desk, and gradually cajole reluctant teenagers to read?

She and her husband didn't ring up the number of man-hours—and woman-hours—it took them to corral nearly a thousand books but months of letterwriting toil did it. Many came from publishers, gratis. Many more came from a benevolent bookdealer friend of the Goldmans in San Diego, Calif. The most surprising source was the children themselves.

"The way this worked," reports a proud Don Goldman, "was beautiful—a result of sheer ingenuity and pure Madison Avenue. She set up a paper-back book reading club in her classroom—after shrewdly requiring the reading of a certain number of books per semester for a passing grade. * * * To check out a classroom paperback, whether for required reading or—God willing—for mere enjoyment, a student had to pay a dime rent per book or purchase a suitable paperback to add to the library. If a boy or girl did the latter, he or she would be entitled to borrow books for the rest of the year free of charge."

But the hardest job of all was to sell kids the idea of reading anything. Mrs. Goldman, "like a midway barker," by her husband's testimony, "kept chipping away at her customers, enticing, threatening, reasoning. At the merest hint a child was weakening she would drag him to her colorful supermarket counter and apply the tour de force, her personal appeal. Sometimes she would give the rental dimes to a particularly stubborn nonreader and ask him to help her select a new purchase." Lists of new titles and students' reading records were posted and though they may not have been followed like the major league standings, some children actually began to read.

This has been going on now more than 6 months. No miracles have been wrought, no educational revolutions won, but a beginning handful of youngsters has found something unexpected and worthwhile to enrich their lives—lives which had never known books before in poor, overcrowded homes, in overcrowded, understaffed and ill-equipped schools. Exciting little things have happened: the realization of a Negro child, after reading the "Diary of Anne Frank" that others have suffered the brutality of discrimination; the emerging pride in discovering the existence of Negro authors; the strange new job of simply learning to read. The revelation to a Washington slum child that someone else—who doesn't even know him—actually cares, this is a big achievement in itself. "That book man in San Diego must really like us a lot," one student told Mrs. Goldman.

Who knows when Congress, in its wisdom, will end Washington's colonial status and endow it with the resources of self-government? Meanwhile the Goldmans, in the tradition of great teaching, have begun fortifying the neglected structure of democracy with the resources closest to hand—themselves and their fellow human beings.

This is Edward P. Morgan saying good night from Washington.

CIVIL RIGHTS BILL OFFERS BEGINNING

Mr. HUMPHREY. Mr. President, I commend to my colleagues a brief article by Msgr. James P. Shannon, president of the College of St. Thomas located in St. Paul, Minn. Writing in the college newspaper, the Aquin, Monsignor Shannon speaks simply and eloquently on the moral issues of civil rights. He points out that passage of the civil rights bill would be dramatic evidence of the serious public concern over the historic disabilities our society has forced upon the Negro. I agree completely with Monsignor Shannon when he writes—

Millions of Americans are convinced that the pending civil rights bill is based on fundamental morality, and that it is necessary, balanced, realistic, and late.

Monsignor Shannon deserves the warm commendation and thanks of civil rights supporters for this forceful and realistic statement.

I ask unanimous consent that Monsignor Shannon's statement be printed at this point in the RECORD.

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

PRESIDENT'S CORNER: CIVIL RIGHTS BILL OFFERS BEGINNING

In Washington, D.C., at the Lincoln Memorial, Jewish, Protestant, and Catholic theological students are keeping a 24-hour vigil until the passage of the civil rights bill. There are no speeches, no protests, no arguments. Their only verbal message is a large sign which reads "Civil rights is a moral issue."

One school of thought holds that such public demonstrations are of no value. I disagree. I think that such carefully prepared public protests are an effective and praiseworthy method of demonstrating to the Congress the depth and the extent of current American opinion on civil rights. And it's about time.

Just 100 years ago, the Congress of the United States added the 13th, 14th, and 15th amendments to the Constitution in order to assure freedom and equality to the emancipated slaves. In great part, however, the freedom and the opportunities promised to the Negro in these amendments have been denied him in practice.

WHAT WE PRACTICE

The vast discrepancy between what we preach and what we practice in race relations is a scandal to the world. I cannot agree with the critics of the pending civil rights bill who think that our racial problems will solve themselves if we just take our time and let things work out naturally. We have followed this formula for 100 years. It just doesn't work.

I do grant the validity of the statement that morality is not assured by new laws. Recall the debacle of the 18th prohibition amendment. It is generally agreed that this unfortunate article in the end actually encouraged public and private immorality. Critics of the pending law are correct in saying that neither this nor any other law will guarantee peace and justice among races in our society.

However, it is the consensus of many political and religious leaders that such a law at this time would be an effective step toward redressing the balance in race relations. It would be dramatic evidence of the serious public concern over the historic disabilities our society has forced upon the Negro. It would also help the confused observers in many other lands answer the question "Where do the American people stand on matters of race relations?"

The pictures of police dogs in Birmingham and firehoses in Maryland being used to herd Negroes in the street are well known at home and abroad. But they do not tell the whole story.

MILLIONS ARE CONVINCED

Millions of Americans are convinced that the pending civil rights bill is based on fundamental morality, and that it is necessary, balanced, realistic, and late. They are willing to indicate their support of the bill by letters and other acts of endorsement. This is what the seminarians are saying silently at the Lincoln Memorial.

I have written to Senator HUMPHREY, Senator MCCARTHY, and to Mr. KARTH, our Representative in Congress, to express my endorsement of the bill now being discussed. I am aware of the opposition it faces. I am aware of the problems of policing it which will arise once it is enacted. I am also convinced that the passage of this bill will not automatically assure the end of all racial tensions in the land.

But it is a beginning, and a good beginning. It stresses the fundamental moral principle of equal opportunities for Negroes. This principle, if followed, would in time enable all Negroes to help themselves and to lift many of the historic disabilities under which they have labored for more than two centuries in America.

This bill merits the support of every citizen in our land and particularly of every citizen concerned about the future of a free society which is now only half free.

(The Aquin encourages its readers to follow Monsignor Shannon's example by writing their own Senators and Representatives, expressing their views on the civil rights struggle. Our religious and educational heritage demands at least this much of us.—The Editors.)

CIVIL RIGHTS—"A CONCISE EXPLANATION OF H.R. 7152"

Mr. HUMPHREY. Mr. President, the civil rights bill has been in the hands of Congress for 11 months. Both Houses have debated the bill carefully and thoroughly. Many fine explanations have been prepared by Members of Congress and by others who support the bill—explanations designed to counteract the well-financed drive by certain opponents to confuse and mislead the American people.

The debate and the explanations have helped. They have given millions of Americans the truth about H.R. 7152. And those who know what this bill contains and what it does not contain have responded sensibly and without emotion.

But the campaign to mislead the public with wholesale distortions continues. We see this in an uninterrupted flow of nightmarish propaganda and we see it in the results of recent primary elections. Those elections will not affect the substance or the passage of this bill, but they do point to the need for a renewed effort

to explain this bill in straightforward and uncomplicated language.

I have asked my staff to prepare an explanation of H.R. 7152 as it was passed by the House of Representatives. This explanation is brief, it includes all of the bill's major provisions, and it has been read and approved by the bipartisan floor managers of the bill in both Houses of Congress. Regardless of Senate amendments to the bill—and there are certain amendments which many of us will support—the basis for our action is the bill as it was passed by the House of Representatives. The principles and objectives of H.R. 7152 will remain, and after the Senate has worked its will I intend to have this explanation revised and updated in order to keep the public fully informed of the bill's provisions.

The explanation is as follows:

The title of H.R. 7152 reads: "An act to enforce the constitutional right to vote, to confer jurisdiction upon the district courts of the United States to provide injunctive relief against discrimination in public accommodations, to authorize the Attorney General to institute suits to protect constitutional rights in public facilities and public education, to extend the Commission on Civil Rights, to prevent discrimination in federally assisted programs, to establish a Commission on Equal Employment Opportunity, and for other purposes."

H.R. 7152 was reported to the House of Representatives on November 20, 1963, by the Committee on the Judiciary after one of its subcommittees had held 22 days of hearings with 101 witnesses and 17 days of executive sessions on a large number of proposals relating to the subjects covered by the bill and to still others not covered by it. The full Committee, in turn, held 7 days of executive sessions. Title VII of the bill, relating to equal employment opportunity, is similar to bills which had been considered and reported favorably to the House by the Committee on Education and Labor in 1962 and 1963.

The House of Representatives debated H.R. 7152 for 9 days and passed the bill on February 10 by a vote of 290 to 130. The Senate voted on March 26 to take up the bill and has been debating it since March 30—the Senate Committee on Commerce and the Committee on the Judiciary had held hearings on similar measures during 1963.

WHAT H.R. 7152 PROVIDES AND WHAT IT DOES NOT PROVIDE

TITLE I. PROTECTION OF VOTING RIGHTS

The title provides that tests, standards, etc. which are used to qualify voters in Federal elections may not be used to discriminate on the basis of race, that registration of voters in Federal elections may not be denied because of immaterial errors or omissions in applications, that literacy tests must be administered in writing unless the individual requests and State law permits a nonwritten test, and that a copy of the literacy test and answers be maintained and given to the applicant upon request. Title I also authorizes the Attorney General or a defendant to ask for trial by a 3-judge court, with provision for direct appeal to the U.S. Supreme Court. Under this title, in any voting rights cases a person is presumed to be literate if he has a sixth grade education, but this presumption may be challenged in court by the State—this is called a rebuttable presumption.

The title does not provide that persons not qualified to vote under State law would be permitted to vote. State control over voter qualifications is not impaired, except that those qualifications must apply equally to all citizens regardless of race.

TITLE II. PUBLIC ACCOMMODATIONS

The title provides that discrimination because of race, color, religion, or national origin is prohibited in specified places of public accommodation, such as hotels, motels, and other lodging places for transients; theaters, motion picture houses, sports arenas and stadiums; restaurants, cafeterias and other eating places; gas stations; specialty shops and barbershops in hotels covered by the title; and stores with eating facilities covered by the title. The title permits an aggrieved individual or the Attorney General to enforce the right of equal access to places of public accommodation through civil suits for injunction. In the case of complaints arising in States which have laws or regulations prohibiting the types of discrimination covered by this title, the Attorney General must afford State or local officials a reasonable time to act before he institutes action himself. With provisions for determining whether specific establishments are covered, this title applies generally to discrimination supported by State action or exercised by establishments whose business operations affect interstate commerce. If an offender ignores an injunction issued under this title and thereby becomes involved in contempt proceedings, he is guaranteed the right of trial by jury.

The title does not provide for coverage of small roominghouses with fewer than five rooms for rent and in which the proprietor lives. It does not apply to either the rental or sale of private homes, apartments, or other residential units. It does not apply to doctors', dentists', or lawyers' offices. The title does not provide for criminal penalties nor for suits for money damages. It does not provide for any invasion of a businessman's freedom to set his own standards of conduct, dress, and so forth, for customers except that he may not apply those standards in such a way as to discriminate because of race, color, religion, or national origin.

TITLE III. DESEGREGATION OF PUBLIC FACILITIES

The title provides that the Attorney General may initiate or intervene in suits to desegregate public facilities—that is, publicly owned, operated, or managed parks, hospitals, reading rooms, beaches, and so forth—other than schools, where aggrieved persons are unable to sue because they are financially unable to do so or are unable to obtain effective legal representation, or because initiation or continuation of a suit might jeopardize their employment or otherwise result in injury or economic damage to them, their families, or their property. The Attorney General would also be authorized to intervene in private suits brought by persons seeking relief from a denial of equal protection of the law because of race, color, religion, or national origin.

The title does not provide for extension of Federal authority into any new areas; it simply improves the legal remedies designed to afford equal protection of the laws as guaranteed by the 14th amendment. It does not allow the Attorney General to act on his own initiative; he must first receive a signed complaint indicating that discrimination has occurred and that the complainant is unable to sue for reasons stated above.

TITLE IV. DESEGREGATION OF PUBLIC EDUCATION

The title provides that the Attorney General may initiate or intervene in school desegregation cases where students or parents are unable to sue. The title would also allow the Commissioner of Education to provide technical assistance, grants, and training institutes to help communities prepare for school desegregation, but only if such assistance is requested by local school authorities. The title specifically excludes from the definition of "desegregation" any transportation or bussing of students to end racial imbalance. The Commissioner of Education would be directed to conduct a survey and report to the President, within 2 years from the enactment of the bill, on the lack of equal educational opportunities by reason of race, color, religion, or national origin in public educational institutions at all levels.

The title does not provide for any measure of Federal control over the hiring and firing of teachers, the selection of textbooks, or the choice of curriculum. In fact, control of school systems remains in the hands of local authorities.

TITLE V. COMMISSION ON CIVIL RIGHTS

The title provides that the Commission, established by the Civil Rights Act of 1957, is extended for 4 years. The title also gives the Commission authority to serve as a national clearinghouse for information concerning denials of the equal protection of the laws and to investigate charges that patterns on practices of fraud or discrimination exist in Federal elections. Certain minor procedural and technical changes are also included in this title.

The title does not provide any enforcement powers for the Commission. It remains an information-gathering and investigative body.

TITLE VI. NONDISCRIMINATION IN FEDERALLY ASSISTED PROGRAM

The title provides that no person in the United States shall be excluded from participation in or otherwise discriminated against because of race, color, or national origin under any program or activity receiving Federal financial assistance other than contracts involving insurance or guarantee. Specifically, the title enables Federal agencies administering programs to terminate or to refuse to grant or to continue assistance under a program in which there has been an express finding of noncompliance by discrimination, but agencies may take such

action only after they have attempted to bring about compliance by voluntary means, and only after a hearing. Agency actions are subject to judicial review and a report to Congress is required before funds can be denied. Any agency rules or regulations issued under this title must be approved by the President.

The title does not provide that individuals receiving funds from government agencies under Federally assisted programs—for example, widows, children of veterans, homeowners, farmers, elderly persons living on social security benefits—would be denied the funds they receive. The title is directed toward agencies administering such funds in a discriminatory way, not toward recipients themselves. The title does not provide for withwrawal of all Federal assistance to a State or community which discriminates in a particular program.

TITLE VII. EQUAL EMPLOYMENT OPPORTUNITY

The title provides that employers, labor unions, and employment agencies whose activities affect interstate commerce would be prohibited from discrimination on the basis of race, color, religion, sex, or national origin. Such discrimination would be defined as unlawful employment practices. The enforcement of provisions dealing with unlawful employment practices would not be authorized until 1 year after the enactment of the bill. During the first year of enforcement, coverage would include employers and unions with 100 or more employees or members, and would proceed in stages over 3 years to include those with 25 or more employees or members. The title would create a bipartisan, five-member Equal Employment Opportunity Commission, appointed by the President and confirmed by the Senate, to investigate complaints and to bring about voluntary settlement. Failing voluntary settlement, the Commission would be authorized to file civil—not criminal—suit to enforce the title. The title provides that if the Commission fails or declines to bring a civil suit within 90 days, the aggrieved person may himself file suit if he obtains the permission of one Commission member. The burden of proof that discrimination has occurred rests with the complainant. The relief available is a court order enjoining the offender from engaging further in discriminatory practices and directing the offender to take appropriate affirmative action; for example, reinstating or hiring employees, with or without back pay. The title provides further that the Commission shall utilize and seek the cooperation of State fair employment practices agencies to enforce the title. The Commission may require employers, labor unions, and employment agencies to keep and preserve records and to make reports which will assist the Commission in carrying out the purposes of the title.

The title does not provide that any preferential treatment in employment shall be given to Negroes or to any other persons or groups. It does not provide that any quota systems may be established to maintain racial balance in employment. In fact, the title would prohibit preferential treatment for any particular group, and any person, whether or not a member of any minority group, would be permitted to file a complaint of discriminatory employment practices. The title does not provide for the reinstatement or employment of a person, with or without back pay, if he was fired or refused employment or promotion for any reason other than discrimination prohibited by the title. The title contains no provisions which would jeopardize union seniority systems, nor would anything in the title permit the Government to control the internal affairs of employers or labor unions. Employers would continue to be free to establish their own job qualifications provided they do not discriminate because of race, color, religion, sex, or national origin. The title would not prohibit an employer from hiring persons of a particular religion, sex, or national origin where religion, sex, or national origin is a bona fide occupational qualification. The title would not apply to employment of aliens outside a State, nor to religious corporations, associations, or societies, nor would it affect any laws creating special rights for veterans.

TITLE VIII. REGISTRATION AND VOTING STATISTICS

The title provides that the Secretary of Commerce shall conduct a survey to compile registration and voting statistics in geographic areas recommended by the Commission on Civil Rights. The survey would include a count of persons of voting age by race, color, and national origin, and a determination of the extent to which such persons are registered to vote and have voted in statewide elections in which Members of the House of Representatives have been nominated or elected since January 1, 1960.

TITLES IX, X, AND XI. REMOVAL PROCEEDINGS IN CIVIL RIGHTS CASES, ESTABLISHMENT OF A COMMUNITY RELATIONS SERVICE AND MISCELLANEOUS

Title IX provides that the orders of Federal courts sending certain civil rights cases back to the State courts shall be reviewable on appeal. Such orders are not reviewable at the present time.

Title X provides for the establishment of a Community Relations Service in the Department of Commerce, with personnel limited to a Director and six employees. The Service would provide assistance to local communities in attempting to resolve disputes relating to discriminatory practices. Such assistance could be offered upon the request of local officials or upon the initiative of the Service, but no further powers are provided.

Title XI provides several customary sections, including an authorization for appropriations to carry out the purposes of the bill, a severability clause—which provides that if any provision of the act is held invalid the rest of the act will not be affected—and a standard preemption clause—which provides that nothing in the act shall be construed as indicating congressional intent to occupy the field to the exclusion of State laws on the same subject.

SUMMARY COMMENTS

H.R. 7152 is designed to improve the means for protecting the constitutional rights of all Americans. As it now stands it is neither an unprecedented nor a punitive measure. It does not provide for preferential treatment of any individual or particular group of Americans.

Thirty States and many cities now have public accommodations laws, and many of those laws contain wider coverage and stronger enforcement provisions than those in title II of H.R. 7152.

Twenty-six States have laws prohibiting discrimination in employment, and FEPC bills have been reported favorably by House and Senate committees in every Congress for the past 20 years.

The constitutionality of titles II and III—the two most controversial titles of the bill—has been supported by 20 of the most reputable lawyers in the United States, including 3 former Attorneys General of the United States, 4 former presidents of the American Bar Association, 4 law school deans, and other members of the legal profession who are members of both the Democratic and Republican Parties.

NEW BROADCASTING FACILITIES DEDICATED IN THE NATION'S CAPITAL

Mr. KUCHEL. Mr. President, the postwar era has witnessed a phenomenal development which is a boon to virtually every American. Our citizens everywhere now enjoy the instantaneous benefit of graphic, on-the-spot presentation of public events, a wide range of appealing entertainment, fine quality cultural enrichment, inspiring religious services, and many other contributions to pleasant, well-informed living, through the medium of television.

As the site of Government for the Nation to which the free world looks for leadership and encouragement, the city of Washington daily witnesses events which have profound implications for the maintenance of freedom and tremendous impact upon the stability of world affairs and human progress. The National Capital is undeniably a foremost news center on this globe.

Residents of this community long have enjoyed enviable television service. A major contribution to even better communication through pictorial broadcasting has just been made with the completion of new operating facilities for station WTTG, the forward-looking local outlet owned by Metromedia, which renders conspicuous service to several metropolitan audiences in my home State of California.

A few days ago I was privileged, in company with some of my colleagues, officials of local government, and civic leaders, to participate in dedication of the WTTG studios in a versatile video center on Wisconsin Avenue. The significance of the event was pointed up in remarks by the President of the Board of District of Columbia Commissioners. I ask unanimous consent to have printed in the RECORD the comments made on that occasion by the Honorable Walter Tobriner.

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

REMARKS OF THE HONORABLE WALTER TOBRINER, CHAIRMAN, DISTRICT OF COLUMBIA COMMISSIONERS, WTTG-METROMEDIA DISTRICT OF COLUMBIA HEADQUARTERS, APRIL 28

Mr. Chairman, distinguished guests, ladies and gentlemen, I am delighted to have the opportunity of participating in the dedication of WTTG's new building. As a matter of fact the establishment of your new studio here on the heights, now enables us to refer to this section of the city as the TV complex.

We are always happy to see a new building in the Nation's Capital. For yours is not a new business nor a new station, since this height has become Washington headquarters for Metromedia, it suggests the expansion of a Washington-based enterprise taking full advantage of Washington as a news center of the Nation.

I want to thank you for the many fine things that you have been doing to help the public understand existing problems and recommended solutions, and to thank you for your cooperation in arranging for District personnel to appear on your valued programs to explain District of Columbia government functions, programs, and policy.

That you have been able to erect this fine new building shows that you have gained a position of influence among the news media of our country. And this is further reflected by the fact that your "empire," so to speak, stretches from Mount Wilson on the Pacific to the shores of the Potomac, to Hudson's Bay and to the Olympic Peninsula.

Personally, and on behalf of the Board of Commissioners of the District of Columbia, I congratulate you on the dedication of this building. We wish you the best of luck, a continuation of your interested, constructive, and compassionate participation in the problems that confront us, not only locally but on a national level.

"THE REPUBLICAN PARTY WAS BORN OF A CRUSADING CONCERN FOR HUMAN DIGNITY"—GEN. DWIGHT D. EISENHOWER

Mr. KUCHEL. Mr. President, Gen. Dwight Eisenhower has performed another superb public service to the people of the United States and to the members of the Republican Party. In his personal statement, which was published this morning in the New York Herald Tribune and in other newspapers across the land, he demonstrated in bold relief what the Republican Party has stood for in the past and what it must stand for now and in the future. He eloquently discussed the immutable principles of Lincoln, our party's heritage of human freedom. He described the enormous progress made during his 8 years as Chief Executive of our country, in the creation of preeminent defensive military strength, and in the devotion to the cause of a just peace. Our party, as he clearly noted, loyally supports the United Nations in its efforts to keep the peace. He recalled, with unassailable precision, the firmness and the prudence which motivated his Republican administration in dealing with the innumerable crises provoked by international communism. He recalled our steadfast party pledges and our performance in the field of civil rights and social progress, in broadening social security, workmen's compensation, in providing hospital construction and medical research, to mention but a few. He courageously called all Republicans in America to remain steadfast to Republican principles as they were meticulously spelled out in our recent national platforms. We cannot go backward. Our party's approach in the future must be no less firm, constructive, and imaginative than it has been in the past. The overwhelming majority of Republicans enthusiastically agree.

I ask unanimous consent that the text of General Eisenhower's magnificent statement be printed at this point in the RECORD, in connection with my remarks.

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

A PERSONAL STATEMENT BY DWIGHT EISENHOWER—ON THE REPUBLICANS' CHOICE

(By Dwight D. Eisenhower)

Many concerned people have urged me to indicate my preference among the possible Republican candidates or to try to dictate the Republican Party's choice of a presidential nominee this July.

I do not intend to attempt this. It is not my proper role. I do fervently hope, however, that the person selected to lead our party in the coming campaign will be a man who will uphold, earnestly, with dedication and conviction, the principles and traditions of our party.

There is no mystery about Republican principles. They have been spelled out at length in our national platforms—most recently that of 1956, on which I was proud to run for reelection, and that of 1960, for which I was proud to campaign.

These platforms represented the responsible, forward-looking Republicanism I tried to espouse as President, the kind that I am convinced is supported by the overwhelming majority of the Republican Party, the kind I deeply believe the party must continue to offer the American people.

We Republicans believe in limited government, but also in effective and humane government.

We believe in keeping government as close to the people as possible—in letting each citizen do for himself what he can do for himself, then making any call for government assistance first on the local government, then on the State government, and only in the final resort on the Federal Government.

But we do not shrink from a recognition that there are national problems that require national solutions. When they arise, we act.

During the Republican administration of 1953–61 we established the Department of Health, Education, and Welfare, we extended social security coverage and increased its benefits, we raised the minimum wage and brought more workers under its coverage than ever before. We increased aid for hospital construction, we increased aid for medical research, we introduced a new program of medical aid for the aged. We inaugurated urban renewal, passed the first depressed areas legislation, launched a new program to help low income farmers, and began the most gigantic highway building program in the history of the United States.

I cite these examples not to applaud a past record but to illustrate the positive nature of true Republicanism—spotting new needs, sizing them up, and acting decisively when their national nature and scope require it.

As a party that looks to the future, not just to the present, we Republicans believe in paying now for what we need now, not saddling those yet to come with the burden of our debts. But we believe in meeting our needs.

Right now the Nation's most critical domestic challenge involves man's relation to his government and also to his neighbor—the issue of civil rights.

The Republican Party was born of a crusading concern for human dignity; it retains that concern today.

There is reason for Republican pride that in the 8 years of its last administration the Nation made more progress in civil rights than in the preceding 80. We did this through vigorous Executive action, through steadfast enforcement of court decisions and through passage of the Civil Rights Acts of 1957 and 1960—the first such acts passed since Reconstruction.

Equal opportunity and mutual respect are matters not only of law, but also of the human heart and spirit, and the latter are not always amenable to law. But the Nation has a profound moral obligation to each of its citizens, requiring that we not only improve our behavior but also strengthen our laws in a determined effort to see that each American enjoys the full benefits of citizenship—benefits which no agency of government, national, State, or local, has the right to abridge.

As the party of Lincoln, we Republicans have a particular obligation to be vigorous in the furtherance of civil rights. In this critical area, I have been especially proud of the dramatic leadership given by Republicans in Congress these past 2 years. With equal emphasis, I can say the same of our Republican Governors.

In the foreign field, the overriding concern of the Republican Party—of either party—must be the maintenance of peace while protecting and extending freedom. This is not easily or simply done in a dangerous, volatile and uncertain world.

It requires military strength second to none, backed by a vigorous and expanding economy. Military adequacy must be our minimum. We must not, however, permit unnecessary and wasteful military expenditures to weaken the aggregate of American strength.

It requires loyal support for the United Nations in its peace-keeping efforts.

It requires calm, painstaking study of all the infinitely complex situations that confront us—whether in southeast Asia, in Cuba, or wherever danger threatens or opportunity beckons—followed by firm decision and prompt but carefully conceived action. In today's nuclear-age diplomacy there is no time for indecision, but neither is there room for impulsiveness. There is great need for imagination and inventiveness, not only to treat successfully with today's crises, but to probe into those areas where, step by step, the barriers between East and West can be lowered.

The last Republican administration acted both firmly and prudently in such danger areas as Berlin, the Formosa Straits, Iran and Lebanon. It acted constructively and imaginatively in such matters as enlarging its network of alliances and making them effective, evolving new concepts of social progress through foreign aid, promoting cultural and technical exchanges, and developing proposals for open skies and the peaceful use of space.

Our party's approach in the future must be no less firm, no less prudent, no less constructive, no less imaginative.

Believing in the Republican Party as I so devoutly do, I have for many months urged that Republicans from coast to coast be given a fair chance to work their will, in careful deliberations, at the national convention—and therefore to make that convention truly representative of the party.

I hope they will have that chance. And I earnestly hope the party will select a nominee who skillfully and wholeheartedly would apply to our problems, both domestic and foreign, those principles which I have noted here.

Mr. KEATING. Mr. President, will the Senator from California yield briefly to me, so that I may make a brief comment on the same subject?

Mr. KUCHEL. I yield.

Mr. KEATING. I am very glad the Senator from California has had printed in the RECORD the report to the people by General Eisenhower. It seems to me that his statement is a great boost for an open Republican convention and for progressive Republicanism.

Supporters of most of the prominent Republican candidates for the presidential nomination will rejoice over the plea General Eisenhower has made that our party nominate a candidate who will support the principles of Republicanism as espoused in our party's national platform.

His appeal for civil rights legislation, his backing of the United Nations peacekeeping efforts, and his rejection of impulsive solutions for dealing with international crises—all of these are very timely and to the point.

I think it a most persuasive statement by the leader of our party and one of the most popular leaders in the history of any nation. It is but another indication of the wide consensus of feeling within our party—a feeling which we hope will be widely shared throughout the Nation—that the Republican Party will continue to stand for those principles which General Eisenhower has enunciated in his statement.

I applaud it; and I am confident that it reflects the sentiment of the overwhelming majority of the rank and file of Republicans and, we hope, of many other citizens throughout the Nation. I commend the Senator from California for having the statement printed in the RECORD.

Mr. KUCHEL. I thank the Senator from New York, who is widely respected throughout the Nation for his progressive views and his Republicanism. I am convinced that the tenets laid down by General Eisenhower in his statement represent the commitments our fellow Republicans want included once again in the basic commitments of our party to the Nation.

THE RURAL ELECTRIFICATION PROGRAM

Mr. JOHNSTON. Mr. President, one of the truly miraculous cooperative ventures between the people and their local and national governments has been the rural electrification program, which has brought electricity to millions of homes all across rural America, including 156,000 such consumers in South Carolina.

Unfortunately, many people are tending to forget the great benefits that have resulted to South Carolina, from Main Street to the most rural crossroads, by this rural electrification program. It was in the winter of 1934, shortly after I became Governor-elect of South Carolina, that I made a trip to Washington to prevail upon the late President, Franklin D. Roosevelt, to assist South Carolina in establishing a rural electrification program. Armed with a $100,000 grant to South Carolina, I returned to the State and in 1935, asked the general assembly to authorize the creation of a rural electrification program with which to survey the needs in our State. Back then, 97 out of every 100 rural families in South Carolina were living without electricity in their homes. Only 3 percent of all the rural homes in our State had electricity. These rural people, of course, had wanted electricity all along, but the privately owned power companies said it was impractical and financially impossible to bring electricity to rural South Carolina. Thus, the rural electric cooperatives, owned and operated by the members served, were organized to construct transmission lines all across rural South Carolina.

This started before the national rural electrification program came into existence. This was a monumental task requiring assistance from the Federal Government in the form of low-interest, long-term loans, because there was no private financing available.

Those who stand up and criticize the rural electric cooperative program should think twice and remember that the job they are doing was turned down repeatedly by so-called private industry and so-called private investors. Actually, however, the rural electric cooperatives are a form of private enterprise, because they are owned by the members who meet annually to elect their officials and to conduct the business of the co-ops.

Assisting in the success of rural electric cooperatives in South Carolina has been the coming to our State of low-cost electric power brought to us by the South Carolina Public Service Authority—Santee-Cooper—and the construction of multipurpose hydroelectric generating dams on the Savannah River—Clarks Hill and Hartwell Dam. The people of South Carolina, even those who do not directly consume electrical energy generated by these projects, are benefiting every day in the form of reduced power rates from the private power companies. Were it not for the "yardstick" on the cost of electricity in South Carolina resulting from the availability of low-cost power from these projects, power rates all over our State would be much higher. When Santee-Cooper electricity went on the power lines, the power rates of the private companies to rural consumers dropped by approximately 50 percent, from approximately 13 mills to a little better than 6 mills per kilowatt-hour. This situation has helped to keep power rates down all over our State and has had the side benefit of helping to bring industry, which consumes tremendous quantities of electricity, into our State.

This is why I have been in favor of full development of the Savannah River, including the construction of the publicly owned Trotters Shoals multipurpose dam, as well as the Duke Power Co. diversion dam, because the construction of both of them will bring that much more electricity to our State. I am not against construction of the Duke Dam, but I hold steadfastly to the policy of seeing to it that this dam is constructed in such a way as not to block other utilization of the Savannah River. The Duke Dam and the Trotters Shoals Dam can both be constructed so that each dam can fully utilize the waters of the Savannah River which belong to all the people.

The rural electric cooperatives, as a result of extremely efficient management, the availability of funds through the REA lending program, and because of the availability of low-cost power, have turned out to be a tremendous victory for our rural people and a highly successful investment. Contrary to the dire predictions of those who opposed the co-ops and the public power program in our State, the Santee-Cooper Lakes have not drained out through holes in the ground, and the rural electric cooperatives have not gone into bankruptcy, nor have they been a drain on the Federal Treasury. The 24 rural electric cooperatives in South Carolina, serving 156,000 consumers, operate 35,000 miles of transmission line, employ 757 people, and maintain an annual payroll in salaries of $3,500,000. Out of $93 million these co-ops have borrowed from the Federal Government, they have repaid more than $26 million of these mortgages, and at the same time have paid $14 million in interest to the Federal Government on these loans.

It is truly amazing that the electric cooperatives have succeeded, but when we analyze their operation it is easy to see why they need low-cost loans and low-cost power. Electric cooperatives average 4.5 customers per mile of line and receive an annual average of $423 revenue per mile of line in operation. Private power companies average 41.5 customers per mile of line and realize an average income of $6,818 per mile of line. One can readily see that co-ops necessarily must have an entirely different type operation than a private power company. The private power companies would not come into these sparsely populated areas.

Main Street businessmen should be supporting rural electric cooperatives and the public power programs in our State because of the great benefit that has resulted to our State's overall economy. If we look closely at the purchases by rural electric co-op members, you will realize how much better off our Main Street business people are than they were before the advent of the rural electrification program. The rural people of South Carolina have purchased locally 900,000 major appliances, including 133,000 refrigerators, 93,000 ranges, 62,000 freezers, 99,000 washing machines, 90,000 water pumps, 5,000 bathroom sets, 66,000 water heaters, 17,000 TV sets, 145,000 radios, and thousands upon thousands of other gadgets, not to mention farm industrial equipment and the things that are purchased by the co-ops themselves in the maintenance of their systems.

There is not one single thing about rural electric cooperatives that anyone can say is bad for our State, for the people of our State, or for our State's economy. This is why I am constantly fighting to continue the rural electric cooperative program on a sound basis. Their job is not done and will not be done for years to come because the power systems they have developed need to be maintained and must meet the needs of growing rural South Carolina. South

Carolina will probably increase its population over the next 30 years or so by nearly 5 million people, and many of these will be in rural areas depending upon the successful operation of the co-ops.

Those who attack the co-ops with demands to cut off the lending program or to sell the co-ops to some private investor, or to put an end to our public power programs supplying the co-ops, are merely putting themselves in the position of cutting off their nose to spite their face. If this well-balanced rural electrification-public power program is put out of balance, then we will see our rural people returned to the pre-REA days of darkness. The whole program has been built on a solid, well-balanced foundation, and the people of South Carolina should be backing it 100 percent because it is beneficial to every single individual in our State who flicks a light switch, and it is certainly needed by any human being in our State who does not have electricity in this modern day of rocket ships, missiles, and nuclear reactors.

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

CIVIL RIGHTS ACT OF 1963

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H.R. 7152) to enforce the constitutional right to vote, to confer jurisdiction upon the district courts of the United States to provide injunctive relief against discrimination in public accommodations, to authorize the Attorney General to institute suits to protect constitutional rights in public facilities and public education, to extend the Commission on Civil Rights, to prevent discrimination in federally assisted programs, to establish a Commission on Equal Employment Opportunity, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendments (No. 577) proposed by the Senator from Louisiana [Mr. LONG] to the amendment (No. 513) proposed by the Senator from Georgia [Mr. TALMADGE], for himself and other Senators, relating to jury trials in criminal contempt cases.

What is the will of the Senate?

Mr. McCLELLAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it

Mr. McCLELLAN. Is a quorum call in order?

The PRESIDING OFFICER. A quorum call is in order.

Mr. McCLELLAN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

[No. 251 Leg.]

Aiken	Bennett	Carlson
Allott	Bible	Case
Anderson	Boggs	Church
Bartlett	Byrd, W. Va.	Cooper
Cotton	Johnston	Morse
Dominick	Jordan, Idaho	Muskie
Douglas	Keating	Neuberger
Ellender	Long, La.	Pearson
Fong	Mansfield	Proxmire
Gruening	McClellan	Saltonstall
Hickenlooper	McIntyre	Smith
Holland	McNamara	Williams, Del.
Humphrey	Metcalf	Yarborough
Inouye	Miller	Young, N. Dak.
Javits	Monroney	Young, Ohio

The PRESIDING OFFICER. A quorum is not present.

Mr. MANSFIELD. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of the absent Senators.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. BAYH, Mr. BREWSTER, Mr. HILL, Mr. JORDAN of North Carolina, Mr. MCCARTHY, Mr. MUNDT, Mr. SMATHERS, and Mr. SPARKMAN entered the Chamber and answered to their names.

The PRESIDING OFFICER. A quorum is present.

Mr. COTTON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. COTTON. The Senator from New Hampshire has on the desk an amendment to the pending bill. When the amendment was offered, I obtained unanimous consent that the amendment should be considered as having been read, in the event of any cloture motion.

The parliamentary inquiry is this: If a new bill, or a clean bill, should be offered to the Senate as a substitute for the pending bill, and at the same time cloture should be invoked, would the bill now on the desk, which by reference and by line and section refers to the present pending bill, would that be considered as having been read, and could it be offered to the substitute, or would my amendment be foreclosed because it had not been offered in form for the substitute before cloture was invoked?

The PRESIDING OFFICER (Mr. BARTLETT in the chair). In the opinion of the Chair, it would be considered as having been read and could be read to the substitute.

Mr. COTTON. Even though it had to be changed in form, in referring to section and page and line to the substitute that had been offered in the meantime?

The PRESIDING OFFICER. In the opinion of the Chair, the Senator could modify when offered to the substitute.

Mr. COTTON. That is the opinion of the Chair as expressed after consultation, so that it is likely to be the opinion of the next Presiding Officer?

The PRESIDING OFFICER. The Chair will state to the Senator from New Hampshire that there has been, indeed, consultation with the Parliamentarian, and the views expressed by the Chair are those of the Parliamentarian.

Mr. COTTON. I am sure that the present occupant of the chair knows that I did not intend to express any lack of confidence in the Chair's opinion, but I did wish to be sure that I would not be foreclosed from the substitute, even with cloture invoked, under my hour of bringup the amendment.

I thank the Chair.

Mr. McCLELLAN. Mr. President, will the Senator from New Hampshire yield for a question?

Mr. COTTON. I am glad to yield to the Senator from Arkansas.

Mr. McCLELLAN. I was not in the Chamber when the Senator propounded his original parliamentary inquiry. Did that relate to the possibility of a new bill being introduced and made the pending business?

Mr. COTTON. It related to the possibility of either a new bill, or an amendment in the nature of a substitute which would supersede the entire pending bill. I wish to make sure what would happen to amendments on the desk to the present bill if such a substitute were offered and cloture should be invoked and voted at the same time.

Mr. McCLELLAN. I thank the Senator for yielding to me.

Mr. President, I should like to propound a parliamentary inquiry, in line with what the distinguished Senator from New Hampshire has just asked.

The PRESIDING OFFICER. The Senator from Arkansas will state it.

Mr. McCLELLAN. The first inquiry I should like to make is: If a complete, new bill were introduced, would it not be subject to the same motion that was made with respect to this bill, that it be referred to committee for due consideration and committee action?

The PRESIDING OFFICER. Does the Senator mean a substitute for the pending bill?

Mr. McCLELLAN. I shall ask about a substitute later. My present inquiry is, if a new bill were introduced, could it be taken up for consideration without a motion being made?

The PRESIDING OFFICER. In the opinion of the Chair, the ordinary course would be to refer a new bill to committee.

Mr. McCLELLAN. I thank the Chair. I hope such action will be taken in the wisdom of our leadership, which would serve a worthwhile purpose, I believe.

Mr. President, another parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Arkansas will state it.

Mr. McCLELLAN. The Presiding Officer referred to a bill being offered as a complete substitute. Would such substitute, if offered as a substitute for the pending bill, be subject to a motion to refer to committee?

The PRESIDING OFFICER. It would not be, in the opinion of the Chair.

Mr. McCLELLAN. What effect, may I inquire further, Mr. President, would that have on amendments which have been offered and which lie upon the desk?

The PRESIDING OFFICER. The Chair is advised by the Parliamentarian that if a complete substitute is offered to the bill, it will be subject to amendment in two degrees.

Is that responsive to the Senator's inquiry?

Mr. McCLELLAN. It would be subject to amendment. Would the pending amendments that have been offered to this bill up until today still be pending, and could they be considered as amendments to the substitute bill, or would they have to be reoffered?

The PRESIDING OFFICER. The amendments now pending could be offered to the substitute and would have to be offered to the substitute, as the Chair understands.

Mr. McCLELLAN. I wish to get this ruling explicit so that I can understand it. A further parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Arkansas will state it.

Mr. McCLELLAN. My recollection is that I have sent to the desk some 34 amendments and had the clerk read them. I believe I am correct in that. I will ask as a parliamentary inquiry, is that not correct?

The PRESIDING OFFICER. The amendments sent to the desk by the Senator have been considered as having been read.

Mr. McCLELLAN. I did not ask that they be considered. I asked the clerk to read them, and he read them.

The PRESIDING OFFICER. They have been read, in a parliamentary sense, and they are eligible to be offered.

Mr. McCLELLAN. Even after the cloture motion might be adopted—even after cloture might be voted?

The PRESIDING OFFICER. If cloture is adopted, amendments then must be germane.

Mr. McCLELLAN. I did not ask about the germaneness of them. I know they are germane. I would not offer anything that was not germane. They are germane amendments. Assuming they are germane to the bill and have been read——

The PRESIDING OFFICER. The Chair was not able to make that assumption.

Mr. McCLELLAN. If cloture were voted, could those amendments be offered and voted on?

The PRESIDING OFFICER. On that assumption, they could be offered. The Chair, of course, was unable of his own knowledge to state whether they were germane.

Mr. McCLELLAN. On the assumption they are germane.

The PRESIDING OFFICER. On the assumption they are germane, yes.

Mr. McCLELLAN. Then they are eligible to be offered after cloture is voted. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. McCLELLAN. Another question. If a substitute bill, or an amendment in the nature of a substitute, were offered and adopted and cloture voted, or if cloture were voted while that substitute were pending, would my amendments, which have been previously offered and read by the clerk, be eligible?

The PRESIDING OFFICER. If a substitute were adopted to the entire bill, no further amendment would be in order. Amendments should be offered prior to the vote on the substitute. If they were so offered, they would have precedence over the vote on the substitute.

Mr. McCLELLAN. A further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCLELLAN. Do I correctly understand that the 34 amendments which I have at the desk, which have been read by the clerk, and which are eligible to be offered after a cloture petition is adopted, or after a cloture vote adopting cloture is had, and which are eligible as of now, if a substitute bill were offered for the whole bill in the nature of an amendment, I would have to offer those amendments to that substitute before cloture were adopted; otherwise they would not be eligible. Is that correct?

The PRESIDING OFFICER. No. The Chair is advised by the Parliamentarian that those amendments to the substitute, referred to by the Senator, would necessarily have to be offered before the substitute were voted upon.

Mr. McCLELLAN. Suppose cloture were voted before the substitute were voted on; then what would be the status of the amendments? The point is that it would be possible to file a substitute amendment and immediately vote cloture on the whole bill. Then what would happen to the amendments?

The PRESIDING OFFICER. The amendments might be offered, whether or not cloture had been imposed.

Mr. McCLELLAN. Mr. President, tomorrow I shall study the record. I shall probably have some further parliamentary inquiries to make, because I have at the desk, as I recall the number, 34 amendments, which I have sent to the desk and which I had the clerk read in full. I wish to protect the status of those amendments, because in good faith I have offered them, and I definitely intend to call them up, or most of them, and ask for a vote on them.

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

Mr. McCLELLAN. I do not want any parliamentary maneuvering, if I can prevent it, from invalidating those amendments, which I propose to offer and to have a vote on. Therefore, I shall make further parliamentary inquiries from time to time, to make certain that nothing is happening that would invalidate those amendments.

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

Mr. McCLELLAN. I yield for a question.

Mr. KUCHEL. In the nature of a parliamentary inquiry.

Mr. McCLELLAN. I yield for that purpose, provided I do not lose my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KUCHEL. I believe the use of the word "substitute" is extremely important. I should like to have the Parliamentarian and the Chair confirm my understanding. First, a Senator may offer a bill in the nature of a substitute to the pending bill. Second, he may offer an amendment in the nature of a substitute. If he offers it under my first example, any amendments that any other Senator wishes to offer must be addressed to the substitute.

Mr. McCLELLAN. I have already——

Mr. KUCHEL. Will the Senator wait a moment?

Mr. McCLELLAN. The Senator and I can discuss this matter, but we are not getting a parliamentary ruling.

Mr. KUCHEL. What I should like to have the Chair do is state for the benefit of the Senate the difference between an amendment in the nature of a substitute, on the one hand, and a substitute, on the other hand.

The PRESIDING OFFICER. The Senator from California propounded a parliamentary inquiry, did he not?

Mr. KUCHEL. Yes.

The PRESIDING OFFICER. As the Chair understood the question, he will answer it by saying that in this case, if a substitute were offered for the entire bill, it would be subject to amendment. Is that responsive to the Senator's inquiry?

Mr. KUCHEL. Suppose an amendment were offered and that amendment were not offered as a substitute for the entire bill, although that amendment consisted of a multiplicity of proposed changes, and suppose that that amendment were adopted by the Senate. Would other amendments be available thereafter?

The PRESIDING OFFICER. Not to the particular part or parts that were adopted.

Mr. KEATING. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KEATING. Prior to the adoption of these amendments, an amendment to the amendment could be offered, could it not?

The PRESIDING OFFICER. The Senator is correct.

Mr. KEATING. When that was dealt with, another amendment to the amendment could be offered. Is that correct?

The PRESIDING OFFICER. To a different part of the amendment.

Mr. JAVITS. One further parliamentary inquiry: As I understand, a substitute is subject to amendment in two degrees.

The PRESIDING OFFICER. That is correct.

Mr. JAVITS. First, an amendment when proposed may in turn be amended, whereas an amendment in the nature of a substitute is subject to amendment only in one degree.

The PRESIDING OFFICER. It is subject to amendment in one more degree.

Mr. JAVITS. That is correct.

Mr. McCLELLAN. Will the Chair state the difference between an amendment in the nature of a substitute and a substitute amendment?

The PRESIDING OFFICER. The Chair will advise the Senator from Arkansas that there would not be a difference between an amendment offered as a substitute and a substitute itself.

Mr. McCLELLAN. That is what I thought. I did not believe there was any distinction between the two. If a substitute were offered for the pending bill, that amendment or that language would take the place of everything in the bill. I wanted to understand the parliamentary difference, if there were any.

The PRESIDING OFFICER. The Chair has stated that there is no difference.

Mr. McCLELLAN. I thought I so understood the Chair.

Mr. JAVITS. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New York will state it.

Mr. JAVITS. When a substitute has been adopted, no further amendment to the bill as it then stands before the Senate is possible.

The PRESIDING OFFICER. That is the understanding of the Chair, an understanding which has been reinforced by the opinion of the Parliamentarian.

Mr. JAVITS. Whereas, if a series of amendments to the bill were adopted, the bill could always be further amended.

The PRESIDING OFFICER. Any part of a bill which has not been previously amended is subject to amendment.

Mr. JAVITS. I thank the Chair.

Mr. HUMPHREY. Mr. President, will the Senator from Arkansas yield for a parliamentary inquiry?

Mr. McCLELLAN. I yield for that purpose.

Mr. HUMPHREY. The Senator from Arkansas has indicated an interest in what will happen to the amendments he has presented to the original text of H.R. 7152. Several amendments have been presented and read, and they are drawn in terms of applying to the language of H.R. 7152. My question is: Would it be in order, if and when cloture were invoked, to offer the same amendments to the substitute, or must the amendments to the substitute be reoffered?

The PRESIDING OFFICER. When and if cloture is invoked, it would be in order to offer the amendments. They would be in order to be offered whether or not cloture were invoked.

Mr. HUMPHREY. The question is: Do they have to be presented de novo, or do they qualify as having been presented and read to the language of the substitute?

The PRESIDING OFFICER. They would qualify, having already been presented and having been read and offered to the substitute.

Mr. HUMPHREY. So if and when a cloture motion were presented, and if and when cloture were invoked, the amendments that are at the desk, which would qualify by having been presented and read, would be included within the purview of what we call the cloture operation?

The PRESIDING OFFICER. The Senator has stated a fact, in the opinion of the Chair.

Mr. HUMPHREY. So any amendment that has now been presented and read would not be denied the opportunity of being presented to the Senate for a vote under the terms of cloture?

The PRESIDING OFFICER. In the opinion of the Chair, the only amendment that could conceivably be excluded from the circumstances outlined by the Senator from Minnesota would be an amendment ruled not to be germane.

Mr. HUMPHREY. I understand; and such an amendment is not at the desk.

The PRESIDING OFFICER. The question of germaneness has not been taken up.

Mr. HUMPHREY. This explanation is most helpful, because a number of Senators have been concerned lest if a cloture motion were filed and cloture were invoked, amendments that had been presented in good faith and read might be disqualified. As I now understand, those amendments are within the category of being qualified and can be called up and voted upon, either on their merits or upon a motion to table.

The PRESIDING OFFICER. In the opinion of the Chair, the situation outlined by the Senator from Minnesota represents the parliamentary fact, with the proviso as to germaneness.

Mr. HUMPHREY. Yes; I understand that.

Mr. HILL. Mr. President, will the Senator from Arkansas yield for a parliamentary inquiry?

Mr. McCLELLAN. I yield for that purpose.

Mr. HILL. If and when cloture is invoked, is it not true that no matter how many amendments a Senator might have offered, he would be limited to an overall period of 1 hour to speak?

The PRESIDING OFFICER. As the Chair understands, the Senator could consume 1 hour in debate on all matters. However, that would not preclude him from bringing before the Senate amendments he might have presented, and they could be acted upon by the Senate, but without the right of any Senator to debate them. The Chair should qualify that statement by saying that any Senator who had time remaining could debate them; but if the Senator from Alabama, for example, had exhausted his 1 hour, he would not have any further time in which to speak. He could offer his amendments, but not debate them.

Mr. HILL. No matter how many amendments there were, after I had consumed my hour, I could not speak any further?

The PRESIDING OFFICER. In the opinion of the Chair, that is the strict limitation that is imposed.

Mr. McCLELLAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Arkansas will state it.

Mr. McCLELLAN. Assuming that a substitute amendment had been adopted and that cloture had been invoked, could the author of an amendment modify his amendment so as to make it pertinent to and apply at the proper place in the substitute?

The PRESIDING OFFICER. In the opinion of the Chair, once a substitute has been adopted, no further amendment is in order.

Mr. McCLELLAN. Prior to the time of its having been adopted and prior to the time of the adoption of the substitute. After that, as I understand, no amendments are in order, germane or otherwise.

The PRESIDING OFFICER. That is correct.

Mr. McCLELLAN. But prior to that time, while the substitute is pending it is subject to amendment.

I ask this question specifically: Does not the author of an amendment have the right to modify his amendment so as to make it apply at the proper place in the substitute instead of in the original bill?

The PRESIDING OFFICER. The Chair advises the Senator from Arkansas that the author of such an amendment or such amendments would have that right.

Mr. McCLELLAN. And that is a right, is it not? He does not have to obtain unanimous consent to do it, does he? He has a right to modify his amendment, has he not?

The PRESIDING OFFICER. Yes, unless the yeas and nays have been ordered. Unless the yeas and nays have been ordered, he can so modify it.

Mr. McCLELLAN. As I understand, if the yeas and nays have been ordered, he must obtain unanimous consent.

The PRESIDING OFFICER. That is correct.

Mr. McCLELLAN. But prior to that time, he has a right to modify his amendment—has he not?

The PRESIDING OFFICER. That is correct—prior to that time.

Mr. HUMPHREY. Mr. President, will the Senator from Arkansas yield?

Mr. McCLELLAN. I yield.

Mr. HUMPHREY. I am pleased that the Senator from Arkansas has established that civil right, so that we can have this point made manifestly clear.

Mr. McCLELLAN. Oh, Mr. President, I believe in civil rights; and, as the Senator from Minnesota knows, I want to retain those rights. I do not want the majority to take them away from me.

Mr. HUMPHREY. We have been protecting them for 63 days.

Mr. McCLELLAN. If the Senator from Minnesota will walk farther on this side of the aisle, I will have a great deal more faith in his statement.

Mr. HUMPHREY. Mr. President, will the Senator from Arkansas yield again to me?

Mr. McCLELLAN. I yield.

Mr. HUMPHREY. I believe we have had a very helpful discussion of the parliamentary situation which I trust will prevail.

I merely wish to summarize the situation which will exist in the event such amendments are offered to the bill, and thereby become the pending business, and if cloture is ordered.

Is it correct that the substitute can be amended in two degrees, if the amendments have previously been offered and read?

The PRESIDING OFFICER. That is correct.

Mr. HUMPHREY. Second, Is it correct that amendments already presented and read—such as those referred to by the Senator from Arkansas, applying to House bill 7152—can be offered to the substitute, as well?

The PRESIDING OFFICER. That is the opinion and the ruling of the present occupant of the Chair.

Mr. HUMPHREY. And the author of the amendments may offer them to the substitute; is that correct?

The PRESIDING OFFICER. Yes, provided they are germane.

Mr. HUMPHREY. I thank the Chair.

Mr. McCLELLAN. Mr. President, I rise to a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Arkansas will state it.

Mr. McCLELLAN. If a substitute is offered or if an amendment in the nature of a substitute is offered, will there be any parliamentary declaration as to the time to be allowed to Members to study the substitute, in order to have an opportunity to arrive at some judgment as to where it should be amended, in addition to the amendments then lying at the desk?

The PRESIDING OFFICER. There is, of course, as the Senator from Arkansas knows, no limitation on debate, except as might be provided by means of cloture.

Mr. McCLELLAN. Then we would have all the time from the time when the substitute was submitted until the time when cloture was ordered, to study it and to offer amendments to it, would we?

The PRESIDING OFFICER. Yes; until the time the substitute was voted upon.

Mr. McCELLLAN. I have one further question: After a cloture motion is filed, during the 2 days that it must lie on the table before a vote can be taken on it, are amendments in order if the substitute has not previously been adopted?

The PRESIDING OFFICER. The Chair will state an opinion. One calendar day, during which the Senate is in session, must intervene between the filing of a cloture petition and the vote thereon. If such a petition were filed, the vote would come 1 hour after the Senate had met following the filing of the petition the next day but one. Until the Senate had voted cloture up or down, the Senate could continue to consider any amendments, and new amendments could be offered during that time.

Mr. McCLELLAN. They could be offered.

The PRESIDING OFFICER. Provided they were read.

Mr. McCLELLAN. Would we be able to have them read? Could we offer them and have them read between the time the cloture petition was filed and up to the time of the vote on the cloture petition?

The PRESIDING OFFICER. The Senator is correct.

Mr. McCLELLAN. I thank the Chair.

Mr. HUMPHREY. I thank the Senator from Arkansas for helping to clarify the situation.

It must be made very clear that the right of a Senator to file an amendment, and to have that amendment acted upon up until the very minute the vote takes place upon cloture, is unlimited, as long as the amendment is germane. That rule has been clearly enunciated by the Chair, so there can be no question about it at all.

The PRESIDING OFFICER. To make the point clear to the *n*th degree, the Chair now states that to be a fact.

Mr. McCLELLAN. I thank the Chair. We hear reports and rumors that a substitute will be offered to the original bill, and that a new bill will be before the Senate. Then we hear that the substitute may possibly be offered for one title or another title of the bill. Those of us who are opposed to the bill are not always taken into the confidence of those who are formulating strategy for the enactment of the bill.

Mr. KEATING. And vice versa.

Mr. McCLELLAN. We shall tell the Senator from New York our strategy. We are "agin it."

Mr. KEATING. But the strategy of the opponents to the bill is not always imparted to the rest of us.

Mr. McCLELLAN. Yes. We reveal our opposition on the floor openly as I am doing today. We talk about it.

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

Mr. McCLELLAN. I yield.

Mr. HUMPHREY. I wish the gracious and considerate Senator from Arkansas to know that the proposed amendments to H.R. 7152 that would be incorporated into what might be called a substitute were brought to the attention of the entire caucus of the Democratic Party. All members were invited, and a goodly number participated. The same procedure took place in the Republican conference.

I can well understand the Senator's concern over proposed new language. It is the intention of those who are proposing the amendments in the nature of a substitute, or, as we say, as a package, to present those amendments this week so that they can be studied and discussed, and so that when we go into session next week, the amendments can be further studied and debated, and any and all amendments that any other Senator would like to offer to that language can be submitted. Amendments may be presented and read.

The Senator from Minnesota would be opposed to any procedure that would cut off that kind of consideration of proposed legislation as important as the measure before the Senate. Thus far we have had 63 days, going onto the 64th day, of discussion of the bill H.R. 7152 and all amendments pertaining thereto. The proposals which will be offered this week are amendments to the text of H.R. 7152. Many of them have been discussed already. I believe that every Senator would wish to see that text in its exact language.

It has been made available for the respective conferences. It will be offered as a printed amendment in the nature of a substitute for the bill H.R. 7152, and every Senator will have an opportunity to study the amendments. The Senator from Illinois [Mr. DIRKSEN], the Senator from California [Mr. KUCHEL], the Senator from Montana [Mr. MANSFIELD], the majority leader, and the Senator from Minnesota will discuss those amendments along with other Senators, I am sure. I presume that my good friend, the Senator from New York [Mr. KEATING], who has taken such an important part in the debate, and other Senators will discuss the proposals in detail so that the Senate will know what our interpretation of those amendments is, and so that Senators who may wish to discuss the proposals with us may have an opportunity to do so. I believe that the Senator from Arkansas has performed very fine service today by calling those matters to our attention. I assure him that the Senator from Minnesota will try to be as considerate and cooperative on these proposals as he has been on others; with respect to them no one has been more cooperative and considerate than has the Senator from Arkansas. I shall try to follow his standard.

Mr. McCLELLAN. I thank my friend. He is very kind and generous in his remarks. My only purpose was to try to clarify the situation so that we could get our bearings and know the status of the amendments that have been offered and what effect other proceedings in the nature of substitutes and amendments might have. We wished to be certain, and to protect our rights in our objective and purpose to have the amendments ultimately considered, and to preserve our right to offer amendments to any substitute bill or amendment in the nature of a substitute that might be presented.

The Senator from Minnesota has been very frank to advise us that we shall have an opportunity to see the amendments. On my part I should like to say that his action is as much appreciated. I am sure that statement is true with respect to all of those with whom I am associated in opposition to the bill. I believe no one could read the bill more than once without discovering that every time he reads it thereafter he will find some place in which it needs amendment. It is an involved bill, as the distinguished Senator from Minnesota has said. It is a bill that is of great importance either way, no matter which side one is on. A bill of that importance certainly should not be given light attention or consideration when we proceed to revise the language that is in the bill now by amending it either to make it stronger or to modify the impact of it.

As I recall, the pending business is still the amendment with reference to jury trials. It is now 20 minutes past the hour of 3 o'clock. There is a new rule of germaneness with respect to debate.

I ask if the time for germaneness with respect to the pending amendment has expired, or must I for a given time—and if so, for how much time—direct my remarks to the pending amendment on trial by jury.

The PRESIDING OFFICER. The hour and the minute, the Chair will advise the Senator from Arkansas, when germaneness no longer will be applicable will be 4:42 p.m.

Mr. McCLELLAN. According to my calculation, that is about an hour and 22 minutes from now.

The PRESIDING OFFICER. Assuming that the two clocks in the Chamber are slightly different, that is the Chair's understanding, too.

Mr. McCLELLAN. During the past few weeks we have been discussing various aspects of what I have said—and what I repeat, and what I will continue to reiterate—is one of the most precious heritage possessed by the American people, the right to a trial by jury.

During the 180-odd years since the Constitution was adopted, the American people have taken this right for granted. They have felt secure in this right. They have not, until recently, realized—and they had not theretofore even contemplated—that there would ever be an assault made upon the constitutional right of a trial by jury. Those who have become alerted to, and cognizant of the situation with respect to the pending proposal to deprive citizens of the right of a trial by jury in certain instances are disturbed. Some of them are shocked by the proposal. Others are absolutely alarmed, and are apprehensive as to what the future welfare of our people will be, what impact this proposal will have on their rights and the privileges which they have heretofore enjoyed.

They are wondering if this is the beginning of even greater erosions of constitutional authorities and directives than have taken place heretofore.

There are other citizens who have not even yet sensed the danger that lurks in the bill with respect to trial by jury. It is just inconceivable to them that Congress should ever tamper with such a sacred right—a right that is inherent in our treasured heritage. They cannot believe it. They cannot believe that Congress would do such a thing. Therefore they go along, rather complacently, and possibly make no expression about it. Some may wake up too late and realize that they should have protested—some who are not now speaking out as they would if they sensed the danger in what is attempted to be perpetrated here by the proposed legislation.

In my previous remarks, I have shown that when the American Colonies declared their freedom from Britain, the prestige of the jury as a guardian of the liberty of citizens was running high. Yes, it was running very high.

Our Founding Fathers thought so much of the right to a trial by jury that it was written into the constitution of the States, and into the Constitution of the United States in several places. It is quite clear. Mr. President, I have no doubt that if this fundamental right of trial by jury had not been incorporated in and guaranteed in the first 10 amendments—which we know as the Bill of Rights—the Constitution as we know it today would have never been adopted. We might have had a constitution, but it would have been different from the Constitution that has made it possible for America to not only guarantee and preserve the greatest personal liberty to human beings that has ever been vouchsafed to them by any other form or system of government, but also, that made it possible under our free enterprise system for those who have enjoyed this heritage of liberty to become the most prosperous, the most progressive, and the most secure people that the world has ever known.

One may ask, What does the right to trial by jury have to do with it? I know one thing, Mr. President (Mr. BAYH in the chair) it has made the individual citizen more sympathetic to his responsibilities toward government. It has also made the individual citizen respectful of his government. It has also caused the individual citizen to prize freedom more, and to serve his government with greater dedication and devotion than he would if the right to trial by jury were taken away.

It smacks of dictatorship to say that a person can be charged with a crime, and only one man will determine his guilt or innocence. In this instance, that one man would be the one who accuses a person of a crime. If we do that, we shall lose a precious right.

Mr. President, repealing, impairing, limiting, or restricting the right to a trial by jury as our Founding Fathers decreed, involves a degree of deterioration and some measure of decadence. That right and privilege of every citizen was decreed by the Founding Fathers, which decree was ratified and affirmed by the several States of the Union, and by the people thereof, in the adoption of the Constitution and the 10 amendments thereto, constituting the Bill of Rights.

Mr. HOLLAND. Mr. President, will the Senator from Arkansas yield?

Mr. McCLELLAN. I am glad to yield to the Senator from Florida for a question.

Mr. HOLLAND. I noted with appreciation that the Senator referred to the increased sense of responsibility of government that came to citizens because of the jury system. Did the Senator mean—and I hope and believe that he did—that to a citizen who sits as a juror there comes, perhaps for the first time, a full realization of the fact that he is an important cog in the machinery of justice for his area and for his nation?

Mr. McCLELLAN. It gives him the consciousness that he is a part of government. It impresses upon him immediately that he has something to say about law and order in his community, that he has the opportunity to protect the innocent as well as to protect the guilty. In other words, he has a great deal of confidence—as I am sure any good citizen would have—in the wisdom, fairness, and sincerity of purpose of a jury composed of his peers than of only one judge sitting on the bench. Especially would that be true if that judge were the one who accused him of a crime, as would be true here.

So the jury system has brought home to the individual citizen—when he has been called upon to serve on the jury to sit in judgment upon his fellow man, sometimes his neighbor and sometimes a fellow citizen of his own community—the thought that, "I am a part of my government. I have a responsibility to do right in this case. I have a duty under the law to mete out justice."

Everyone cannot work for a democracy under our system. Perhaps everyone could work for a government under another system which has flourished to a degree—which I hope someday will wither away; but not in a democracy, not in a republic, not in our form of government can everyone work for the government.

Mr. President (Mr. BARTLETT in the chair), under the jury system, everyone has a responsibility and an obligation and, in some instances, the opportunity to participate in government as a juror. He takes an oath to render a fair and impartial verdict. In criminal cases, he takes an oath not to convict a defendant, the accused, unless the State or the Government brings evidence before the court, and before that juror, which has such import and impact as to convince him beyond a reasonable doubt of the guilt of the accused. It may perhaps convince 11 others on the jury, and yet not convince him. If he is not convinced beyond a reasonable doubt, he, as a citizen, has taken an oath and has become an official of the government, in a sense, for a limited time to try that one case and to mete out justice. Such an obligation brings home a sense of responsibility.

I have seen juries work. I have tried a few cases, as I know the Senator from Florida [Mr. HOLLAND] and the Senator from Indiana [Mr. BAYH] have. I have seen jurors really struggling and worrying, trying to weigh the evidence with meticulous care, to make certain that they gave the defendant the benefit of every doubt. They did not wish to convict him unless the government, the State and the prosecution had met the requirements by providing convincing evidence. I have seen juries struggling with their duty.

Do not tell me we shall now take away that right. It is said that we are not going to take it away in all cases—only in one type of case. There are those who advocate taking it away in certain civil cases, and that we should take away the right to a trial by jury for what might be determined to be minor criminal cases.

I do not know what might be termed a minor criminal case. Using the term in one sense, a misdemeanor might be a minor criminal case. An accused who is convicted is sometimes adjudged to be a law violator, even though the offense may carry with it a small penalty.

Let me point to the youth of today, who start out committing small offenses, in many instances. As they grow up in crime, some of them become guilty of committing grave offenses. But the point I wish to make is that if an accused youth is unjustly convicted, found guilty, by one judge sitting as a juror, of a small offense, a stigma is placed upon that youth. He may very well overcome it. Many do. But immediately a stigma is placed upon that person. Therefore, I am unwilling to start to whittle away at the right of trial by jury. I would be much more satisfied personally, if I were charged with a minor breach or a technical breach, and if I did not feel guilty, to have 12 of my peers, instead of 1 man, sit in judgment on me. I would feel that I deserved to have 12 men state that I was guilty, instead of having 1 man say it. That is no reflection upon our courts or upon any judge who sits on the bench. We are all human beings. It is less likely that 12 men, in their collective judgment, will err than that 1 man will err.

Mr. HOLLAND. Mr. President, will the Senator yield further?

Mr. McCLELLAN. I am glad to yield.

Mr. HOLLAND. First, I think the Senator is correct in what he says about the added responsibility, the added sense of being a part of the government, that

citizens feel when they are confronted with the duty of performing jury service.

I wonder if the distinguished Senator believes that a more impressive illustration could be given of the fact that judges differ and that judges quibble over technicalities, and that judges' judgments run in different directions on the same question, than the fact that the Supreme Court of the United States in the recent jury trial case affecting the former Governor of Mississippi, Mr. Barnett, divided 5 to 4, five of them feeling that he was not entitled to a jury trial and four of them feeling that he was entitled to a jury trial. Could there be a more impressive illustration of the fact that the minds of judges are prone to run along legal technical lines, and that they do not always address themselves to the bare fact of guilt or innocence, than that 5-to-4 decision by our highest and most distinguished Court.

Mr. McCLELLAN. The distinguished Senator from Florida is correct in the illustration he has drawn. It would not be possible for an accused to be convicted, because there would be a division among the judges. Such a division among a jury would entitle the accused to another trial before his liberty were taken from him or any punishment were inflicted.

Mr. HOLLAND. If it were a jury, rather than a court.

Mr. McCLELLAN. If it were a jury, rather than a court; yes. The significant point about the decision to which my friend from Florida refers is that the so-called liberals on the court were the ones, who, in keeping with true liberalism, insisted that Governor Barnett was entitled to a jury trial. I wish our liberal friends in the Senate would join the liberals on the Supreme Court, and join us in voting to put an amendment in the bill to make certain that true liberalism in one respect, at least, shall prevail in the legislation. I have not actually abandoned the hope that they will do so. I still have some hope. We only lacked one vote to adopt an amendment sometime ago. I hope that there will be more than one Senator who, after profound meditation, and after being given another opportunity, will vote for jury trials.

Mr. HOLLAND. I am glad the Senator made the point with reference to the membership of the U.S. Supreme Court. The fact is that the four members of that distinguished tribunal who are generally referred to as the more liberal members, all voted for a jury trial in a criminal contempt proceeding. This, the Senator from Florida thinks, as does his friend from Arkansas, is the truly liberal point of view.

Does the Senator remember that that great liberal, the late Senator from Wyoming, Mr. O'Mahoney, was the leading advocate of the insistence upon jury trial in criminal contempt case when the civil rights bill of 1957 was debated on the floor of the Senate?

Mr. McCLELLAN. I remember that. I remember that he felt very strongly about it and that he put his whole effort into that one phase of the battle.

Mr. HOLLAND. I remember that very well. I hope that the fact that the so-called liberals on the present Supreme Court have voted as they have on this issue in the Barnett case, and the fact that we all remember the valiant fight made successfully by the distinguished Senator from Wyoming, Mr. O'Mahoney, in favor of jury trials in criminal contempt cases, will bring about a reexamination of their position by some of the avowed liberals in this body, who up to now have consistently, in the present debate, voted for a system under which the judge, who feels that his court, himself, has been shown disrespect, prefers the criminal contempt proceeding, sits upon the case, hands down the judgment, and imposes the penalty.

To the Senator from Florida that seems to be the essence of something very different from liberalism and, in fact, is the essence of authoritatism and autocracy in our Government.

The Senator from Florida agrees with the Senator from Arkansas that the truly liberal point of view is that jury trials must prevail in these troublesome cases of criminal contempt.

Is it not true that a criminal contempt case does not arise until after there has been very great friction between the court and the judge, on the one hand, and the parties to the proceeding on the other hand, and that it actually arises out of a violation of the wishes of the court?

Mr. McCLELLAN. The mandate of the court.

Mr. HOLLAND. Out of the mandate of the court.

Mr. McCLELLAN. We say that the ruling of the court is the law of the land. It is the law of the case, certainly. The court has ruled that such and such must be done or must not be done, as the case may be. That is the law of that case. Therefore, for criminal contempt to arise, there must be a flouting of the court's ruling by an individual, or some disobedience of it. The person involved thus becomes a law violator in the eyes of the court. The court makes the accusation and issues the citation for contempt. The court has already made the finding. It would, in a sense, be like a grand jury finding an indictment and assessing the punishment against the defendant at the time of the finding of the indictment.

It is almost tantamount to that.

Mr. HOLLAND. It seems to me it is a good deal worse than that, because a grand jury, in most cases, sits impartially between citizens of the area where they serve and other citizens.

Mr. McCLELLAN. The Senator is correct. It is even worse. Who would ever think of letting a grand jury, at the time of handing down an indictment, convict and assess the penalty and send a person to a penitentiary or a jail? Yet in the bill, as the Senator points out, it is proposed to go further.

Mr. HOLLAND. The most that a grand jury does, does it not, is to rule upon the facts presented to them—generally it is the State's case only——

Mr. McCLELLAN. It is one-sided.

Mr. HOLLAND. It is an ex parte proceeding—it appears that there has been enough showing of the commission of a crime to warrant the returning of an indictment, without any attempt on the part of a grand jury to try to prejudge the final handling of the case. They know that a jury will be impaneled, and that a trial judge, sitting impartially as between the defendant and the general public, must sit upon the case, with all the opportunity for the handling of the conduct of the case that the law makes available, and with the assurance that an appeal will follow if there is serious error.

The grand jury merely says, in effect, "This looks like a case that should go to court; and we feel it so keenly that we will return an indictment"; whereas a judge who brings a criminal contempt proceeding feels that he and his court have been shown contempt by a person before that court, and he holds that the person shall be subjected to a criminal contempt trial by him, in which he renders the verdict and imposes the sentence. It seems to me that that kind of case is so much worse than what would happen if a grand jury were to proceed to a final judgment that there is no comparison.

Mr. McCLELLAN. The judge makes a finding of guilt before he issues a citation. A grand jury merely decides that a crime has been committed and that the evidence tends strongly to show that the accused is the one who committed the crime. Its duty is to make the charge, to make the accusation, which it does in the form of an indictment. It knows that thereafter, in accordance with our procedure, the defendant will have what we say is a fair trial; that he will have a trial before a jury of his peers, if he is accused of a crime.

But the bill proposes a departure. It proposes something that, as I recall, one of the Supreme Court judges said was something that amounted to the court stating a verdict without any law or constitutional basis; that it was acting in violation of the spirit of the Constitution. In effect, that was the ruling of the four dissenting judges in the recent decision.

Mr. HOLLAND. They spoke of it as judge-made law.

Mr. McCLELLAN. Judge-made law; and they were correct. It is not in the Constitution. It is contrary to the express language of the Constitution. A judge may have ruled in that way, or may have developed a practice, to a limited extent, of saying, "Oh, well, this is a contempt matter; it is not a charge of a crime, and therefore there is no provision for a jury." But any authority or power that takes away a man's liberty or imposes a punishment is in effect criminal in its inception and criminal in its aspects and in its consequences.

The punishment for contempt by a fine of $300 and a jail sentence of 45 days is just as much punishment and just as much taint upon one's character as if it were a fine of $300 and a sentencing to jail for 45 days for some statutory offense.

I do not see that there would be any difference. In effect, the person would be a jailbird when he came out, if we may use that language, knowing that he had been convicted of something ad-

judged criminal contempt. The word "criminal" itself implies that he committed an offense. Instead of having committed an offense against a statute, he has committed an offense against a court order, a mandate, that had interpreted some statute. It is a distinction without a difference, so far as the consequences are concerned, because of the limitation of punishment that the proposed law may provide.

The original bill provided for punishment by 45 days in jail and a $300 fine, while some amendment—I do not know whether it is still pending—would reduce the jail sentence to 30 days. But the offense would be criminal in all its concepts and in all its processes, down to the punishment, just the same as if one were fined $300 for petty thievery and were sentenced to 30 days or 45 days in jail. He would have to pay the same amount of money as punishment and also would be incarcerated and his liberty denied for a period of time.

The offense is properly called criminal contempt. It is named properly. But when we name it, as we have named it, and as it is, a defendant is entitled to a jury trial under the Constitution. I am a little perturbed. I feel it within me and am concerned that we have come to a point in this country, whether we call it liberalism, or whatever term might be applied to it, whether it be complacency or lack of due reverence for the Constitution, or if we have decided that the Constitution does not apply to modern life and modern civilization, that we are ready to abandon that principle in order to achieve one certain act as covered by the provisions of the bill; to believe that in a civil rights bill, we are ready and willing to abandon that principle, the Constitution to the contrary notwithstanding, because we want to get somebody at the end of the line and make him subservient to whatever the court may order or decree.

Mr. HOLLAND. Mr. President, will the Senator further yield?

Mr. McCLELLAN. I yield.

Mr. HOLLAND. First, the Senator is doing a fine thing in bringing out this point. I commend him warmly.

Second, I ask him if he does not believe that for criminal contempt there should be a provision for trial by jury regardless of the severity of the sentence imposed, for this reason: That if the cutoff point is small—the Senator has spoken of a 30-day cutoff point that is provided in one of the amendments—a judge of conscience and of character would be somewhat loath to fix a sentence at less than that, because he might feel that his fellow citizens would think that he did not want the case to come before a jury and did not want it to be passed upon by a jury of citizens, and therefore would be more likely to go beyond the limit than he would be to come under it, for the reason that a judge of character would want the people to know he was acting in good faith and with self-respect, and would be just as willing to have a jury pass upon the case as he would be to pass upon it himself, perhaps more so?

Mr. McCLELLAN. Perhaps more so.

Mr. HOLLAND. To repeat the question: Does not the Senator feel that a limitation such as this might very easily prove to bring about greater verdicts, and greater punishment, rather than lesser ones, and with much greater expense, because the provisions of the 1957 law, as proposed to be continued, in part, do set such a cutoff date and such a cutoff amount, both in days of punishment and in monetary fine or penalty? Does not the Senator think there would be more de novo trials in that situation, because courts of conscience would want it to appear that they were so sure of their judgment that they were perfectly willing to have a defendant tried by a jury of his peers, if they felt he had been handled unjustly?

Mr. McCLELLAN. I think the Senator from Florida is correct. I do not think there is any doubt about that. Certainly the only course for us as legislators is not to start whittling away at the Constitution. The right thing for us to do is simply to provide for a jury trial. If we do that, we shall have solved the problems and shall have preserved the integrity of the Constitution and the integrity of our action, and we shall not have compromised the Constitution or given any taint of unconstitutionality to the bill. But without such a provision, the bill would be absolutely unconstitutional, for no one can correctly argue that the incarceration of a defendant does not deprive him of his liberty. The Founding Fathers clearly intended that no citizen be deprived of his liberty without a trial by jury. In fact, in the Constitution they even provided that in suits at common law, if the value in controversy was as much as $20.01, the right of trial by jury must be preserved.

I believe that if the Founding Fathers had known that today we would be confronted with a proposal to deprive a defendant of the right of trial by jury if he was faced with a sentence of incarceration for 45 days or less or a fine of $300 or less in a criminal case, they would have been shocked, for they intended to have the Constitution guarantee the right of trial by jury in all criminal cases. The debates at the Constitutional Convention and the debates in the various States in connection with ratification of the Constitution clearly show that the intention of all concerned was that the Constitution guarantee the right of trial by jury. Therefore, if Congress were now to attempt by legislative act to tamper with the Constitution, to the extent of modifying that clear guarantee, as incorporated in the Constitution by the Founding Fathers, I believe we would be going far astray and would be taking a tragic step.

Furthermore, if such a step were taken in this case, it would not be long before a similar situation would arise; and then this case would be pointed to as a precedent, and it would be said, it was done then, so why should we not do it now? In other words, one evil would beget another; one careless disregard of the Constitution and what it was intended to do would beget another, and then another, and then another, until finally the basic structure of our Government would be seriously weakened and impaired, and the system of justice that has served us so well would be impaired.

Of course our constitutional system is not perfect; no perfect system has ever been devised. But we have not found many ways to improve on the one we have, so we had better not abandon it. Instead, we should preserve it and cling to it.

On the last occasion when I spoke here, when we began to think about the Constitution and some of the developments that are apparent today, including court decisions and some of the proposals that come before Congress, but apparently ignore the Constitution and do not give it the weight, the consideration, and the reverence it deserves, I began to think of the old hymn "The Old Rugged Cross." I think there is a lesson to be learned from that hymn; I think it carries a spiritual message for us. I think it brings us a lesson of patriotism, too. In short, let us cling to the Constitution, not abandon it.

I wish that every citizen of this country would, upon sober reflection, realize what is involved in the issue now confronting us. I especially wish that every Member of the Senate would—as the Senator from Florida [Mr. HOLLAND] suggested a few minutes ago—engage in a reexamination of his position and of what heretofore have been his judgment and his decision, and would weigh them in the light of tomorrow and in the light of destiny and of the consequences, and then would determine to be at least on the safe side. No violence will be done to the Constitution by providing in the pending bill for a jury trial. In that event, no one will charge that the Constitution has been violated.

Several weeks ago the Senate voted 45 to 46 on the issue then pending. Forty-five of the ninety-one then voting felt that the Constitution requires that the pending bill guarantee a jury trial. They must have felt that way, or they would not have voted as they did. Many of them are in favor of civil rights as defined in the pending bill and as intended to be put into effect and enforced by means of the bill. Many Senators among those 45 would support the bill; but they do believe it is better to cling to the Constitution, rather than to cut loose from it and drift into practices and into legislation and court procedures that contravene the true letter and spirit of the Constitution.

I hope there will yet be a change of heart on the part of some Senators, because we cannot go wrong if we vote for what the Constitution requires. On the other hand, if Senators vote for something different, and merely hope it will not be in conflict with the Constitution, they take a clear risk. But the goal—as represented by the pending bill—certainly is not worth the risk of undermining the fundamental law of our land.

Mr. HOLLAND. Mr. President, the Senator from Arkansas is to be particularly commended for his point that the question before us is the single one of whether the Constitution does or does not require provision of the right of trial by jury; and that in this case it would not be proper for us to provide, in effect, "If the fine is more than a certain

amount, the Constitution does require a jury trial, and therefore in the bill we will provide for a jury trial; but if the fine is less than a certain amount, the Constitution does not require a jury trial, and therefore in the bill we will not provide for a jury trial." So I commend the Senator from Arkansas for making that point so clear. He has pointed out that if once we were to establish in this bill the principle that by fixing a dividing line not too high on the theory that the persons who were faced with punishment below that line would not be inclined to appeal or to raise trouble, we might save the court and the public a little expense, even though injustice would be done to some of our citizens, we would establish a clearly unsound precedent, and one which would be sure to be subject to extreme pressure for an enlargement of the principle to be applied to many other crimes, although not of the most serious sort, and eventually perhaps to be applied even to the most serious crimes.

So I hope the Senator's plea will fall on willing ears, because I do not see how we can divide the application of the Constitution to such an extent—namely, by specifying that its application will depend on the amount of monetary fines or on the number of days of incarceration.

Mr. McCLELLAN. I am sure that the Senator agrees with me that had the Founding Fathers and framers of the Constitution intended to permit such to be done, they would have so provided in the Constitution. They did permit trials without the right of a jury in civil actions where nothing but material substance—money or property—was involved, and where the value of the substance adjudicated was $20 or less. In such a case, neither litigant has the right of trial by jury. That limitation was spelled out for civil cases. Had the framers of the Constitution intended it to apply in criminal cases, I am sure they would have spelled it out in relation to criminal cases as they did in relation to civil cases.

If one has any doubt about the question, all he needs to do is merely ask himself the following question: Which is more sacred in the hearts and minds of the framers of our Constitution—a $20 bill or a day in jail or 5 days in jail or 10 days in jail? Which is more sacred, a $20 bill in a civil action or a $300 fine? Which is more sacred? No one can answer that question, and no one will dare say that our Founding Fathers regarded—and the provisions of the Constitution clearly manifest their regard—imprisonment upon criminal conviction, which carries with it a greater stigma less reprehensible than a case in which someone is sued for a debt of $20 or $25.

A defendant in such a civil action might contend that he did not owe the debt, but a jury might find that he did owe it. The result in such a case would not necessarily carry with it any stigma of dishonesty. In such a case there might be honest differences of opinion.

But in cases in which there is a statute or a court mandate that states "Thou shalt not," and that statute or mandate is violated, or it is charged that there has been a violation, and if the accused is adjudged guilty and serves time in jail, is not his right to a jury trial in such a case more sacred? How much further could the Founding Fathers, by the language of the Constitution, go in order to protect one so charged? How much more explicit would they try to be with respect to making certain that a man was not punished by being sent to jail than to make certain that $20 was not taken away from a defendant without the right of trial by jury? No advocate of the proposal to abandon the right of trial by jury for violation of the terms of the bill would contend that a $20 bill was more sacred to the framers of our Constitution than was a day, 10 days, or 45 days in jail.

Mr. President, I hope that the bill will never pass. I make that statement for many reasons. I could talk about those reasons at length if I could have an opportunity to rest my physical body and being in between times. I could discuss those reasons and not exhaust all of them. I could talk about them from now until the end of the present session of Congress.

The reasons are unlimited, and we could talk about them at great length. We could expound upon them from now on as to why the bill as a whole should not pass. But it seems to me that if tomorrow, next week, a month from now, or at any time in the future we are able to secure the adoption of an amendment which would provide the right of trial by jury, while the bill will be condemned and should be, the battle that we have waged for 64 days—and even if we waged it for 94 or 104 days—to secure that one amendment, our efforts will not have been in vain. We shall have accomplished something. We shall have preserved one of the fundamentals of American freedom in our basic jurisprudence.

Surely we ought not to pass the bill, but I shall not regret a moment that I have spent on the floor of the Senate or in conference, or any effort that I have made, even if the debate should run continuously, if we succeed in having such an amendment adopted. I will know that those of us who stand here and oppose the measure and point out these deficiencies in it will have the consolation of knowing that our collective efforts were not in vain, and that we salvaged something from what I believe is an iniquitous measure.

Mr. President, the right to trial by jury was considered by the great men who founded this Nation as a basic and vital part of representative government 177 years ago. Thinking and dedicated men today still consider it as important as did our Founding Fathers when they provided for the right of trial by jury.

For example, I point out a statement which was made by Supreme Court Justice Walter R. Hart of the Supreme Court of the State of New York 7 or 8 years ago, as I recall, on the occasion of his approval of the certificate of incorporation of the "Committee for the Preservation of the Constitutional Right to Trial by Jury, Inc." That statement was reprinted in the February 1956 issue of a publication called the Plaintiff's Advocate, a quarterly publication which is the official organ of the New York State Association of Plaintiffs' Trial Lawyers. I wish that the Senators from New York would read that statement and be influenced by it, because the organization also serves as a New York affiliate of the National Association of Claimants' Attorneys, consisting of some 7,000 attorneys in all of the States and Puerto Rico.

In granting the certificate of incorporation to the Committee for the Preservation of the Constitutional Right to Trial by Jury, Inc., Justice Hart reviewed the statements and observations of many outstanding jurists in behalf of trial by jury, as well as those of some of the recent critics of that institution. He then concluded with the following statement:

> Not a single logical reason has been advanced for the proposal to discontinue the right to a trial by jury in personal injury actions.

This statement was made in respect to the right of trial by jury in civil cases. As I previously said, I believe it is far more important to preserve the right of trial by jury in criminal cases than it is in civil cases, but I insist that it should be preserved in both. I quote further:

> I do not believe that the citizens of our great State will ever sanction such action solely upon the theory that to retain such right will involve the expenditure of money.

Some people argue that, "We ought to do away with the jury trial. It is cumbersome and expensive. We have to pay the jurors. It is not necessary, because we have to pay the courts, and they have to be present all the time. Let the courts decide it." That is contrary to my concept of what the Constitution intended, and what the Constitution means. And I shall not vote to disregard it.

Again, I say that I shall cling to the Constitution. I quote further from that wonderful address:

> One of the grievances against King George the Third in the Declaration of Independence was that he had deprived us "in many cases of the benefits of trial by jury."

That was one of the complaints. That was one of the grievances that our Founding Fathers had against the mother country—that we were being deprived of the right of a trial by jury in many instances. I quote further:

> This precious heritage, secured for us at the price of the blood of our ancestors, should not be sacrificed on the altar of economy.

If it should not be sacrificed on the altar of economy, neither should it be sacrificed on the altar of expediency—political expediency, or any other kind of expediency. It ought not to be sacrificed.

The judge then stated further:

> To argue to the contrary would be as illogical as to contend that the right of the citizens to vote should be curtailed because the increased population required new polling places and additional election officials.

Everyone will say, "Let us provide new polling places. Let us get everyone to vote. Let us spend more money." With a larger population today, it costs more money to hold an election than it did some years ago. But no one is contending that in order to reduce Government

expenditures, we should eliminate polling places or refuse to provide any more. We encourage voting. We spend more money. It is an obligation. Therefore, the bill seeks to deal with the issue of the right to vote.

The right of a trial by jury is about as precious as the right to vote. We can deny a man the right to vote, and he does not go to jail. We can deny a man the right to vote and assess no penalty against him. But when we deny a man the right of a trial by jury, we may subject him to the arbitrary judgment, decision, and penalty imposition by a judge who is the one who accused him of the offense in the first place.

I do not see how people can insist that one ought to have the right to vote, and at the same time say that the defendant in a criminal proceeding should not have the right of a trial by jury. If one is the essence of liberty—the right to vote—certainly the other is the essence of freedom—the right to a jury trial before anyone should be convicted and incarcerated in prison.

I certainly agree with what the judge said:

To argue to the contrary would be as illogical as to contend that the right of the citizens to vote should be curtailed because the increased population required new polling places and additional election officials.

The judge said further:

I cannot agree that a jury trial, while important in a criminal action, is unnecessary in a civil action.

He took the position that he assumed that while everyone thought it was important in a criminal case, he thought it was also of great importance in civil actions.

He said further:

I have witnessed, during my years at the bench and bar, the horrible tragedies that have fallen upon plaintiffs in civil actions, and their families, where accidents have resulted in loss of life, limbs and eyesight. There have been carried into our court on stretchers, wheeled in on wheelchairs, walked in on crutches or artificial limbs, plaintiffs who claimed that their injuries were due to the negligence of a defendant. It certainly cannot be disputed that the impact of an unfavorable result would be far more drastic than a conviction would be to a defendant in the majority of cases where he stands accused of a crime.

No other example need be cited to emphasize the importance of a jury in a civil action than the one referred to by Mr. Justice Botein.

Mr. Justice Botein is now a member of the New York Supreme Court appellate division. Justice Botein was quoted as follows:

I should like to see engraved over the portals of our new courthouse the immortal words "The right to trial by jury as heretofore used shall forever remain inviolate."

But should we fail our ancestors who gave their lives to preserve for us this precious right, should we permit it to be abridged and in time wither and die, as it descends in silence to the grave let no man write upon its tomb a single word. When the years have passed and the impact upon our democracy shall have been fully realized, if I do not greatly deceive myself, impartial posterity will inscribe an epitaph on that tomb, expressive of profound veneration.

Gentlemen, it is with a feeling of satisfaction that I sign this certificate of the Committee for the Preservation of the Right to Trial by Jury, Inc.

Make no mistake about it. There are those who favor the civil rights proposal generally, and who may go, in other respects, as far as the provisions of the bill would go, but who have warned us heretofore of the danger of undertaking to abolish the right of a trial by jury.

Mr. President (Mr. METCALF, Acting President pro tempore in the chair), they have warned us of its sacredness, of the price that was paid in blood by our Founding Fathers for the establishment of the right to a trial by jury. It is one of the reasons which gave rise to the Declaration of Independence, a reason which warranted its inclusion as a grievance against King George III because of its denial to the Founding Fathers in colonial days. Every reason to justify and warrant them to name it as a grievance against the British King at that time, continues to exist today as the reason why it should not be abolished.

Human nature has not improved greatly since then. Men are no more perfect in integrity today than they were in the days of the founding of our Government. We cannot say that a judge is more perfect today, more capable of meting out justice, more learned, has more integrity, or can be trusted more than those of long ago.

This issue deserves continuous debate until we awaken to the realization of the harm we are about to do if we take away this precious right. So, Mr. President, I have no apology to make for standing on the floor of the Senate and consuming the time that my strength will permit. With deference to other Senators who may wish to speak, I have no apology for the time that I consume in discussing this issue, and in reminding Senators of the great jurists of our day—many of them of the present day—and others who, throughout the ages since this Government was established, have contended that the right to trial by jury is one of the greatest liberties, one of the greatest rights, and one of the most sacred ever secured to its citizens by the Constitution.

I cannot speak with the eloquence of the authors from whom I shall quote, but I declare my complete faith and unequivocal agreement with the great truths which they have spoken.

So long as the pending bill remains an issue in the Senate, I intend to make this record, not with my thoughts alone, not with my judgment as against those who may disagree with me, but to fortify and reinforce my opinion with that which has been expressed by the great jurists of our country, and by great liberals, as well as others who may be conservative and who have a deep conviction, and unswerving conviction, of the importance of the right to trial by jury.

I read now excerpts from a recent book written by Charles W. Joiner, dean of the Law School of the University of Michigan.

It is absolutely inspiring to go back to the comments of others and read what they have said about jury trial before this issue came to the Senate.

Under the title "The Constitution, the Supreme Court, and the Jury," Dean Joiner says in his book:

In this complex country with the central Federal Government and 50 separate State governments, it is difficult to generalize about the jury. There are, however, a number of common grounds upon which it can be discussed.

First, most States have a specific constitutional provision concerning the jury which is worded somewhat like this: "The right to jury trial shall remain inviolate."

Those are very strong words. I do not know how one could possibly write any stronger.

"Shall remain inviolate" means that it shall endure, that it shall not be taken away, that it shall not be tampered with, that it shall be sacred, and that it shall be preserved.

Dean Joiner continues:

This provision and those like it apply to State courts and have no effect upon the Federal courts.

Mr. President, I believe all the Thirteen Colonies had a comparable provision written into law in their States under the Federation of States before the Constitution was adopted. In the Constitutional Convention it was made certain that the right to a trial by jury would remain inviolate.

Dean Joiner continues:

Second, in the Constitution we find the following provisions having bearing on the right to jury trial.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks, the 6th, 7th, and 14th amendments to the Constitution.

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

AMENDMENT VI

In all criminal prosecutions, the accused shall enjoy the right to a speedy and public trial, by an impartial jury of the State and district wherein the crime shall have been committed, which district shall have been previously ascertained by law, and to be informed of the nature and cause of the accusation; to be confronted with the witnesses against him; to have compulsory process for obtaining witnesses in his favor, and to have the Assistance of Counsel for his defense.

AMENDMENT VII

In suits at common law, where the value in controversy shall exceed twenty dollars, the right of trial by jury shall be preserved, and no fact tried by a jury, shall be otherwise reexamined in any Court of the United States, than according to the rules of the common law.

AMENDMENT XIV

SECTION 1. All persons born or naturalized in the United States, and subject to the jurisdiction thereof, are citizens of the United States and of the State wherein they reside. No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any State deprive any person of life, liberty, or property without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws.

SECTION 2. Representatives shall be apportioned among the several States according to their respective numbers, counting the whole number of persons in each State, excluding Indians not taxed. But when the right to vote at any election for the choice of electors for President and Vice-President of the

United States, Representatives in Congress, the Executive and Judicial officers of a State, or the members of the Legislature thereof, is denied to any of the male inhabitants of such State, being twenty-one years of age, and citizens of the United States, or in any way abridged, except for participation in rebellion, or other crime, the basis of representation therein shall be reduced in the proportion which the number of such male citizens shall bear to the whole number of male citizens twenty-one years of age in such State.

SECTION 3. No person shall be a Senator or Representative in Congress, or elector of President and Vice-President, or hold any office, civil or military, under the United States, or under any State, who, having previously taken an oath, as a member of Congress, or as an officer of the United States, or as a member of any State legislature, or as an executive or judicial officer of any State, to support the Constitution of the United States, shall have engaged in insurrection or rebellion against the same, or given aid or comfort to the enemies thereof. But Congress may by a vote of two-thirds of each House, remove such disability.

SECTION 4. The validity of the public debt of the United States, authorized by law, including debts incurred for payment of pensions and bounties for services in suppressing insurrection or rebellion, shall not be questioned. But neither the United States nor any State shall assume or pay any debt or obligation incurred in aid of insurrection or rebellion against the United States, or any claim for the loss or emancipation of any slave; but all such debts, obligations and claims shall be held illegal and void.

SECTION 5. The Congress shall have power to enforce, by appropriate legislation, the provisions of this article.

Mr. McCLELLAN. Mr. President, Dean Joiner continues:

Obviously, by their terms the sixth and seventh amendments apply to Federal courts. The question of whether they also apply to States through the 14th amendment will be discussed later.

Then under the title, "The Jury in Federal Courts—Meaning of Jury Trial," Dean Joiner states:

When our Constitution was adopted, the jury was a reasonably sophisticated institution in England. It was thought so highly of by the framers of the Constitution that two of the provisions of the Bill of Rights were devised specifically to protect the right of citizens to a jury trial, the sixth amendment in criminal cases, and the seventh amendment in civil cases. Significant aspects of trial by jury have been discussed by the Supreme Court in defining the more general terms found in these amendments. In the 1899 case of the *Capital Traction Company* v. *Hof*, which was appealed from an inferior tribunal, the question was raised whether a constitutional trial by jury could be held before an inferior tribunal.

The opinion of the Supreme Court in this case added substance to the seventh amendment. The Court held that a constitutional trial by jury required the jury to be in the presence and under the superintendence of a judge empowered to instruct them in the law, to advise them on the facts, and to set aside their verdict if he felt that it was against the law or the evidence. This important case illuminated the nature of the partnership existing between a judge and jury.

At an earlier time the Supreme Court had held that the words "trial by jury" as used in the seventh amendment required a unanimous verdict.

The Court has also held that the word "jury" necessarily involves 12 persons who are reasonably impartial in the case. The Court has reasoned that if there could be fewer than 12, there is no reason that 1 would not be enough; this would destroy the very meaning of the word "jury."

To say that one judge can take the place of what the Constitution says should be a jury, destroys the meaning of the word "jury" in the Constitution.

Since 12 was the number of people on an English jury when the dual court system was transplanted in America, 12 is the number required by the seventh amendment to the Constitution.

To summarize, the seventh amendment as interpreted by the Supreme Court provides for a jury comprised of 12 persons, not necessarily men, a unanimous verdict, and a trial in the presence and under the superintendence of a judge empowered to instruct them on the law, to advise them on the facts, and to set aside a verdict if he feels it is against the law or the evidence. Thus, trial by jury in the Federal courts preserves the distinction between the judge and the jury, giving the judge the right to expound the law and to apply it in the final analysis, and giving to the jury the right to find the facts and apply them to the law as given by the judge.

Although the Supreme Court has given distinct form to jury trial and meaning to the term "trial by jury," the latter is not and never has been a completely unchanging concept. This is best pointed out by citing two cases.

In *Walker* v. *Southern Pacific Railroad*, the plaintiff brought an action against the railroad for injuries. The jury returned a general verdict in the plaintiff's favor, but also answered some special questions which were inconsistent with the general verdict. The judge entered judgment for the defendant on these special findings instead of for the plaintiff on the general verdict, and the Supreme Court of the United States affirmed, holding that an act of the legislature changing the form in which a verdict may be rendered and giving primary force to the answers to special questions is not inconsistent with the right of trial by jury. Justice Brewer said: "the seventh amendment, indeed, does not attempt to regulate matters of pleading or practice, or to determine in what way issues shall be framed by which questions of fact are to be submitted to a jury. Its aim is not to preserve mere matters of form and procedure, but substance of right. This requires that questions of fact in common-law actions shall be settled by a jury, and that the court shall not assume, directly or indirectly, to take from the jury or to itself such prerogative. So long as this substance of right is preserved, the procedure by which this result shall be reached is wholly within the discretion of the legislature, and the courts may not set aside any legislative provision in this respect because the form of action—the mere manner in which questions are submitted—is different from that which obtained at the common law."

We could recite illustration after illustration of the fact that this is the right which the Constitution guarantees. It is the right which many State constitutions require to be inviolate. It was the intention of the Founding Fathers, who framed the Constitution, that it should be inviolate.

Mr. President, one of my colleagues wishes to address the Senate this afternoon. I am also apprised that it is not intended to have the Senate remain in session very late. In order to accommodate my colleague, I shall have to be content with this abbreviated address and hope that I shall have the opportunity at some time in the future to conclude it. If I have that opportunity, I shall produce and continue to produce supporting, reinforcing evidence, in the form of the opinions of the greatest jurists of our country, of the value of trial by jury.

There is almost unlimited material to sustain and support the position we are taking in regard to amending the bill in this vital area. I hope this material will be persuasive; and I hope that if ever again this issue is voted on by this body, the right of trial by jury will be overwhelmingly sustained. I hope that an appropriate amendment will be adopted, to make certain that the Constitution is still alive and in force and will serve those who in the future might be accused of criminal contempt growing out of this bill, if it were to be enacted. Of course I hope the bill will not be enacted; but if it is enacted, or regardless of whether it is enacted, I hope a jury trial amendment will be adopted.

After a jury trial amendment to the bill is adopted, and regardless of whether the bill as thus amended is ever enacted, but immediately upon adoption of a jury trial amendment, I hope the recording angel of heaven will dip the tip of his wing in a golden fountain, and will write, for all eternity, across the face of the dome of this Capitol that henceforth no Congress of the United States shall ever again tamper with, abridge, or nullify the right of American citizens to trial by jury, as now expressly guaranteed by the Federal Constitution. I hope this will be the last attempt of that sort, and that hereafter no citizen will ever have to be disturbed or concerned about any proposed legislation designed to deny him this right and to destroy this great heritage that has been ours, which we should preserve and pass on to our posterity.

Mr. LONG of Louisiana. Mr. President, at this point will the Senator from Arkansas yield for a question?

Mr. McCLELLAN. I yield.

Mr. LONG of Louisiana. Is the Senator from Arkansas familiar with the provision of the bill which not only would allow the Attorney General to deny a defendant the right to be tried by a jury, but, in the event the Attorney General found that the available judge—who might even be one who had been appointed on the recommendation of the Attorney General—might decide for the defendant, also would allow the Attorney General to bring in several other judges—in short, would permit him to take his pick?

Mr. McCLELLAN. Yes; and I thank the Senator from Louisiana for his question.

Mr. President, I have just observed the absence of a quorum.

The ACTING PRESIDENT pro tempore. The absence of a quorum has been suggested; and the clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

[No. 252 Leg.]

Aiken	Bartlett	Boggs
Allott	Bayh	Cannon
Anderson	Bennett	Carlson

Case	Kuchel	Pearson
Church	Long, Mo.	Proxmire
Cooper	Long, La.	Randolph
Cotton	Magnuson	Robertson
Dirksen	Mansfield	Saltonstall
Dominick	McCarthy	Smathers
Douglas	McClellan	Smith
Gruening	McIntyre	Sparkman
Hayden	McNamara	Symington
Hickenlooper	Metcalf	Walters
Holland	Miller	Williams, N.J.
Humphrey	Monroney	Williams, Del.
Inouye	Mundt	Yarborough
Jordan, Idaho	Muskie	Young, N. Dak.
Keating	Neuberger	Young, Ohio

The ACTING PRESIDENT pro tempore. A quorum is present. The Senator from Virginia [Mr. ROBERTSON] is recognized.

Mr. ROBERTSON. Mr. President, I ask unanimous consent that I may yield to the distinguished Senator from Texas [Mr. YARBOROUGH] without losing my right to the floor.

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

CURTAILMENT OF POSTAL SERVICES UNWARRANTED

Mr. YARBOROUGH. Mr. President, I thank the distinguished Senator from Virginia for yielding to me for this purpose.

Mr. President, as every Senator knows, our constituents are not reluctant to make known their views on how the Government is being run. Of late, there appears to be hardly any Government action arousing so much protest as the recent action of the Post Office Department in cutting back its parcel post and window service.

The problems caused by the curtailment of window service are particularly acute. Whole metropolitan areas are left without any means of stamp or money order purchase after regular business hours. This strikes right at the needs of the great majority of people—those whose jobs prevent them from getting to the post office until evening or Saturday afternoon.

My constituents do not understand why this curtailment in services should follow so soon after the raise in postal rates which Congress voted several months ago. The Post Office Department's purpose is service to the public, but it is about to eliminate service to them at the only convenient time the public has to obtain these services.

I questioned Postmaster General Gronouski about this matter during the Post Office appropriations hearings last Friday. The yearly savings to the Post Office of cutting these important services is only $8.8 million a year, a very minor fraction of 1 percent of the Post Office budget. If the Post Office Department will not act to correct its error in cutting these services, Congress should make sure that the Department is given a strong directive in this matter on behalf of the public.

The Washington Post on May 23, 1964, pointed out the effects this action was having on this great metropolitan area, effects typical of those being experienced all around the country. The Post correctly states:

These services are central to the operation of our whole economy, and the administration has no right to cut them off merely to save a little money.

I ask unanimous consent that this editorial be printed in full at this point in the RECORD.

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

INSUFFICIENT POSTAGE

Even the Post Office Department seems to have forgotten, in this age of electronics, that it is providing essential services to the people of this country. If the Department had not forgotten the importance of its job, it would never have ordered the severely damaging reductions in its operations that went into effect this month.

For the first time in memory, post office service is cut off throughout the entire metropolitan area at 5 p.m. sharp. The only exception, a meager and insignificant concession to the well justified public protests, is the one window at the Main Post Office that is held open until 6 p.m. Every window in every post office is shut tight from 12:30 p.m. Saturday until 8:30 a.m. Monday, 44 hours with no service whatever. The new hours make the windows totally inaccessible to anyone who works from 8:30 a.m. to 5 p.m., as most people do, and these people consequently have no opportunity to register a letter, or to buy a money order, or to mail a package. These services are central to the operation of our whole economy, and the administration has no right to cut them off merely to save a little money.

No doubt the curtailment of service will save $12.7 million. No doubt the telephone companies could save money by turning off the phones at 5 p.m., and no doubt the electric companies could save money by turning off the power at 5 p.m. But these are services that citizens need at night as well as during the day, and continuous service is worth the small cost. Postmaster General Gronouski plans to make a new statement on Monday. At the minimum, this city needs one window open in every substation until 6 p.m., and a resumption of 24-hour service at the Main Post Office.

Mr. HUMPHREY. Mr. President, I wish to join in the statement of the distinguished Senator from Texas. I have been very much upset over the fact that these services are to be curtailed.

It seems to me that this is a false economy. It surely does not help the American economy upon which the revenues of the Government depend. The Senator is most timely in his remarks. I merely want the RECORD to show that the Senator from Minnesota agrees with him. I would hope that other Senators would speak up so that this type of alleged economy could be put in its proper perspective, and that either Congress would take action on its own, or the administration would reverse its position.

Mr. YARBOROUGH. I thank the distinguished Senator from Minnesota. I think he is exactly correct. I am glad to have the majority whip add his voice, which is heard widely all over the country. It will have a great influence.

I have been back in my State a number of times recently. The people are unanimous in their opinion that they need this service. They are unanimously opposed to a cut in these essential services.

Mr. McNAMARA. Mr. President, I am happy to join in the remarks of the Senator from Texas. His remarks are most timely. The Senator pointed out that the savings involved are $8.8 million a year.

Mr. YARBOROUGH. Out of a $5 billion budget.

Mr. McNAMARA. That is correct. And the savings of $8.8 million would not only mean that the Department would not be in a position to serve people, but they would not be able to sell stamps, and thus no part of the $8.8 million would be recouped by having the service available to the people.

Mr. YARBOROUGH. I thank the senior Senator from Michigan for pointing that out. I did not have that in my remarks. It is a good point. There would be more revenue coming in by merely keeping the services available to the people.

Mr. McCARTHY. We should make one additional point, that it is accepted in the United States that our great productivity in part comes from our technology and skill of our workers, but what is left out of consideration is the fact that these things would mean very little if it were not for communications and transportation. Certainly, the postal service and other forms of communication contribute—I will not say as much productivity—but it is a vital part of the total operations of the economy, and we should not curtail a function as important as the postal service.

Mr. YARBOROUGH. The Senator from Minnesota brings out a strong economic factor. The part it plays in the success of the economy is demonstrated by the fact that the American postal system handles 68 billion pieces of mail a year. That is more mail than all the rest of the world combined. As to the phase of transportation, 20 cents out of every dollar spent in America goes for transportation. So I believe that in the great success of the American system, productivity is only a part. There are distribution, communications, transportation, and the mails—which is one of the most vital of all, and extremely important.

Some post offices used to be open 24 hours a day. I myself used to work until 1 or 2 o'clock in the morning. I could go down to the post office and buy special delivery stamps, and I would see other people there. The day before yesterday I received a letter from one of my constituents, a lady, stating that she had been to the post office to buy some stamps. She had to stand in line for a very long time. There was only one window open for selling stamps. But the clerk was courteous and apologized and stated it was an economy measure that necessitated the closing of the other windows. This lady was sending me a letter of protest.

Mr. HUMPHREY. What day was that?

Mr. YARBOROUGH. One day last week.

Mr. HUMPHREY. Was it on a Saturday?

Mr. YARBOROUGH. No, it was not a Saturday. The windows are always closed on Saturday.

Mr. HUMPHREY. I know.

Mr. YARBOROUGH. This was a week day. This was a working day.

Mr. HUMPHREY. Let me say to the Senator from Texas that out in my part of the country, if we were to close up a store on Saturday we might just as well start writing a ticket for bankruptcy. If the Post Office Department wants to maintain some degree of fiscal responsibility and solvency, I suggest that it keep its windows open as long as there is any business. I have never known of any businessman making any money by closing up his shop.

Mr. YARBOROUGH. That is a cogent observation. I point out further that the Senator from Minnesota has had extensive experience, particularly in the States of South Dakota and Minnesota, in the smaller towns; and he knows that some of them have no banks, and that the post office virtually serves as the bank.

If one checks the record of money orders sold, he will find more money orders sold in small towns without banks than in those which have a bank.

Mr. HUMPHREY. On the subject of money orders, the post office would close its money order department rather early out in my hometown, during the dark days of the depression, so that when we needed a legitimate way to make a dollar my father established what we called the "Humphrey money order department."

I never realized that one could make such a good profit out of writing one's name on a piece of paper. If the post office is going to close, we shall be more than glad to take care of that business.

Mr. YARBOROUGH. I have stated facts on the floor of the Senate today. What I am listening to now is hearsay. But after I protested before the committee, a citizen of my State came by and stated that the Seven-Eleven chainstores which open at 7 a.m. and close at 11 p.m. each day sell many money orders. They charge a fee for writing them and make enough money off the money orders to keep the store open until 11 o'clock at night.

Mr. ROBERTSON. I am much interested in this colloquy because I am chairman of the subcommittee hearing this appropriation, and I expect that in my position I have received more complaints along this line than anyone else.

Unfortunately, the distinguished Senator from Minnesota was talking about private enterprise. One does not have a store with a monopoly which closes on a Saturday and does not open until Monday, but the Federal Government has got a monopoly on this Post Office business. We have put too much stress, I fear, on free delivery in the city and rural free delivery in the country. We have increased the salaries of postal workers in the last 20 years $2.2 billion a year. That lacks much of being free. It is not free any more. I realize that. No one likes to have to pay 5 cents for first-class mail with all the other categories being increased from 60 to 100 percent and then get such poor service.

The point I should like to emphasize is that the cost of operating the Post Office Department has been going up and up, by leaps and bounds, and we have put a little too much emphasis on free delivery, free this, that, and the other. We furnish between $450 to $500 million in service to religious organizations alone. We even put the REA's in the other day.

We must recognize the fact that the post office business is not free any more. The only purely socialistic thing written into the Constitution was written in by Benjamin Franklin and he did it because he had contracts to carry the mail in Pennsylvania and he charged 35 cents to carry the mail into a part of Virginia. Later, he was in favor of letting the Government have the monopoly, and carry the mail everywhere because it could be done more cheaply.

His theory was correct, but then we started to permit too much free delivery in the city and too much free rural delivery in the country, so that it was not panning out.

Now we have a department of Government which spends more than any other industry in the Nation. Only General Motors, I believe, has more employees than the Post Office Department—I believe it is 24,000 more. There is no business in the world as large as our Post Office Department, but it is treated as the repository for political patronage.

Every time there is a change of Presidents, the Postmaster General is thrown out before he learns how to operate the business, another one is put in. I shall not go into more detail about it, but who would not expect the biggest business in the world to go into the red if it were to be treated as a residue for political patronage? We must stop talking about free delivery and rural free delivery and say, "All right; if we are to do all these things, if everybody is to be satisfied with the Government, we shall have to go down into our pockets and pay for it."

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield. The Senator from Texas yielded to me. When I speak, I expect to speak on another subject.

Mr. YARBOROUGH. I thank the distinguished Senator from Virginia. I had completed my remarks.

The ACTING PRESIDENT pro tempore. Does the Senator from Virginia yield to the Senator from Louisiana [Mr. LONG]?

Mr. ROBERTSON. I am glad to yield to the Senator from Louisiana, with the understanding that I shall not lose my right to the floor.

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

Mr. LONG of Louisiana. I wonder if it would be fair to let them spend as much as they take in, and let them charge as much as they wished, but not let them charge the public any more than they take in. I wonder whether the Senator would consider such a proposal; namely, that we stop their handing us an annual deficit check, and let them spend whatever they take in, and let them charge whatever they wish to charge for their services.

Mr. ROBERTSON. That might leave too much discretion to the Postmaster General. The Postmaster General used to be the top political adviser to the President. The Senator knows how we have subsidized newspapers and magazines, and what we used to call the junk mail. The Post Office Department has never actually gotten its hands on any of the money that has come in. It goes into the Treasury. We must appropriate whatever the Post Office Department spends. After all, it is a problem of Congress. We fix the rates. We determine the services. We in effect tell them what they can do and what they cannot do. The problem comes back into our laps. Perhaps that is the best place for it to be.

Mr. LONG of Louisiana. Might it not be well to provide some competition for the Post Office, and to let the Post Office meet a little competition, by letting it spend whatever it takes in, and then not have it ask us to pick up the deficits?

Mr. ROBERTSON. I do not know. These regulatory matters are for the consideration of the Committee on Post Office and Civil Service. I suggest that the Senator submit the suggestions to the committee.

Mr. President, I ask unanimous consent that I may yield to the Senator from New Jersey, without my losing the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

INVESTIGATION OF ROBERT G. BAKER BY THE COMMITTEE ON RULES AND ADMINISTRATION

Mr. CASE. Mr. President, the editorial pages in newspapers throughout the country are still hammering away at the point I have repeatedly made that the Senate has not completed its task in the Bobby Baker investigation. I ask unanimous consent that more samples of this editorial commentary be inserted in the RECORD at this point.

There being no objection, the editorials were ordered to be printed in the RECORD, as follow:

[From the Paterson (N.J.) News, Apr. 24, 1964]

MANY FACES OF REALITY

One thing must be said for Senator J. W. FULBRIGHT. The chairman of the Senate Foreign Affairs Committee gave other politicians a new opening to destroy other myths and embrace other realities, when he called on the country to reject the myths and realities of its foreign policy toward communism and especially its manifestations in Cuba and Panama.

Senior New Jersey Senator CLIFFORD CASE found some myths closer to home. He called on fellow Senators to reject the myth of immunity and face the reality that all Senators are tainted with the imminent whitewash of former Senate Majority Secretary Bobby Baker. CASE urged them to purge themselves of the mess by telling what, if any favors, Baker had done for them. As he has urged for several years, Senator CASE wants them to go even further. Did they ever make some money through Baker, did they ever bask in the light of his munificence? Why, he urges, not have the Rules Committee ask the Senators for the information that can't be gotten from Baker.

Then Gov. Nelson A. Rockefeller, campaigning in California, told the Republican Party whose presidential nomination he seeks, it must decide whether to face the realities of modern life or succumb to nostalgic nostrums of a past that never was. He was trying to shift the State's loyalty from his opponent, Senator BARRY GOLD-

WATER, spokesman of the conservatives, to his own liberal philosophy.

Without agreeing with FULBRIGHT, we respect his adroitness with words. Both parties are finding that the grim realities have many faces, and that the American people want satisfactory answers to all of them.

[From the Los Angeles (Calif.) Times, May 11, 1964]

ALL IS QUIET ALONG THE POTOMAC

Proposals by Senator CLIFFORD CASE, Republican, of New Jersey, for continuing the Bobby Baker probe make so much sense that the investigating committee probably won't touch them with a 10-foot pole, in public anyhow.

Baker, former secretary of the Democratic Senate majority, was revealed as a politico-financial wheeler-dealer. He resigned in haste when his curious investment portfolio came to light.

Senators immediately voted to investigate, to learn if this former employee had improperly involved their august body in his fiscal manipulating. Some cynics suggested that the Baker inquiry would be the most vigorous noninvestigation in legislative history, because Baker was the onetime No. 1 protege of a Senate majority leader named Lyndon Johnson.

But the cynics just did not know Senator B. EVERETT JORDAN, Democrat of North Carolina, the probe committee chairman. He mercilessly flayed key witnesses with the sharp edge of a rose petal. His evasive action, whenever it seemed impossible to avoid finding out something about Baker's operations, was incredibly deft. After 5 months of relentless probing, the committee had managed to create a reasonable doubt that anybody named Bobby Baker ever lived.

Now Senator CASE wants to spoil everything. He notes that the purpose of the probe was to find out if the Senate was improperly involved in Baker's peccadilloes. He suggests that JORDAN simply ask all 100 U.S. Senators, in writing, what dealings they had had with Baker.

No wonder Senator JORDAN is preparing to bury CASE's suggestion under a closed hearing. Senator CASE has been around long enough to know that logic and commonsense have no place in a delicate affair like this. It is outrageous and irresponsible to hint that the public has a right to know what public servants are doing. Public hearing, indeed.

Anybody with any understanding knows Baker was just running a pilot program, fighting poverty his own way. Sort of an unsung hero, when you come right down to it—and nobody else will be allowed to sing, either.

[From the Hartford (Conn.) Times, May 14, 1964]

SENATOR CASE CALLS A SPADE A SPADE

Senator CLIFFORD P. CASE, of New Jersey, put the Senate Rules Committee on the spot—in public—the other day. Spearheading a Republican move to get the Bobby Baker case out from under the protective blanket of senatorial courtesy, he said, "This committee (he is not a member but was appearing at a public session) has a sacred duty to go out and get the facts, not just to sit here and listen to what people come and tell it."

Senator B. EVERETT JORDAN, the North Carolina Democrat who heads the committee, had just commented that the committee had heard many witnesses without any testimony that indicated business dealings of any kind between Baker and any Senator except one small land sale many years ago.

Senator CASE put his finger on the soft spot in the committee's self-defense. No detective on a city police force would be worth his salt if he just sat in his office and waited for people to come in and tell him about the wrongdoings of their neighbors and themselves. He has to get out, ask embarrassing questions, look for fingerprints, and poke through heaps of debris to find the truth.

Senator CASE proposed that the committee ask each Senator whether he had ever had any business with Baker, and if so, what it was. He also suggested another question about whether Baker had ever performed any valuable service for a Senator.

Either there are Senators who have had unethical dealings with Baker or there are not. If there are not, an efficient investigation would clear the air. If there are, the people should know about them and the Senate should discipline the wrongdoers and change its rules to prevent any such misfeasance in the future. Let's have a real investigation, not just a gesture.

This is an inconvenient time for Senators up for election to be questioned, but the people's interest comes first. Even if, as whispers and rumors say, President Johnson might be embarrassed, so be it. So far, nothing more embarrassing has been uncovered than that a former protege of the former Senator Johnson went sour.

[From the Bridgeport (Conn.) Post, May 14, 1964]

BAKER CASE IS PUSHED

Republicans in Washington have finally gotten around to demand a reopening of the Bobby Baker case, and reports say they are getting some strong Democratic support.

Their new move calls for the interrogation of U.S. Senators who may have had financial dealings with the former secretary of the Senate majority. Noisy partisan strife marked the presentation of this demand by Senator CLIFFORD CASE, New Jersey Republican. Although not on the Rules Committee, the Senator has been a bitter critic of the probe which appeared to have been whitewashed.

Senator JOHN J. WILLIAMS, Delaware Republican and one of the most serious men in the Chamber, started the Baker investigation last October, and last month in an address to the Nation's editors, he pledged that he would leave no stones unturned to dig out the facts on Baker, and he wasn't at all concerned what was discovered about persons in high places.

The rules chairman, Senator B. EVERETT JORDAN, North Carolina Democrat, has frequently opposed such moves as the one just made, asserting that the committee is not investigating Senators. Not specifically, to be sure, but if the inquiry into the facts he says he wants shows that a Senator was improperly involved with Baker, that Senator should be made to talk.

[From the Hartford (Conn.) Courant, May 15, 1964]

SENATOR CASE RESENTS THE BOBBY BAKER CLOUD

The appearance of Senator CLIFFORD P. CASE of New Jersey, before the Rules Committee of the Senate was no more effective in reopening the Bobby Baker case than he probably expected it to be. But it was effective in another way: It gave the country the picture of one honest and angry Senator who was upbraiding his colleagues for permitting themselves to be put under a cloud by the young wheeler and dealer, and who resents that fact.

Senator CASE went before the Senate committee with the request that every Member be asked to tell of his dealings with Bobby Baker. That was a cause foredoomed, as was the prospect of reopening the investigation. To do that would mean calling in Walter Jenkins, personal assistant to the President, to set the record straight on what appears to be perjured testimony. That is too much to expect of a political party during an election year.

The American people are inclined to be cynical about such matters. They tend to believe that all politicians are crooks, and that one party is as bad as the other. Such a group condemnation is of course, unfair. There are some honest and devoted men in the Senate. But the Senate as a group has permitted itself to be denigrated by its unwillingness to grasp the thistle of the Baker case, and instead to duck and dodge it—knowing all the while that Members of the Senate were deeply involved.

It is reported that the venerable counsel for the Rules Committee was somewhat shocked at what he learned of the Senate's activities, and is preparing a conflict-of-interest recommendation that would, among other things, require a financial statement of outside financial dealings and income from the Senate. If by some remote chance this were to be adopted, then the Bobby Baker case would at last have been worth something.

[From the Rocky Mount (N.C.) Telegram, May 16, 1964]

BAKER CASE NOT COMPLETE

It seems that an attempt has been made to sidetrack the main item of concern in the Senate-Baker controversy. Republican attempts to get the Baker investigation extended to include activities of Senators themselves are met with the contention that the Senate Rules Committee was not given the authority to do this.

Senator JOHN WILLIAMS, spearhead of the move to extend the Baker case, and other Republicans have maintained that the original resolution, the one that led to the Baker inquiry, also gave the Rules Committee all the authority it needed to investigate Senators. But when Senator CLIFFORD CASE appeared before the committee several days ago to press his proposal for a questionnaire for each Senator, Special Counsel L. P. McLendon ruled the committee has no legal basis to investigate Baker's handling of campaign funds for Senators.

This brings up the question: Why not make the changes necessary to give the committee the power to investigate activities of Senators? And that is precisely what Senator WILLIAMS did: He introduced a sweeping amendment to his original resolution giving the committee power to investigate any business dealings of any Senator or former Senator and any questionable activities including the receiving of campaign funds under questionable circumstances.

The Democrats have answered this attempt to broaden the Baker case—as it should be—by charging politics. But the Senate should be reminded that there can be no complete and thorough investigation until the group is directed to look into the activities of the Senators themselves. Whitewash will not serve to satisfy the public's curiosity about Bobby Baker's affairs.

That an election is coming up before long is unfortunate from the Democrats' viewpoint. Perhaps the Republicans are indeed trying to make political capital out of this mess. At the same time, it is felt by many people that the Senate's probe of the Baker case is far from complete, Democratic announcements to the contrary.

The reaction of the Senate to any proposal that it be investigated is to charge smear tactics and an effort to deliver a blanket indictment of the whole Senate. But we think it is time to stop treating Senators as privileged members of a club who cannot be questioned.

Senator WILLIAMS was challenged to produce evidence that any Member of the Senate had committed any questionable act in connection with the Baker case or any other matter. WILLIAMS, of course, did not have such evidence. But that's just the point in

demanding extension of the Baker investigation so that any such evidence may be brought forth.

As for the claim that the Rules Committee is not authorized to delve into activities of Senate Members, it will not hold water. The Rules Committee is armed with staff investigators, subpena powers, and the vast authority of the Senate itself, but it lacks the simple determination to use them fully.

The result is an appalling travesty of democratic government.

[From the St. Louis (Mo.) Globe-Democrat, May 16, 1964]

BRAZEN BAKER WHITEWASH

With 42 of the Democratic Senators voting against any further inquiry into the scandalous Bobby Baker affair, the American people have now been treated to perhaps the most brazen whitewashing job in their political history.

How the erstwhile secretary of the Senate Democratic majority amassed about $2 million in 9 years on a salary that never exceeded $19,600 is to remain, for the most part, a deep, dark secret.

Why he kept "frighteningly" large sums in $100 bills in his Senate office will not be disclosed.

And the Democratic Senators, voting down the specific proposal that Senators be included within the scope of the inquiry, have done their best to make sure no light is thrown on the 10 of their number whom their onetime secretary claims he held "in the palm of his hand."

What may puzzle many people—remembering the great to-do made over mink coats and freezers during the Truman administration and the hue and cry raised against Sherman Adams for accepting a vicuna coat during the Eisenhower administration—is how the Senate could bury a scandal right on its own doorstep.

The method was simplicity itself. The Senate turned the problem over to its Rules Committee, clubbiest in the Chamber, which then gave a classic performance of how to investigate without finding out anything.

"We are not investigating Senators," Chairman B. EVERETT JORDAN announced in the beginning, which was the tip-off on what wasn't coming. The committee might as well have shut up shop right then.

How could it be remotely possible to find out if the secretary of the Democratic majority had misused his authority without even looking in the direction of the Senators from whom he derived the authority?

The committee went through the motions, did some shadowboxing. But when Bobby, who had threatened earlier to "write a book," took the stand and took the fifth and didn't say a mumbling word, it quickly became apparent that the investigation had come to a dead end.

The Democratic Members didn't want to ask any questions that might be embarrassing. The Republican Members weren't allowed to summon any witnesses.

Even when a direct conflict in testimony developed between what Don B. Reynolds, the insurance man, said, and what Walter Jenkins, President Johnson's assistant, said, the two men couldn't be called back to try to get at the truth.

On that sorry note, the Bobby Baker inquiry comes to an end where the Senate Democrats voted to chop it off.

According to what Bobby is quoted as having said, 10 of them could have a personal disinterest in getting at the truth. If his count is right, the disinterest of the others may be purely political.

With a presidential election coming up and the Democrats campaigning against poverty, it might divert attention of the voters from a major issue if they were still trying to find out how that Democratic Senate secretary pyramided his $19,600 salary into a cool $2 million.

[From the Greensboro (N.C.) News, May 16, 1964]

THE SENATE'S GOOD NAME

Senator CLIFFORD CASE, of New Jersey, the Republican who's pressing for an extension of the Bobby Baker hearings, told the Rules Committee Tuesday that he does a slow burn over the whispers of senatorial corruption.

Thursday's essentially party line vote condemns Senator CASE—and the interested public—to more slow burning. Officially, there are to be no more Baker hearings after May 31.

The Senate Democrats, we think, are making a mistake in allowing the Baker case to be shut officially this month when there is a good deal of uneasiness about it still. They compound the mistake with unctuous declarations that the Senate's critics are merely trying to filch the Senate's good name.

Intentionally or not, the Senate majority is broadcasting the impression that Senators consider themselves above the rules governing conflict of interest that they apply to other public servants. Certainly a lot of gossip has circulated about the Baker case. Some of it is trashy and beneath the Senate's notice; but some of it is worth further probing.

In the latter class, as Senator CASE notes, are stories to the effect that Mr. Baker held certain Senators in the palm of his hand and that he traded off committee assignments and campaign funds for favors rendered.

The Rules Committee and the Democratic majority are right, of course, to say that anyone who has evidence of shady dealing should bring it to proper notice. It does weaken Senator CASE'S argument that he comes armed only with self-righteousness and rumors.

But the Senate, all the same, has an obligation to provide a forum in which those rumors may be either specified or silenced.

There is probably more to the Baker case than has so far met the eye. If so, when the hidden is revealed, the damage to the Senate will be greater for its having helped suppress it.

[From the Detroit (Mich.) Free Press, May 16, 1964]

AS WE SEE IT: DEMOCRATS CAN'T STAND TOO MANY SUCH VICTORIES

A few more victories like the one they scored in the Senate Thursday, and the Democrats ought to be in trouble.

In an angry, shouting session, 42 Democrats and no Republicans voted down a proposal to expand the Bobby Baker inquiry to include themselves. Nine Democrats and 24 Republicans wanted it expanded.

Justified or not, the implication is that there are nine honest Democrats in the Senate, including PHILIP HART, and 42 other Democrats, including PATRICK MCNAMARA, with something to hide. This is undoubtedly not true, but it is the kind of thing which will be hard to shake, especially in an election year.

Thus the Democrats reaffirmed the earlier words of Senator EVERETT JORDAN of North Carolina, in charge of the Baker inquiry, that, "We are not investigating Senators." All the committee intends to do, and all the Senate majority wants done, is to pin the tag on assorted low-level flunkies.

Leading the demands for an expanded investigation were Republican Senators JOHN J. WILLIAMS, of Delaware, and CLIFFORD CASE, of New Jersey.

WILLIAMS has built a deserved reputation as the Senate's finest sleuth. CASE, the spokesman for the pair, has a reputation for unmatched integrity.

They were not only voted down, but beaten by tactics more common in a 14th Michigan District Republican convention than in the U.S. Senate. Freshman TEDDY KENNEDY was presiding as a matter of strict rotation, and he played patsy for every suggestion from Majority Leader MIKE MANSFIELD.

When MANSFIELD demanded that CASE name names he wanted investigated, KENNEDY even refused to let CASE reply, a breach of tradition almost unknown in the Senate.

The Williams-Case proposal, said MANSFIELD, impunged the character of Senators and cast doubt on the integrity of the committee.

The committee has been in doubt ever since JORDAN'S dictum, and the untouchabilities of some Members of the Senate has been under suspicion since the jolly weekends at the Carousel Motel were unearthed, among other matters.

A thorough investigation would have undoubtedly cleared more members than it would have implicated. But beating down the motion casts a shadow on the motives of 42 Members, all Democrats. This they're going to have to live with.

[From the Dubuque (Iowa) Telegraph-Herald, May 17, 1964]

BOBBY BAKER AGAIN

The latest outburst in the Senate over the Bobby Baker case may have more than simple political repercussions. It naturally was a political move, as the debate and vote proved, but the bitterness of the attacks might well unsettle nonpartisan deals on the civil rights bill.

The vote to sidetrack Senator WILLIAMS' motion to look into personal relations between Senators and Bobby Baker was carried by 42 Democrats against 24 Republicans (joined by 9 Democrats).

Senator CASE, who spoke for the Williams' motion, accepted defeat by branding Democratic Majority Leader MANSFIELD as a "tyrant who is overriding individual Senators' rights."

That kind of talk from Republicans whom MANSFIELD hopes to help him break up a filibuster (which southerners call overriding individual Senators' rights) may make a Democratic-Republican coalition difficult to organize.

Yet MANSFIELD must have Republican help to win enough votes (67) to invoke cloture (stop the filibuster).

The incident proves that the Republicans will not give up easily on exploiting the Bobby Baker case in the election campaign.

[From the Decatur (Ill.) Herald, May 17, 1964]

SENATE TAKES FIFTH AMENDMENT

The rough edges of the Bobby Baker case frayed tempers in the U.S. Senate Friday. The result was one of the most unlikely of spectacles; a shouting match between mild-mannered Majority Leader MIKE MANSFIELD, of Montana, and the generally urbane CLIFFORD P. CASE, Republican, of New Jersey.

The matter at hand was a resolution authorizing the Senate Rules Committee to include the activities of Senators in its investigation of Bobby Baker's affairs. Mr. Baker, it has been shown, became quite a wealthy young man in his job as secretary to the Democratic majority in the Senate, allegedly through the price he could command whenever he wanted to peddle some of his Capitol Hill influence to interested buyers.

Majority Leader MANSFIELD moved to table this resolution, which Senator CASE had backed strongly earlier in the week. Senator MANSFIELD characterized the resolution as politically inspired and as "impugning the

integrity of the whole Senate with sly innuendo."

This brought Senator CASE scrambling back with the charge that the Montanan was accusing him of improper conduct.

Out of all the uproar that ensued, it seems that neither Senator CASE nor Senator MANSFIELD had the last word. Indeed, the last word on this particular phase of the Bobby Baker investigation was uttered some months back when the chairman of the Senate Rules Committee, Democratic Senator B. EVERETT JORDAN, of North Carolina, blandly said his committee "is not investigating Senators."

It certainly isn't. Senator MANSFIELD's motion carried 42 to 33.

[From the Port Arthur (Tex.) News, May 17, 1964]

CAN POLITICS KEEP NOTORIOUS BAKER CASE BOTTLED UP, DESPITE DEMAND FOR FULL PROBE?

Sure, there's politics in it both ways, but objective observers are applauding demands that the blackout be lifted on the notorious Bobby Baker case.

U.S. Senator CLIFFORD P. CASE—acknowledged to be one of the most liberal Republicans in Congress—deserves the support of the fairminded citzenry in demanding that Baker's manipulations and connections be aired in the full light of day. Senator CASE wants all the facts revealed in the Baker affair, no matter who gets tarred in the probe of shenanigans, if any, of the former senatorial employee.

Chairman EVERETT JORDAN of the Senate Rules Committee, whom CASE asks to dig into the case, retorts that it would be an "insult" to the Senators to question them regarding business dealings they may have had with the wily Baker.

The U.S. Senate for a century and a half has been known as the "most exclusive men's club" in America, and its members have traditionally avoided "embarrassing" each other with unwelcome questions.

Senator JORDAN branded CASE's affrontery as "the height of demagoguery." But JORDAN was on the other side of the fence, and properly so, a few years ago when President Eisenhower's closest associate, Sherman Adams, was under fire for accepting expensive gifts such as a vicuna coat. JORDAN wanted Adams' hide, and helped get it.

For the foreseeable future, it appears that the Baker "mess" will stay swept under the senatorial rug.

Only an indignant public can drag it out.

[From the Sioux City (Iowa) Journal, May 17, 1964]

SENATORS PRIVILEGED?

Even as the Iowa Legislature was reluctant to reapportion itself, so is the U.S. Senate, apparently, reluctant to investigate the activities of some of its Members who may have been entwined in the Bobby Baker case.

Senator CLIFFORD P. CASE, of New Jersey, has demanded several times that the Senate conduct an inquiry, declaring recently: "No investigation of Bobby Baker can have any real meaning without an investigation of the relations of Members of the Senate with Bobby Baker." The New Jersey Senator makes a good point when he argues that the Senate Rules Committee should not treat Senators as a privileged class.

Our guess is that the public would welcome an airing of the Baker case. Indeed, the people are entitled to no less, regardless of where the political chips may fall. If there are Members of the Senate who were involved in unethical dealings, the facts should be made known.

But so far, as Senator CASE says, the record is incomplete.

SENATE'S ACTION ON BAKER CASE WAS ONE OF MEN WITH UNEASY CONSCIENCES

(By Andrew Tully)

WASHINGTON.—In the Bobby Baker case, the U.S. Senate has emerged as a shabby collection of furtive street-corner operators afraid to let the people find out what has been going on.

Its defeat of a resolution to question Senators about their relations with this useful financial wizard was the act of men with uneasy consciences. All the votes to reject the resolution were cast by the Democratic majority, although this does not necessarily indicate Republican purity. GOP Senators could afford to support it, knowing it didn't have a chance.

Senators like B. EVERETT JORDAN, Democrat, of North Carolina, chairman of the Senate Rules Committee which investigated Baker, can ooze explanations that the committee lacks power to check on Baker's relations with members of this private club, but the public should be wondering what they've got to hide. It remains a truism that the politician with a guilty conscience runs where no man pursueth.

Baker worked for the Senate for 8 years as secretary of the Democratic majority. During that time he built a $2 million financial empire on a salary of $19,600 a year. Possibly he managed this without the influential helping hand of his bosses, but if he did, it was the coincidence of the century. Honest cynics prefer to listen when Senator CLIFFORD CASE, Republican, of New Jersey, notes sadly that he does a "slow burn" when he hears of Baker boasting that "he has 10 Members of this body in his hand."

During the course of this gingerly investigation, the New York Times reported Baker had helped pass an amendment to the 1962 tax bill favorable to his $1.2 million resort motel. Newspapers and a few individual Senators charged that Baker passed out campaign contributions in return for votes, and withheld cash when the votes were refused him. But the committee ruled its assignment did not permit the study of political finances.

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This is understandable, if sordid. During Baker's imperious tenure very few Members of the Senate managed to avoid doing business with him and, usually, incurring political obligations which could be liquidated only at vote-taking time. No Senator in his right political mind ever snubbed an operator who was known as "Lyndon's boy" in the days when President Johnson was Senate majority leader.

It is disheartening to hear a Senator like Pennsylvania's Democratic JOE CLARK, an authentic reformer type, insist that the committee lacks the authority to require Senators to testify. CLARK said rather wanly he hoped the committee would seek much power in its report, but for now he appears to be fearful lest he rock the boat in an election year.

Nevertheless, the fact remains that Majority Leader MIKE MANSFIELD, Democrat, of Montana, has said the committee does have the power to quiz Senators, and MANSFIELD is a member in good standing of the establishment. "MIKE," of course, recognizes that the folks may start thinking naughty thoughts about a Senate that refuses to clear its name.

[From the Jackson (Mich.) Citizen Patriot, May 18, 1964]

THE SENATE DEGRADES ITSELF BY IGNORING BOBBY BAKER

The Baker story never has been told in full. Apparently, if the Senate majority has its way, the mess will be swept under the rug. (Big rugs, they have in Washington.)

What you, the citizen, know about Bobby and his wheelings and dealings has been passed along largely from hard working newspapermen and a few Senators who don't like the rug act.

You know that something is wrong here. You should be told. But the Senate apparently is determined not to give you the facts because to do so might embarrass a few Members of the "most exclusive club on earth."

You may remember when a Democratic Congress literally kicked Sherman Adams out of the White House because it detected a hint of hanky-panky.

And you may recall that, in an earlier day, a home freezer and mink coat scandal led right to the doors of the White House where Harry S. Truman was living.

One of our efficient writers in Washington reports that Mr. Truman was asked what to do when the Bobby Baker scandal first broke. His advice: "Let 'er rip. Don't try to hide anything."

This philosophy enabled Mr. Truman to survive all that uproar over the "mess in Washington" and to assume the status of a respected, retired politician. (Mr. Truman resents being called an "elder statesman.")

His present successor in the White House seems to be cut of different cloth. And the men who work in the Senate seem to be not so anxious to have the facts brought out.

Their reaction to a suggestion that the Baker inquiry be broadened was a black mark against the Senate. The Members of the club don't seem to want to be put under the microscope of public opinion.

But let the record show that Senator PHILIP A. HART, of Michigan, a Democrat, was recorded as one of the nine Democrats who voted for letting the people get a peek at the activities of "Lyndon's boy." MCNAMARA? On the negative side. Where else?

Something strange is going on here. Senator JOHN J. WILLIAMS, the Senate's supersleuth who blew the whistle on some unsavory characters of yesteryear, believes he has something. TED KENNEDY, presiding during the hassle over Baker, took his orders and carried them out.

The signals might have been called from the White House where Bobby Baker's onetime mentor doesn't like to be disturbed by penetrating questions about his protege, or anything else that might be embarrassing.

The trouble is that hushing up the Baker story will do irreparable harm to the President and, worse, degrade the Senate in the eyes of the people who look to it as a lofty and unassailable symbol of the Republic and an effective agency for keeping it alive.

[From the National Observer, May 18, 1964]

SIN AND THE PARTISANS

Bobby Baker's fortunes won't get wider examination, at least for now, despite a Republican attempt to extend the Senate investigation.

The Democratic leadership defeated such a proposal charging partisanship and a screaming match developed between Democratic Leader MANSFIELD and Republican Senator CASE.

The episode did no one any credit but it did manage to obscure the question of improper activities on the part of Senators during the Democratic Mr. Baker's heyday. No doubt the Republicans were making a partisan point, but they are also performing as an opposition should.

Sin is nonpartisan most places and we presume the Senate is no different. But we wonder why the Democrats, who usually profess such worry about lack of congressional action, are so unworried this time around.

[From the Oswego (N.Y.) Palladium-Times, May 19, 1964]

SENATORS EMERGE AS SHABBY BUNCH OF FURTIVE OPERATORS

WASHINGTON.—In the Bobby Baker case, the U.S. Senate has emerged as a shabby collection of furtive street-corner operators afraid to let the people find out what has been going on.

Its defeat of a resolution to question Senators about their relations with this useful financial wizard was the act of men with uneasy consciences. All the votes to reject the resolution were cast by the Democratic majority, although this does not necessarily indicate Republican purity. GOP Senators could afford to support it, knowing it didn't have a chance.

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SLOW BURN

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WITNESSES TRIED

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[From the Philadelphia (Pa.) Inquirer, May 20, 1964]

THE BOBBY BAKER WHITEWASH

Staff members of the Senate Rules Committee, in a report to be submitted to the committee Wednesday, have come up with a lengthy discourse on ethics that is nothing more than an attempt to bury the Bobby Baker case under an avalanche of self-righteous platitudes.

The Democratic majority on the Rules Committee ought to be wary of giving the report an official stamp of approval. The American people are not going to be fooled by high-sounding phrases, dealing with generalities of Senate ethics, while the specifics of the Baker scandals are quietly covered by a coat of whitewash in the hope that unanswered questions soon will be forgotten.

As Senator CASE, of New Jersey, said Tuesday, the code of ethics proposed in the staff report contains some worthwhile ideas but it is no substitute for a complete investigation of the Bobby Baker mess, particularly a full-scale probe of unethical conduct, if any, by individual Senators in connection with Baker's multifarious wheelings and dealings.

If Senators have nothing to hide in the Baker affair they should not object to a thorough investigation that would remove clouds of suspicion. Leaving the probe undone, and mysteries lingering, will serve no purpose except to increase public belief that the Senate is trying to cover up some unpleasant and embarrassing truths.

The staff report is said to propose, among other things, that all Senators be required to appear and testify before Senate committees on request. This is a splendid suggestion but why should not it apply to the Baker proceedings? The Rules Committee should put the theory into practice by requesting Senators to answer testimony linking them with the Baker case.

Bobby Baker has no right to special exemption from prescribed standards of conduct merely because he served in the influential position of secretary to the Senate Democratic majority. Nor should Senators themselves, regardless of party, be immune to investigative procedure when their names are linked, rightly or wrongly, with matters of questionable propriety.

A lofty code of ethics for the Senate, if enforceable, would be fine. We are in favor of it. However, adopting rules of conduct for the future will not obscure a failure by the Senate to investigate fully more pertinent matters of the present, namely, the Bobby Baker affair in all its ramifications.

[From the New York (N.Y.) Post, May 20, 1964]

THE SENATE'S WRESTLE WITH ITS CONSCIENCE—THE ODDS FAVOR THE SENATE

Senator CASE, Republican, of New Jersey, is right when he suggests that an exacting code of senatorial ethics should be a supplement to—not a substitute for—a sweeping investigation of the Bobby Baker case.

Last week the Senate indignantly voted down CASE's proposal that every Senator be required to testify to any dealings with Bobby Baker.

It is nice to know that the new ethical safeguards would prohibit Senators from taking the fifth, as it has been described, when asked to testify on what they know about a subject under investigation. But their adoption will hardly efface the unpleasant impression left by the latest moves to bury the Baker inquiry.

As the report drafted by L. P. McLendon, the Baker inquiry's special counsel, pointedly notes, the Baker case has cast a heavy shadow over the Senate as a body as well as over individual Senators.

The tougher standards that the committee's special counsel proposes would require all Senators to publish periodically a statement listing their financial interests. This is a highly desirable safeguard of the public interest. Many Senators have already published such statements voluntarily. But others, like Senator DIRKSEN, piously oppose this provision on the ground that it would constitute an invasion of privacy and relegate Senators to the status of second-class citizens.

DIRKSEN's Illinois colleague, PAUL DOUGLAS, has effectively answered this absurdity. Service to the Senate "is a distinction which we cherish not only for ourselves but also for our families," he declared. "We should, I believe, be willing to sacrifice some degree of privacy in order to reassure the citizens who elect us."

Such disclosure, moreover, is no more than is now required by the Senate of all executive branch officials who must obtain Senate confirmation.

Another useful McLendon recommendation would prohibit all associations of Senators with persons or organizations doing business with the Government.

Adoption of such a code would be some assurance to the public that legislators regard public office as an honor and a form of public service rather than private aggrandizement.

Full financial disclosure would enable voters to judge for themselves the question of conflict of interest.

If the Senate self-righteously rejects such recommendations, it should not blame others for allegedly plotting to downgrade and discredit the upper Chamber.

It will be its own most damning accuser.

[From the New York (N.Y.) News, May 20, 1964]

WHITEWASH, ANYBODY?

The august Senate Rules Committee, understandably sensitive to coast-to-coast howls concerning its nonprobing of L.B.J.'s one-time buddy Bobby Baker, has leaked the news that it has prepared an 81-page report on recommended Senate ethics.

That's all very fine, though it does smell a bit like locking the barn door after the horse is stolen.

But we'll have to echo the wry verdict of Senator CLIFFORD CASE, Republican, of New Jersey, on this one: Even this hefty book of senatorial etiquette "will not take the place of doing a complete investigative job in the Baker case itself."

[From the Elizabeth (N.J.) Daily Journal, May 20, 1964]

BLOCKING ANOTHER BAKER EPISODE

For the first time something productive is visible in the backwash of Bobby Baker's complex and tainted tenure as secretary of the Democratic majority in the U.S. Senate. A report by the Rules Committee counsel recommends a code to expose financial associations of Senators and staffs, to prohibit suspicious associations, and to force Senators to testify on these matters upon request.

The same report exonerates Mr. Baker of unlawful acts, but does not condone any

doubtful ethics surrounding his activities and the involvement of unnamed Senators in his machinations.

This is fine, but it should not be necessary in the ranks of the greatest legislative body in the country. There should be no suspicion of grave conflict of interest, influence peddling, or other intrigue.

The substance of the report prepared by the committee's counsel, Lennox O. McLendon, echoes the often reiterated comments of Senator CASE, of New Jersey, whose efforts to force a complete inquiry have been beaten down.

The committee report and conclusions will be less susceptible to erasure. Not all the Democrats concur in the attitude of the majority (nine, including WILLIAMS, of New Jersey, voted against tabling the inquiry proposal) and by alining themselves with the Republicans they can force adoption of rules which will tend to prevent a recurrence of the Baker condition.

Senator CASE, however, does not regard the report as taking "the place of a complete investigation." In that he is right because the Senate record should contain officially the reasons for new rules. Neither should the lack of investigation block improvement of the Senate rules.

"No amount of sophistry" will relieve the Senate of criticism, the committee counsel warned in his report:

"It cannot be truthfully asserted that the Senate is responsible for all wrongdoings of Baker and certain other individuals," he continued. "But on the other hand, it cannot be denied that the Senate is responsible for putting Baker and others in places of responsibility without imposing upon them the enforceable standards of honesty and integrity the American people have a right to demand of all their public servants, high and low.

"The Senate should no longer ignore or dismiss lightly the charges made and repeated almost daily in the public press that the Senate has been vociferous and energetic in demanding compliance by officers and employees of the executive department with high standards of ethical conduct * * * but that it has persistently refused to accept and abide by such standards for its own Members and its employees."

The overall performance of the Senate in the Baker episode incites only censure. It has been and remains a stain upon the repute of that body and the general esteem of our Government.

Senator CASE's insistence and now the committee counsel's findings are the instruments for purifying the atmosphere. This the American people want.

[From the Hartford (Conn.) Courant, May 21, 1964]

THE BOBBY BAKER CASE REFUSES TO DIE

The Bobby Baker case dies hard. No sooner had the recommendations for reform come off the duplicating machine than Senators began attacking them as radical and unreasonable. These reforms, recommended by committee counsel, would require Senators to file a statement of financial dealings, and refrain from palling around with government contractors. Only a most naive person would expect the Senate to swallow that without gagging.

Meanwhile, back at his post as conscience of the Senate and guardian of the American purse, Senator JOHN J. WILLIAMS, of Delaware, announced that, code of ethics or not, he was going to continue to press for a full and fair investigation. He learned that nobody in the outside world had bettery try to do what Bobby Baker did, because without powerful friends in the Senate like his, they might go to jail.

There is no doubt that the Baker case will have its impact on the coming election. It has already appeared on the scene here in Connecticut. Eugene Scalise of Glastonbury, a candidate for the Republican nomination for the U.S. Senate, has assailed Senator DODD for his vote against broadening the scope of the investigation against Baker. Mr. DODD's attitude toward full disclosure and toward other recommendations by Counsel McLendon will also, no doubt, be discussed during the campaign.

Of course, any candidate can immediately remove himself as a target. First, he should answer the question put by Senator CASE: Have you had dealings with Bobby Baker, and what were they? Secondly, he should make a full financial disclosure of income other than that received as a Senator. Senator DIRKSEN has already expressed displeasure at this idea, saying it would make him a second-class citizen.

Be that as it may, the senatorial candidate who takes an affirmative stand on both the Baker case and conflict of interest, will be going to the public with unquestionably clean hands. Polls have indicated that the American people are not greatly upset by the Baker case, because they traditionally hold to the belief that "both sides are crooks." But when the issue is joined in the individual States in the coming election, an anti-investigation, anti-ethics Senator may be put on the defensive. In a general way, also, the Supreme Court libel decision broadening the limits of political discussion should also contribute to a freer airing of the matter than otherwise would have taken place. It is good to let a little light and air into these things.

[From the Durham (N.C.) Morning Herald, May 21, 1964]

PRINCIPLES GET AT THE CHIEF ISSUE

The three principles of reform recommended for Senate action by the Rules Committee's counsel, L. P. McLendon, get at the heart of the issue raised by the Bobby Baker case.

Senate acceptance of Major McLendon's three principles would repair the serious damage done to Senate prestige by the Baker case. For they recognize what the Senate has taken great pains to deny—that the serious damage in this case wasn't done by Bobby Baker or any of the other sharpshooters who try to make a good thing out of friendships or employment in the Senate.

The Senate's unwillingness to admit its own obvious connection to the unwholesome Baker affair was the damaging blow to the Senate. All the politically self-serving charges, the contradictions, the innuendoes, and the evidence of misdeeds would have had less effect on the Senate's reputation if it hadn't carried on as though the case was separate and apart from the Senate.

Clearly, it was impossible for any committee to conduct a believable investigation on the terms set by the Senate for the Baker probe. The Rules Committee was authorized to investigate Senate employees but not their employers, the Members of the Senate. Who can believe that employers are thus divorced from the affairs of their employees or that Senators should be put beyond question as well as beyond suspicion?

No one can and no one did accept such conclusions. On the contrary, the Senate's attempts to divorce itself from its own awkward affairs created suspicions. They emphasized the license that these supposed public servants demand for themselves. In the end, the Senate's double standard became a greater issue than the wheeling and dealing of its employees.

Mr. McLendon has recognized this result. His three principles would set it straight by officially requiring that Senators as well as Senate employees give an honorable accounting of their financial interests, refrain from business deals that might wind up in conflicts of interest, and respond to questions asked by the Senate's own committees.

Senators may consider Mr. McLendon's principles an impertinent slur on their honor. But the public won't. And if Senators want others to accept their august view of their honor, they would do well to put into effect for themselves these principles that they certainly expect others to abide by.

[From the New York Times, May 24, 1964]

ETHICS ISSUE STIRS THE SENATE BUT CURATIVE ACTION IN WAKE OF BAKER CASE REMAINS IN DOUBT

(By Cabell Phillips)

WASHINGTON, May 23.—A certain dividend from the dismal and protracted investigation into the affairs of Robert G. Baker, is that the Senate, and possibly the whole Congress has had the skin rubbed raw in a vital and sensitive area—its conscience and its pride.

It does not follow that curative action will be swiftly taken to repair the Senate's damaged prestige. There is a mountainous inertia, in what Senator JOSEPH S. CLARK calls "the sapless branch" of government, to doing anything about its own health.

But it is only when Congress is shocked that it is moved to take an introspective look at itself. And the revelations brought out in the Baker inquiry about the slack ethical standards of the Senate, and its untidy housekeeping, appear to have produced such a shock.

RESIGNED UNDER FIRE

The Senate Rules Committee spent from November to the end of March investigating the outside business activities of Bobby Baker, who spent most of his adolescent, and all of his adult, life in the Senate. He started out as a page in 1944 and was the $19,600-a-year secretary to the Democratic majority when he resigned under fire last October at the age of 35.

In the last 5 years of his tenure, he amassed a fortune that he estimated a year ago at more than $2 million; had his fingers in half a dozen flourishing business enterprises; lived in a $125,000 house and became defendent in a $300,000 civil damage suit that alleged (among other things) the improper use of his official influence.

Mr. Baker refused to answer questions about himself when called before the committee, invoking his constitutional privilege against self-incrimination. The committee, however, amassed more than 1,500 printed pages of testimony about him from other sources, which drew an incredible picture of his complex financial and business operations.

COMMITTEE'S STAND

Last week a supposedly secret draft of the committee's final report on the investigation came into reporters' hands. It concluded that while Mr. Baker had violated no criminal conflict-of-interest statutes, he was guilty of a wide range of gross improprieties that did conflict with his official duties and his public responsibility.

While the committee, in its preliminary report, condemned Bobby Baker as a rascal, it reserved its greater wrath for the lax moral atmosphere of the institution in which he thrived—the U.S. Senate. "No amount of sophistry," it said, "could relieve the Senate of the ultimate blame for making the Bobby Baker story a reality."

Its chief recommendation for penance and reform was the adoption of a rule requiring Senators (and Senate employees) to make periodic public disclosures of all their outside sources of income. The theory underlying this plan is that it is both a deterrent to self-aggrandizement at the public expense and a yardstick by which to measure the overlapping between a Senator's legislative exertions and his personal interests.

SENATORIAL POWER

If such a proposal does not go all the way to the heart of the Senate ethical problem, it

at least gets well within the periphery. For the heart of the matter is that a Senator—any Senator—is invested with an enormous grant of power by the simple fact of his position.

It does not take great show or muscularity to use this power; indeed it rarely is used conspicuously or venally for that matter. The level of fundamental honesty in the Senate is high.

But the vote of a single Senator in committee or on the floor can often be decisive on a piece of legislation. And the nearest show of senatorial interest in the hypersensitive bureaus downtown—an innocent sounding letter or a telephone call—can often tip the scales on where a dam is to be built, to whom a contract is to be awarded or how a regulatory dispensation is to be granted. The outcome of such exercises of a Senator's power may or may not affect his personal, his pecuniary or his political well-being but it frequently does.

And what is true for Members of the Senate in this respect is true in greater or lesser degree for employees of the Senate.

Indeed, there is a whole layer of the Washington power structure little known to the outside world made of senior staff committee members, administrative assistants to the more powerful Senators and the principal hired functionaries of the Senate itself. It was to this last named category, of course, that Bobby Baker belonged.

It is manifestly impractical to try to prohibit a Senator from concerning himself with legislative and administrative matters affecting his constituents', or even his own, welfare. The late Senator Robert S. Kerr, of Oklahoma, an oil millionaire, candidly called himself "an oil Senator," and no one could rationally reprove him. But it may instill a certain caution in such a Senator if he knows that periodically his official endeavors and his net worth will be set down in parallel columns for the public to look at.

DOUBLE STANDARD

Most Members of the Senate recognized that they are beset by more temptations than is good for them. They also recognize that there is a double standard of acceptable conduct as between the legislative and the executive branches of government that breeds public suspicion and contempt for the legislators. And they are acutely aware that the Baker investigation has now accentuated this derogatory attitude beyond anything it has been in recent years.

Efforts to write a new code of ethics for Members of Congress flourish at the beginning of each legislative session but they just as regularly come to naught. Representative HENRY REUSS, Democrat, of Wisconsin, in the House, and Senators JOSEPH S. CLARK, Democrat, of Pennsylvania, and CLIFFORD P. CASE, Republican, of New Jersey, in the Senate, have been the most persistent evangels in this field.

REFORMS ROADBLOCK

Many of these reformers want to unclutter the procedural structure of the two Houses as well as to establish some clear signposts of personal conduct. By combining the two objectives they run head on into that most stubborn and sacrosanct of obstacles, Senate rule XXII, which protects the right of unlimited debate. In consequence most reform proposals of the past have foundered.

In addition the tradition of senatorial independence runs deep in the consciousness of "the establishment." Any code of ethics, including a rule of financial disclosure, would, in the words of Minority Leader EVERETT MCKINLEY DIRKSEN, be interpreted as making "class B citizens" of Members of the Senate.

But the shock effect of the Baker disclosures and of the mounting signs that the Senate's image has been darkened, are dislodging many older Members from their orthodox moorings. Many now concede that a disclosure rule is possibly the least painful corrective that can be applied. It imposes no "do's and don'ts" on a Senator's freedom of action while clearing of the underbrush of suspicion.

ANOTHER PROPOSAL

Another proposal in the Rules Committee document that also finds a grudging measure of support would require Senators to give testimony before a committee when requested to do so. Presently this is a matter of discretion for the individual Member.

But the prospect for early action on either of these measures is clouded first by inertia and the general resistance to change within "the establishment," and second by the realities of the Senate Calendar. The civil rights filibuster has created a logjam that is likely to exclude all "nonessential" legislation in this election year.

In any event, as Senator CLARK points out, in "the sapless branch" no real progress in congressional reform, including a code of ethics, is likely to happen until enough public pressure is built up to force Congress to act in its own interest.

[From the New York (N.Y.) Times, May 24, 1964]

CLEANING UP THE BAKER CASE

The recommendations for raising ethical standards made by the staff of the Senate Rules Committee seem an earnest attempt to eradicate any suspicion that Senators might be engaged in skulduggery.

But it is unfortunate that the same staff report does not see fit to apply such standards to the case of Robert G. Baker, whose financial dealings triggered the committee's investigation and were responsible for the report's finding that the Senate had lost public "respect and prestige." The Senate may repair some of the damage to its reputation if it adopts the proposals to compel its members to disclose their financial interests and to testify in committee investigations. It cannot hope for complete rehabilitation, however, if it continues to take the view that senatorial transactions with Mr. Baker are to be treated as state secrets.

The big issue in the Baker investigation, the main reason for the Senate's loss of prestige, was the lack of any serious effort to probe into the alleged dealings between the former secretary of the Senate majority and various Senate Members, Democratic and Republican. This glaring omission is condoned by the report. It argues against checking on these dealings; it attacks Don B. Reynolds, the insurance agent who first drew attention to Mr. Baker's operations, as a "character assassin"; and it is content to conclude that Mr. Baker was guilty of "gross improprieties."

These findings make clear that the validity of its proposals to raise standards is based on what the committee did not choose to investigate rather than what it revealed. We certainly do not vouch for Mr. Reynolds, but the fact is that he repeatedly offered to testify under oath. Without affording him that opportunity, and without hearing other witnesses to rebut his testimony, the committee was hardly in a position to judge Mr. Reyonolds' veracity or assess the extent of Mr. Baker's improprieties. In essence, the report seeks to nail down the stable door without discovering the amount—or the perpetrators—of the damage. We trust that the Senate recognizes that the first step in raising standards is to undertake a thorough cleaning up of the Baker case.

Mr. ROBERTSON. Mr. President, I ask unanimous consent that I may yield to the Senator from West Virginia, with the understanding that I do not lose my right to the floor.

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

SENATOR GEORGE McGOVERN SUPPORTS NATIONAL ECONOMIC CONVERSION COMMISSION IN TESTIMONY BEFORE SENATE COMMERCE COMMITTEE

Mr. RANDOLPH. Mr. President, hearings were begun today by the Senate Commerce Committee on S. 2274, a bill to create a National Economic Conversion Commission. Under provisions of this proposed legislation, the Commission would deal with the problem of strengthening alternative sources of income for persons and communities threatened with the loss of defense installations or contracts. It is my privilege to be among the cosponsors of this measure which seeks to minimize detrimental effects on the economy resulting from reductions in defense spending.

The first witness in support of S. 2274 was Senator GEORGE MCGOVERN, Democrat, of South Dakota, who introduced the bill on October 31, 1963. Senator MCGOVERN pointed out to Commerce Committee members that "Nowhere in government at the present time do we have an agency with the mandate and the resources adequate to insure defense oriented communities and individuals alternative economic opportunities."

Declines in armament spending, while in no sense representing disarmament, are a probability and no longer will there be the need to purchase as many new weapons as we once did. This change will have a strong impact on the lives of millions of Americans, including citizens of West Virginia.

Mr. President, I share the view expressed by my capable colleague when he stated that: "The vast defense industry in this Nation is a creature of conscious government policy. Because of this, the Federal Government has a special responsibility to protect defense-dependent communities and individuals."

I request unanimous consent that the testimony of Senator GEORGE MCGOVERN before the Senate Commerce Committee, May 25, 1964, be printed in the RECORD at this point.

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

STATEMENT OF SENATOR GEORGE MCGOVERN, OF SOUTH DAKOTA, BEFORE COMMITTEE ON COMMERCE, RE S. 2274, TO CREATE AN ECONOMIC CONVERSION COMMISSION, MAY 25, 1964

Mr. Chairman and members of the committee, I wish to express my appreciation to you for scheduling these hearings. The demands of the civil rights debate make this less than an ideal time to begin exploration of such a complicated subject. Your sense of urgency, however, is well justified by events.

The subject of our present inquiry can be stated succinctly: What steps should the Federal Government take to prevent economic distress and unemployment in the wake of shifts and cutbacks in defense spending?

I believe the Federal Government has a clear obligation to those companies, communities, and individuals that have become dependent on our defense budget for their in-

come, and that we must create the necessary governmental machinery to prevent changes in our Defense Establishment from resulting in avoidable loss of employment and income. For this reason I have introduced S. 2274, which would create a National Economic Conversion Commission to plan for the orderly transition from military to civilian production. By careful planning, we can prevent changes in our defense program or reduced defense spending from causing economic distress and unemployment.

It has long been thought that a cutback in defense spending depended on an enforcible disarmament agreement with the Soviet Union. Actually, even in the absence of that elusive agreement, the changes and reduction in defense spending have already begun.

On April 23, a little over a month ago, Secretary of Defense McNamara announced the scheduled closing and consolidation of 54 defense installations in 29 States.

Some months previously, the Defense Department had revealed plans for shutting down over 100 other installations in 35 States. More such announcements are almost certain to follow. Secretary McNamara has warned that no military installation in this country ought to be considered anything other than temporary.

As a result of more efficient management, American taxpayers are being saved hundreds of millions of dollars that would otherwise be spent on unneeded or obsolete military facilities. Secretary McNamara deserves strong praise for his forthright and sensible action.

At the same time, we must recognize that thousands of jobs and the economic support of entire communities are being threatened by the phaseout of surplus military bases and the termination of defense contracts. Hardly a State will escape the loss of at least one defense installation, and the resulting anxiety and distress will be translated into political pressures that may not be in the national interest.

I ask that a list of these closings and consolidations be printed as an appendix to my testimony (app. A).

Not only are unneeded military facilities being scheduled for phasing out, but many defense contracts will not be renewed. The Department of Defense, at my request, drew up a list of major military procurement programs not funded beyond the end of fiscal year 1963, and those not funded beyond the first 6 months of fiscal 1964. The list reveals that in this brief period over 50 major suppliers were affected in 20 States. Because of the concentration of defense industry in the United States, fewer areas are affected by contract cutbacks than by the base closings, but the impact on those areas is that much greater.

I ask that this list be included as an appendix to my testimony (app. B).

It is difficult to trace the employment losses occasioned by contract cutbacks, since such a great proportion of the work is subcontracted. A sampling study made by Prof. Seymour Melman of Columbia University shows that in 19 large firms in 6 States some 67,000 jobs have been lost or are about to be lost because of a decline in defense spending. This does not include the impact on subcontracting firms.

I would like to ask that this list also be included at the conclusion of my testimony (app. C).

We do know that the modest cutbacks now taking place have already caused major unemployment problems in defense-oriented areas in California, Massachusetts, New Jersey, Maryland, and the State of Washington. The outlook is for still sharper cutbacks in the years ahead. The proposed budget for fiscal year 1965 contains $1.3 billion less for defense activities than the 1964 budget. Some estimates, including one by former Deputy Secretary of Defense Roswell Gilpatric, predict a decline in defense spending of up to 25 percent by 1970.

These cutbacks in no sense represent disarmament. They do not come about as the result of any agreement with the Soviet Union. They will not result in any weakening of this Nation's military defenses. They reflect only on American power so great that we reach the point of diminishing returns when we add to it.

Congressman CARL VINSON, the respected chairman of the House Armed Services Committee, explained this new development in our defense planning to the House of Representatives during presentation of next year's scaled-down defense budget in these words:

"Simply stated, we are reaching a point in several areas, principally missiles, where we are coming up pretty close to our total needs. And we simply do not need to buy as many of the items as we did before. As a matter of fact, we are stronger in our defense today than we have ever been in any peacetime period before."

The correctness of Mr. VINSON's observation must be obvious to all who understand the power of modern nuclear weapons. On August 2 last year, I suggested to the Senate that we should examine our need for additional nuclear weapons. I said on that occasion:

"I think we need to take another careful look at our enormous arms budget, asking ourselves: What part of this budget represents additions to an already surplus overkill capacity? What alternative uses can be made of surplus military funds for strengthening the economic and political foundations of our society?"

This Nation began an intensive buildup of our defensive capability after the outbreak of the Korean war. We set out to build a massive military system so formidable as to discourage aggression by all but the most foolhardy. We have now largely achieved our goal. Since there has been no war, we have not had to use any of our strategic weapons. They remain available for action on a moment's notice. Because much of our defense is dependent on missiles, which remain ready for use, our replacement needs are slight. We must continue maintenance and modification as improvements are made but we will not need to make as heavy defense expenditures in the future as we have had to make in the past. We will need, instead, to provide new opportunities for manpower and resources no longer required for our defense.

THE FEDERAL RESPONSIBILITY

What is the Federal Government's responsibility in meeting this need?

Speaking before the House Armed Services Committee earlier this year, Secretary McNamara said:

"The Defense Department cannot and should not assume responsibility for creating a level of demand adequate to keep the economy healthy and growing. Nor should it, in developing its programs, depart from the strictest standards of military need and operating efficiency in order to aid an economically distressed company or community."

We cannot quarrel with the Department of Defense on this point. Our national security would be dangerously compromised if our Defense Department were subjected to the pressures of economic need in carrying out its mission to defend our Nation. Moreover, I do not believe we want to give our military agencies responsibility for the direction of our nonmilitary economy.

At the same time, the overall responsibility for the smooth transfer of defense resources to civilian use lies with the Federal Government. But nowhere in the Government at the present time do we have an agency with the mandate and the resources adequate to insure defense oriented communities and individuals alternative economic opportunities.

Such an agency would be created by S. 2274.

This bill would create a National Economic Conversion Commission in the Executive Office of the President. The Commission, headed by the Secretary of Commerce, would include the Secretaries of Defense, Agriculture, Labor, and Interior, the Chairmen of the Atomic Energy Commission and the Council of Economic Advisers, and the Directors of the Arms Control and Disarmament Agency and the National Aeronautics and Space Administration.

The Commission would be required to conduct a study of the appropriate policies and programs to be carried out by the departments and agencies of the Federal Government to facilitate conversion, and to report to Congress and the President within 1 year the action required.

The Commission would consult with State Governors and other local officials, and convene a National Conference on Industrial Conversion and Growth to focus attention on the problem and bring together interested persons from the entire Nation.

The bill also provides for studies to be undertaken by defense contractors, defined as firms with more than 25 percent of their employees working on defense contracts, to explore alternative production possibilities for these firms if their defense contracts were to be curtailed or terminated.

SCOPE OF THE PROBLEM

At the end of World War II we dismantled our enormous Military Establishment almost overnight. Defense allocations which absorbed 40 percent of our gross national product were reduced by 80 percent in 1 year's time. In the same length of time we returned 9 million servicemen to civilian life with virtually no increase in unemployment. No such sudden reduction of military spending is in prospect now.

New factors, however, make the current situation more difficult.

We have no large backlog of consumer demand now, as we did after World War II.

The technical skills required for much of today's defense production are less adaptable to civilian use.

Defense production is concentrated both geographically and by industry to a greater degree than in the past.

Of the more than $25 billion in prime defense contracts awarded last year, almost half of the money went to five States, and 23.1 percent went to one State, California. Five States—Kansas, Washington, New Mexico, California, and Connecticut—have more than 20 percent of their total manufacturing employment in major defense work. If we add to the procurement figures the income derived from military installations, we find that 29 percent of personal income in the State of Alaska is from the defense budget, and the figure for Hawaii is 22 percent, and for Virginia 15 percent. It is 10 percent or more in the States of Washington, Maryland, the District of Columbia, New Mexico, California, Kansas, South Carolina, Georgia, and Utah. A great many jobs in New York, Massachusetts, New Jersey, Pennsylvania, and Texas also depend on defense funds, although because of the size of these States the proportion of total State income is lower.

Concentration by industry is just as severe. All employment in the ordnance industry, over 93 percent of employment in aircraft and missiles construction, 60 percent of employment in shipbuilding, and 21 percent of employment in the electrical machinery industry is attributable to defense procurement.

During World War II, conversion planning began as early as 1943, under the direction of a highly competent quasi-official group

of businessmen and economists known as the Committee for Economic Development. Private industry planning was mightily assisted by a series of Federal programs including the GI Bill of Rights, and favorable tax, credit, and monetary policies. This planning paid off in the smooth transition to a civilian economy we experienced after World War II. Proper planning today will yield similar dividends.

IMPACT OF DEFENSE SPENDING ON THE ECONOMY

To understand the importance of proper planning, let me sketch briefly the impact of the defense budget on our present economy. This will indicate both the magnitude of the conversion problem and some of the opportunities for alternative activity. It should be recognized that while reductions in defense spending without advance planning can cause distress, heavy defense spending has also taken a toll of our economy.

Since the Korean War began in 1950, this Nation has devoted over half of its total budget each year to defense. In the present fiscal year, we are spending over $1 billion each week for military purposes. This amount is more than the cost of running the entire Federal Government for all of the New Deal years of 1933 to 1940 combined.

Almost 10 percent of our gross national product goes into defense work at the present time, and at last count, more than 6.7 million persons were employed in Federal and industrial defense-related activities—9 percent of total U.S. employment.

Among our most highly skilled workers, the impact is even greater. Sixty-five percent of all research and development work done in the United States is financed by the Federal Government—46 percent of it by the Department of Defense alone. A substantial proportion of the rest is supported by funds from NASA and the AEC. More than half of all research performed by private industry is financed by the defense agencies, and over 60 percent of all research done by universities and private laboratories is Government financed.

Two-thirds of all the scientists and engineers in the Nation are caught up in the defense effort.

As a result of the commitment of our best brains to solving military problems, our industries have not maintained the rate of technical innovations that has traditionally been the source of much of our national wealth. While 65 percent of all research and development in this country is financed by the Federal Government, and most of that goes for defense purposes, in West Germany 85 percent of research and development is privately financed and directed to civilian ends. The result is that Europe and Japan have overtaken us in the application of inventive talent to the production of civilian goods. This has led to a weakening of our competitive ability in international trade.

The high concentration of brainpower on defense matters has also taken a heavy toll in our schools. Today it is extremely difficult for our colleges and universities—not to mention our primary and secondary schools—to attract and hold talented teachers in competition with defense industries. Properly planned conversion can permit us to rebuild the strength of our teaching corps, which is important not only to our future development but our future security as well.

I wholeheartedly support a strong national defense. But strength and national security are not measured by arms alone. Equally important in the long run is the health of our economy and the overall capacity of our people.

We have the opportunity now, for perhaps the first time since the Korean war began, to relieve ourselves of part of the great burden of arms, without in any way endangering our military strength. We have the opportunity now to apply a greater proportion of our national wealth and the talents of our people to solving some of the social and economic ills that still exist in this land of plenty. There may even be an opportunity for further tax reduction.

THE REQUIREMENTS OF CONVERSION PLANNING

The Federal Government, because of its great financial involvement in defense production, has a duty to plan for conversion. This obligation, however, does not take the place of planning at local and State levels and by defense contractors.

S. 2274 is drafted with this distinction clearly in mind. The National Economic Conversion Commission is given the task of planning appropriate policies and programs to be carried out by the departments and agencies of the Federal Government.

At the same time, many of the problems are best understood at lower levels of government, and for this reason S. 2274 would require the convening of a National Conference on Industrial Conversion and Growth. For this reason also, the Conversion Commission would be required to consult with State Governors and encourage studies at State, local, and regional levels.

Governmental planning at any level, however, is not enough. That is why S. 2274 would require defense contractors to set up conversion committees to plan their own conversion to civilian production.

This requirement, which is section 5 of the bill, has stirred some controversy. I have been asked by many, including some who strongly favor this legislation, why it is necessary to require defense contractors to plan for their own conversion. The answer is simply that for many of them, unless there is such a requirement there will be no planning. No question of Government interference is presented here because these contractors are largely or entirely dependent upon Government funds. This requirement would be no different in principle from the many other conditions a defense manufacturer must meet in order to be awarded a contract.

It seems to me that we have a choice here—either defense contractors explore their capabilities in civilian fields, or the Government must do it. We cannot afford to let a situation develop in which there is no planning. We know from past experience and the present fears of communities and employees throughout the Nation that in the absence of planning, the loss of a defense contract or installation can mean economic distress.

Faced with this choice, I would like to stress my preference for having the planning done by the firms themselves. They know best their own capacities and their own financial condition. Some defense contractors, including a few very heavily dependent on defense moneys, have laid careful and thoughtful plans. Some defense firms have dynamic management, determined to survive whatever the future brings. Others hold a defeatist view that if the money goes they will just have to put a padlock on the factory's gate.

Last summer the New York Times reported on a survey it had made of the conversion planning of private defense contractors. The survey showed that very little planning for conversion has been done by industry and that "many defense contractors simply refuse to consider a sizable cutback in arms production as any kind of a possibility in the foreseeable future." I would like to ask that this article be printed at the conclusion of my testimony (app. D).

PRESENT CONVERSION ACTIVITIES

At the present time, several offices in various Government agencies have partial responsibility for conversion. It is my belief that none of these is properly equipped to do the job that needs to be done.

Perhaps the most helpful of these agencies in meeting the immediate needs for guidance of communities losing defense installations is the Office of Economic Adjustment in the Department of Defense. This is a three-man office, headed by Mr. Donald Bradford, a civilian career employee of the Defense Department.

The primary function of this office is to provide advice and guidance to communities faced with the loss of defense installations and contracts. The office consults with civic leaders in the affected community and suggests ways in which the community might attract new industry to take up the gap in employment, and points out to the local leaders the Federal assistance programs for which they might be eligible.

This is a very important function, and in several communities there have been satisfying results. One of the most notable successes is the community of Presque Isle, Maine. The closing of a Snark base in 1959 took from that town of 13,000 its major support—a payroll of about $3,500,000. Very few jobs were directly affected, since all of the 1,259 military personnel at the base, and all but 35 of the 268 civilian employees were reassigned to other bases. But the impact on the rest of the community, on retail establishments, real estate offices, banks and the like, was substantial.

The Office of Economic Adjustment helped the people of Presque Isle assess their resources and suggested ways in which the Government property left by the pullout might best be used. New industry came to Presque Isle and within 2 years this new industry had created 1,000 new jobs with a payroll of $5 million.

The Office of Economic Adjustment is limited, however, both as to staff and as to legislative authority. The Department of Defense, while it desires to be as helpful as possible, recognizes that it cannot have primary responsibility for communities and people affected by the curtailment of unnecessary military activities. With this we must agree. Our concern is with the health of our civilian economy, and this cannot be left to military authority.

A second agency with some responsibility for conversion planning is the Committee on the Economic Impact of Defense and Disarmament which President Johnson gave formal status in a memorandum of December 21, 1963. This Committee, which is currently under the Chairmanship of Mr. Gardiner Ackley of the Council of Economic Advisers, was given a rather limited assignment by President Johnson. In his memorandum, the President said:

"I do not expect this Committee to undertake studies of its own, but rather to evaluate and to coordinate * * * existing efforts, and if it seems desirable, to recommend additional studies—subject, of course, to appropriate review and authorization through established channel."

The function of the Committee is limited, in the words of the memorandum, to:

"The review and coordination of activities in the various departments and agencies designed to improve our understanding of the economic impact of defense expenditures and of changes either in the composition or in the total level of such expenditures."

I was very pleased with President Johnson's announcement of the formalization of this Committee, which had operated in an informal manner for several months under President Kennedy, because it showed that the President was aware of the problem. After considering the work of this Committee to date, however, and realizing its built-in limitations, I believe that as presently constituted it is not equipped to deal with a problem of the magnitude of the one now confronting us.

The Committee has met on very few occasions. In the 5 months since the Presi-

dent's memorandum it has not even completed its organizational work, much less begun the assigned task of coordinating Government activity in the conversion field.

Included in the most recent announcement of projected closing of military installations was the Black Hills Army Depot in my State of South Dakota. This move, scheduled for completion by 1967, will affect 450 jobs in a community of less than a thousand which is totally dependent on the military installation. Since this is perhaps the most difficult kind of situation created by defense cutbacks, I asked the Committee if it would do a study of this closing's impact on the community and send a Committee member, or in the alternative, a staff member, out there to talk to the people and consider how they could be helped. I was informed that no Committee member could go because they "all have full-time jobs in other areas," and no staff member could go because the Committee has no staff and even if it did it has no funds from which to pay transportation.

I know of other Members of Congress who have made similar requests to the Committee and received similar replies.

This experience clearly points up the present inadequacy of the Committee. Without any funds or staff, without any legislative authority and only a Presidential injunction to "coordinate" activities, and with all of its members holding full-time jobs in other capacities, we cannot expect the Committee to function in a way that would reassure communities faced with the loss of a defense contract or installation.

I have no desire to create a complex of committees with overlapping jurisdiction all working on the problem of conversion. I would hope and expect that the National Economic Conversion Commission to be created by S. 2274 would supplant the President's Committee, or else that the President's Committee would be upgraded and turned into a Conversion Commission, with a clear legislative mandate, appropriated funds, and a professional staff.

A third Agency with some responsibility in the area of economic conversion is the Arms Control and Disarmament Agency. This Agency has given us the best available analysis of the impact of arms and disarmament on the economy.

Under the overall direction of Mr. Archibald Alexander, Assistant Director of the Agency, a staff of four men has been conducting research on the economic impact of arms reduction. For example, two projects now in the planning stages call for research into patterns of defense spending, and the impact of shifts in defense procurement on the electronic industry.

The work of the ACDA in this field is important, and basic to our understanding of what steps can be taken to help affected communities and individuals. The Arms Control Agency, however, does not have the legislative authority to develop plans to remedy the conditions its research makes known. It is this latter function that can best be performed by a National Economic Conversion Commission.

Last Tuesday the Atomic Energy Commission announced the creation of a new office to help industry adjust to cutbacks in the production of nuclear materials. Other agencies, including the Departments of Labor and Commerce, now have operations relating to the conversion problem. If we are to avoid a wasteful duplication of effort, we need to have a single commission with overall responsibility for this area, and this commission must have the resources and the legislative authority to take necessary action.

I should not conclude my testimony without some reference to other bills now before the Senate which have some connection with the problems of conversion.

The Manpower Subcommittee of the Senate Labor and Welfare Committee, under the chairmanship of Senator CLARK, has recently completed many months of hearings into the whole range of manpower difficulties faced by this Nation. The hearings have been printed, together with an excellent summary and a most imaginative list of recommendations.

Senator CLARK's committee has considered several bills which would have some bearing on the problem of economic conversion of the defense industry.

Among these are S. 2298, to establish a Commission on the Application of Technology to Community and Manpower Needs, by Senators HART, HUMPHREY, and CLARK, and a later version of this bill, S. 2623, to establish a National Commission on Automation and Technological Progress, sponsored by Senators HART, WILLIAMS of New Jersey, RANDOLPH, HUMPHREY, CLARK, and MORSE.

This legislation seeks to deal with a wide range of problems faced by this Nation as a result of changing technology, automation, and a rising rate of unemployment. It is a job that must be done, and the Hart bill will have my wholehearted support.

The problem of conversion, however, is immediate and compelling. Already there are reports of layoffs from all parts of the Nation. If we wait until we have found solutions to the complex and difficult problems of automation and the technological revolution, we will find that we are too late to prevent grave economic distress in many defense-dependent communities. The political pressures that will build up under such circumstances and which will inevitably influence military decisions which ought not to be influenced by such pressures, will compound our problems.

The same limitation is found in the other bills before the Clark committee, such as Senate Joint Resolution 105 by Senator JAVITS and others; Senate Resolution 50, by Senator LONG of Louisiana; and S. 2427, by Senator HUMPHREY.

None of these bills come to grips with the particular problem we are now facing of a loss of personal and community income in the wake of a declining level of defense expenditure. None of them would require the defense contractors to bring their knowledge and experience to bear on developing alternative productive capacity. None of them require a report and specific proposals to be sent to the President and Congress within a year of enactment. Perhaps most important, none of them requires treatment of the conversion problem as a separate problem. All would seek to treat it as part of the overall economic situation, and would try to solve it in that context.

The legislation now before the Clark committee would be needed even if we had no defense industry in this country. We must learn how to deal with the impact of automation and changing technology on our society.

By the same token, we would need S. 2274 even if there were no technological revolution going on in this country. The defense budget plays such an important role in our overall economy that any change or cutback creates problems of economic adjustment that must be dealt with swiftly.

The problems created by defense cutbacks are similar in many ways to the overall problem of technological change. There are important differences, however.

Automation and technological change come about not primarily as a result of Government action, but because of breakthroughs in the private sector of the economy.

The vast defense industry in this Nation, on the other hand, is a creature of conscious government policy. Because of this the Federal Government has a special responsibility to protect defense-dependent communities and individuals. The shifts and reductions in defense spending which have already begun, and which doubtless will increase in the months and years ahead, require that the Federal Government have a commission equipped to meet the specific needs of our defense communities.

We have built a Defense Establishment of unparalleled proportions in America. The dangers of the times demand it. We often say that preparation for war is our best guarantee of peace.

But we must also be prepared for peace.

Gearing our society for peacetime production in the modern world is a large task, and S. 2274 will not provide all the answers. It will go a long way, however, toward meeting the initial problems and reassuring our people and the peoples of the world that the United States need not continue the arms race to avert economic collapse.

Indeed, the diversion of human talent and resources from excess military purposes to constructive peaceful efforts can lay the basis for a stronger America and a more secure world.

APPENDIX A

MILITARY INSTALLATIONS WITH CLOSING DATES IN FISCAL 1964 OR THE FIRST HALF OF FISCAL 1965, AS ANNOUNCED BY THE DEPARTMENT OF DEFENSE ON DECEMBER 12, 1963

ALABAMA

Theodore Army Terminal, Mobile, June 30, 1964.

ARIZONA

Radar site, Winslow, August 30, 1963.
Radar site, Yuma, August 30, 1963.

ARKANSAS

Radar site, Walnut Ridge, August 30, 1963.

CALIFORNIA

Air Force Plant No. 16, Downey, October 26, 1963.
Air Force Plant No. 76, Bakersfield, March 30, 1964.
SAGE Center, Marysville, August 30, 1963.
Benicia Arsenal, Benicia, August 30, 1963.
Fort Mason piers, San Diego, July 12, 1963.
Mira Loma Air Force Station, Ontario, December 31, 1964.
Marine Corps supply forwarding annex, San Francisco, July 1, 1964.
Naval Air Station, Oakland, July 1, 1963.
Naval repair facility, San Diego, December 21, 1964.
Naval Oceanographic Office, San Francisco, January 31, 1964.
Nike site 33, San Francisco, June 30, 1964.
Pasadena Area Support Facility, Pasadena, December 31, 1964.
Overseas Supply Agency, San Francisco, July 1, 1964.
Santa Rosa Island A.C. & W. Station, Santa Barbara, July 1, 1963.

CONNECTICUT

New London dock, New London, November 7, 1963.
Nike site HA–25, Hartford, September 9, 1963.

FLORIDA

Fort Village Lanham Housing, Key West, August 30, 1963.

GEORGIA

Naval Forms and Publications Supply Office, Byron, September 30, 1964.

ILLINOIS

Nike site C–44, Chicago, September 23, 1963.
Nike site C–54, Chicago, August 1, 1963.
Naval Oceanographic Office, Chicago, October 31, 1963.

INDIANA

Air Force Plant 30, Indianapolis, September 30, 1964.

IOWA

Ottumwa Tracking Station, Ottumwa, March 31, 1964.

KENTUCKY

Camp Breckenridge, Union County, June 30, 1964.

Louisville Army Depot, Louisville, July 1, 1963.

LOUISIANA

Camp Leroy Johnson, New Orleans, June 30, 1964.

England Air Force Base radar site, Baton Rouge, August 30, 1963.

Gap Filler site, Lake Charles, August 30, 1963.

Gap Filler site, Weeks Island, August 30, 1963.

Overseas Supply Agency, New Orleans, July 1, 1964.

Naval Oceanographic Office, New Orleans, January 31, 1964.

MAINE

Deblois Weapons Range, Columbia Falls, April 30, 1964.

MARYLAND

Naval Oceanographic Office, Baltimore, January 31, 1964.

Naval Weapons Industrial Reserve Plant (DOD 148), Strawberry Point, October 31, 1963.

MASSACHUSETTS

"E" Street Annex, Boston, June 30, 1964.

Mifflin Estate, Nahant, January 3, 1964.

Naval Oceanographic Office, Boston, October 31, 1964.

Nike site B–38, July 1, 1963.

MICHIGAN

Camp Lucas, Sault Ste. Marie, June 30, 1964.

SAGE Direction Center, Sault Ste. Marie, December 31, 1963.

Nike site D–17, Algonac, December 3, 1963.

Nike site D–54–55, Detroit, August 1, 1963.

Nike site D–86, Franklin, November 1, 1963.

MINNESOTA

Radar site, Grand Rapids, January 7, 1964.

MISSOURI

Fort Crowder, Neosho, June 30, 1964.

St. Louis Ordnance Plant, St. Louis, June 30, 1964.

NEVADA

Lanham Act housing site, Hawthorne, December 1, 1963.

NEW JERSEY

Camp Kilmer, Edison, June 30, 1964.

Nike site PH–32, Burlington, July 5, 1963.

NEW MEXICO

Radar site, Las Cruces, August 30, 1963.

Radar site, Roswell, August 30, 1963.

NEW YORK

Army Building, 39 Whitehall Street, New York, June 30, 1964.

SAGE Direction Center, Syracuse, August 30, 1963.

Mitchell Field sewage facilities, New York, April 30, 1963.

Naval Oceanographic Office, New York, January 31, 1964.

Building No. 2, Jay Street Annex, Naval Shipyard, Brooklyn, July 1, 1964.

Niagara Falls chemical plant, Niagara Falls, October 10, 1963.

Nike site NY–23, Nassau County, September 12, 1963.

Overseas Supply Agency, Brooklyn, July 1, 1964.

NORTH CAROLINA

Naval Air Facility Weeksville, Elizabeth City, December 31, 1964.

Radar site, Cherry Point, August 30, 1963.

NORTH DAKOTA

SAGE Direction Center, Grand Forks, December 31, 1963.

SAGE Direction Center, Minot, August 30, 1963.

OHIO

Brookfield Air Force Station, Brookfield, November 1, 1963.

Lordstown Military Reservation, Lordstown, September 15, 1963.

Naval Reserve Training Center, Cleveland, August 1, 1963.

Rossford Ordnance Depot, Toledo, July 1, 1963.

OKLAHOMA

The 32d Air Division, Oklahoma City, December 31, 1963.

OREGON

Naval Air Landing Field, Tilamook, July 31, 1963.

PENNSYLVANIA

Lukens Steel plant, DOD 337, Coatesville, December 15, 1963.

Naval home wharf, Philadelphia, March 31, 1964.

Naval Reserve Training Center, Erie, October 22, 1963.

Naval Reserve Training Center, Harrisburg, June 1, 1964.

RHODE ISLAND

Nike site PR–69, Providence (Coventry), September 9, 1963.

SOUTH DAKOTA

Nike site E–01, E–20, E–40, E–70, Ellsworth, September 12, 1963.

TEXAS

Camp Gary, San Marcos, December 31, 1964.

Radar site, Eagle Pass, August 30, 1963.

Gap Filler site, Carrizo Springs, August 30, 1963.

Gap Filler site, Comstock, August 30, 1963.

Gap Filler site, Delmita, August 30, 1963.

Gap Filler site, El Paso, August 30, 1963.

Gap Filler site, Palacios, August 30, 1963.

Gap Filler site, Laredo, August 30, 1963.

Gap Filler site, McCamey, August 30, 1963.

Gap Filler site, Riviera, August 30, 1963.

Naval Oceanographic Office, Galveston, October 31, 1963.

Panatex Ordnance Plant, Amarillo, December 6, 1963.

Radar site, Pyote, August 30, 1963.

Radar site, Ozona, August 30, 1963.

Radar site, Rockport, August 30, 1963.

VERMONT

Radar site, Lyndonville, August 30, 1963.

WASHINGTON

Radar site, Fort Lawton, Seattle, August 30, 1963.

Ammunition storage annex, Spokane, September 30, 1963.

SAGE Direction Center, Spokane, September 30, 1963.

Mount Rainier Ordnance Depot, Tacoma, July 1, 1963.

Naval Oceanographic Office, Seattle, October, 31, 1963.

ADC Unit, Spokane, September 30, 1963.

Naval Harbor Defense Unit, Port Townsend, January 16, 1964.

ALASKA

Radar site, Bethel, October 31, 1963.

Radar site, Middleton Island, October 31, 1963.

Radar site, Ohlston Mountain, October 31, 1963.

Eight DEW line sites, April 30, 1964.

HAWAII

Bombing range, Bonham Air Force Base, March 31, 1964.

Fort Ruger theater parcel, June 30, 1964.

Sand Island Harbor control post, April 30, 1964.

ALABAMA

Birmingham: Consolidate the contract administration offices of Army and Air Force.

ARIZONA

Phoenix: Consolidate the contract administration offices of Navy and Air Force.

CALIFORNIA

Los Angeles: Consolidate the contract administration offices of Army, Navy, and Air Force.

Oakland: The terminal functions of the Oakland Army Terminal and the Navy Supply Center, Oakland, will be consolidated.

Pasadena: The Army's Pasadena Area Support Center will be transferred to GSA by July 1965 for management.

San Francisco: Consolidate the contract administration offices of the Army, Navy, Air Force, and DSA.

San Francisco, naval activities: Eight naval activities will be relocated from various locations in San Francisco and San Bruno to Treasure Island by December 1966.

COLORADO

Denver: Consolidate the contract administration offices of Army and Air Force.

CONNECTICUT

Bridgeport-Hartford: Consolidate the contract administration offices of Navy and Air Force.

Windsor Locks: The Air Force Reserve Group now at Bradley Field will relocate to Westover AFB by July 1966.

FLORIDA

Jacksonville: The seadrome, Naval Air Station, Jacksonville, will be inactivated by January 1965.

Key West: The seadrome, Naval Air Station, Key West, will be inactivated by January 1965.

Pensacola: The seadrome, Naval Air Station, Pensacola, will be inactivated by January 1965.

GEORGIA

Atlanta: Consolidate the contract administration offices of Navy, Air Force, and DSA.

ILLINOIS

Chicago: Consolidate the contract administration offices of Army, Navy, Air Force, and DSA.

Decatur: Decatur Naval Weapons Industrial Reserve Plant will be declared excess and reported to GSA by June 1964 for disposal.

LOUISIANA

New Iberia: The Naval Auxiliary Air Station, New Iberia, will be declared excess and reported to GSA by January 1965 for disposal.

MARYLAND

Baltimore: Consolidate the contract administration offices of Navy and Air Force.

MASSACHUSETTS

Boston: Consolidate the contract administration offices of Army, Navy, Air Force, and DSA.

New Bedford: Fort Rodman, a subpost of Fort Devens, Mass., will be declared excess and reported to GSA for disposal by September 1966.

Watertown: Watertown arsenal will be declared excess and reported to GSA by September 1967 for disposal except for the facilities occupied by the Army Materials Research Agency which will remain at Watertown.

Winthrop: Fort Banks, a subpost of Fort Devens, will be declared excess and reported to GSA by September 1966 for disposal.

MICHIGAN

Detroit: Consolidate the contract administration offices of Army, Navy, and Air Force.

Grosse Ile: Naval Air Station, Grosse Ile will be declared excess and reported to GSA by September 1967 for disposal.

MINNESOTA

Minneapolis: Consolidate the contract administration offices of Navy and Air Force.

MISSOURI

Kansas City: Consolidate the contract administration offices of Army and Air Force.

St. Louis: Consolidate the contract administration offices of Army, Navy, and Air Force.

NEBRASKA

Sidney: Sioux Army Ammunition Depot will be declared excess and transferred to GSA for disposal by June 1967.

NEW JERSEY

Newark: Consolidate the contract administration offices of Navy and Air Force.

NEW YORK

Buffalo: Consolidate the contract administration offices of Navy and Air Force.

New York City: Consolidate the contract administration offices of Army, Navy, Air Force, and DSA.

Rochester: Consolidate the contract administration offices of Army and Air Force.

Utica: Consolidate the contract administration offices of Navy and Air Force.

NORTH CAROLINA

Winston-Salem: Consolidate the contract administration offices of Navy and Air Force.

NORTH DAKOTA

Bismarck: Fort Lincoln will be declared excess and reported to GSA by June 1965 for disposal.

OHIO

Akron: Consolidate the contract administration offices of Navy and Air Force.

Cincinnati: Consolidate the contract administration offices of Army, Navy, and Air Force.

Cleveland: Consolidate the contract administration offices of Army, Navy, and Air Force.

Columbus: Establish a new DSA data system field office in Columbus.

OKLAHOMA

Muskogee: The high energy fuel plant at Muskogee, Okla. will be declared excess and reported to GSA for disposal by July 1964.

OREGON

Clatskanie: Beaver Army terminal will be declared excess and reported to GSA by July 1965 for disposal.

PENNSYLVANIA

Philadelphia: Consolidate the contract administration offices of Army, Navy, Air Force, and DSA.

Pittsburgh: Consolidate the contract administration offices of Army, Navy, and Air Force.

SOUTH DAKOTA

Igloo: The Army Black Hills Ammunition Depot will be declared excess and reported to GSA by June 1967 for disposal.

TEXAS

El Paso: Consolidate the contract administration offices of Army, Navy, and Air Force. Inactivate 431st Air Refueling Squadron at Biggs AFB in June 1965.

UTAH

Salt Lake City: Consolidate the contract administration offices of Army and Navy.

VIRGINIA

Norfolk: The seadrome, Naval Air Station, Norfolk will be inactivated by January 1965.

WASHINGTON

Bremerton: Part of Navy East Park Housing Annex will be declared excess and reported to GSA for disposal by September 1964.

Lynnwood: The U.S. Army Northwest Relay Station at the Lynnwood and Silver Lake sites will be relocated to the Spokane SAGE Control Center and Yakima Firing Center, Wash., by December 1966.

Seattle: Relocate all activities from the premises of the Seattle Army Terminal to permit full closing of this facility.

Seattle: Fort Lawton operations will be phased out, with the X Corps Headquarters relocating to Fort Lewis and other tenants to naval activities in the Seattle area.

Seattle: Consolidate the contract administration offices of Army, Navy, and Air Force.

Tacoma: The U.S. Army Tacoma storage site will be declared excess and reported to GSA for disposal by January 1965.

WISCONSIN

Milwaukee: Consolidate the contract administration offices of Navy and Air Force.

APPENDIX B

MAJOR MILITARY PROCUREMENT PROGRAMS NOT FUNDED AFTER FISCAL YEAR 1963 [1]

F–105 aircraft, major suppliers: Republic Aviation Corp., Farmingdale, N.Y.; United Aircraft Corp. (Pratt & Whitney Division), East Hartford, Conn.; Collins Radio Co., Cedar Rapids, Iowa; North American Aviation, Inc. (Autonetics Division), Downey, Calif.; General Electric Co., Burlington, Vt.; General Electric Co., Johnson City, N.Y.; Laboratory for Electronics, Boston, Mass.

Falcon (GAR 2B/11) missiles, major suppliers: Hughes Aircraft Co., Tucson, Ariz.; Thiokol Chemical Corp., Elkton, Md.; the Eagle-Picher Co., Joplin, Mo.

MAJOR MILITARY PROCUREMENT PROGRAMS NOT FUNDED BEYOND THE FIRST 6 MONTHS OF FISCAL 1964

Dyna-Soar (R. & D.), major suppliers: the Boeing Co. (Aerospace Division), Seattle, Wash.; RCA, Camden, N.J.; Minneapolis-Honeywell Regulator Co., St. Petersburg, Fla.

OH–13/23 helicopter, major suppliers: Hiller Aircraft Corp., Palo Alto, Calif.; Bell Helicopter Co., Fort Worth, Tex.; Indiana Gear Works, Indianapolis, Ind.; Parsons Corp., Traverse City, Mich.; United Aircraft Corp. (Ham-Stand Division), Windsor Locks, Conn.

OV–1 aircraft, major suppliers: Grumman Aircraft & Engineering Co., Bethpage, L.I., N.Y.; Bendix Corp., Eatontown, N.J.; Chandler Evans Corp., West Hartford, Conn.; Collins Radio Co., Cedar Rapids, Iowa; Motorola, Inc., Scottsdale, Ariz.; Ryan Aeronautical Co. (Electronics Division), San Diego, Calif.; Sperry Rand Corp., Phoenix, Ariz.; United Aircraft Corp. (Hamilton Standard Division), Windsor Locks, Conn.

A4E aircraft, major suppliers: Douglas Aircraft Co., Inc., Long Beach, Calif.; United Aircraft Corp. (Pratt & Whitney Division), East Hartford, Conn.; Bendix Corp., Teterboro, N.J.; Lear-Siegler, Inc., Grand Rapids, Mich.; Ryan Aeronautical Co. (Electronics Division), San Diego, Calif.; AiResearch Corp. (Garrett), Phoenix, Ariz.; Melpar, Inc., Falls Church, Va.; Kollsman Instrument, Elmhurst, L.I., N.Y.; United Aircraft (Ham-Stand), Windsor Locks, Conn.; Genisco, Inc., Los Angeles, Calif.

RA–5C aircraft, major suppliers: North American, Columbus, Ohio; Solar Aircraft, San Diego, Calif.; Collins Radio Corp., Cedar Rapids, Iowa; Bendix Corp., South Bend, Ind.; North American (Autonetics Division), Downey, Calif.; General Dynamics (Electronics Division), San Diego, Calif.; Garrett Corp. (AiResearch Division), Los Angeles, Calif.; General Electric Co., West Lynn, Mass.; General Precision, Inc. (Kearfott Division) Little Falls, N.J.; Westinghouse Electric Corp., Glen Burnie, Md.

KC/RC–135 aircraft, major suppliers: the Boeing Co. (Transport Division), Renton, Wash.; United Aircraft Corp. (Pratt & Whitney Division), East Hartford, Conn.; Northrop Corp. (Norair division), Hawthorne, Calif.; Rohr Aircraft Corp., Riverside, Calif.; Ryan Aeronautical Co., San Diego, Calif.; Twin Industries, Inc., Buffalo, N.Y.

Hawk missile, major suppliers: Raytheon Co., Lexington and Andover, Mass.; Raytheon Co., Bristol, Tenn; Aerojet-General Corp., Sacramento, Calif.; Intercontinental Manufacturing Co., Garland, Tex.; Northrop Corp. (Nortronics Division), Anaheim, Calif.; RCA, Camden, N.J.; Bendix Corp., Teterboro, N.J.; Goodyear Aircraft, Inc., Akron, Ohio; FMC Corp., San Jose, Calif.

Nike-Hercules missile, major suppliers: Western Electric Co., New York and North Carolina; Douglas Aircraft Co., Inc., Charlotte, N.C.; Intercontinental Manufacturing Co., Garland, Tex.; Thiokol Chemical Corp., Marshall, Tex.; Hercules Powder Co., Radford, Va.; General Electric Co., Syracuse, N.Y.; Continental Can Co., Inc., Chicago, Ill.; Aerojet-General Corp., Azusa, Calif.; Elgin National Watch Co., Lincoln, Nebr.; FMC Corp., Lakeland Fla.; Consolidated Welding & Engineering Co., Chicago, Ill.

[1] Maintenance and modification programs may continue to be funded after fiscal year 1963.

APPENDIX C

RECENT AND PENDING LAYOFFS IN 19 MAJOR DEFENSE FIRMS (AS PREPARED BY PROF. SEYMOUR MELMAN OF COLUMBIA UNIVERSITY)

(NOTE.—These data were assembled from managements, trade unions, and employees of the firms.)

New York metropolitan region:	
Arma Division:	
1963 to date layoff of production workers	690
1963 to date layoff of engineers and technicians	825
1963 to date layoff of clerical and administrative workers	200
Sperry Gyroscope:	
1963 to date layoff of production workers	1,000
1963 to date layoff of engineers and technicians	550
1963 to date layoff of clerical and administrative workers	200
Reeves Instrument	360
Republic Aviation:	
1963 to date layoff of workers	3,700
Scheduled layoff (few engineers involved)	6,000
Ford Instrument: 1963 to date layoff of production workers	430
New Jersey:	
RCA (Camden and Morristown):	
1963 to date layoff of production and maintenance	3,700
1963 to date layoff of engineers	800
1963 to date layoff of technicians	450
ITT:	
1963 to date layoff of production and maintenance	300
1963 to date layoff of engineers and technicians	280
1963 to date layoff of salaried employees	220
Bendix Aviation (Teterborough)	500
Bendix Aviation (Red Bank):	
1963 to date layoff of production and maintenance	400
1963 to date layoff of white-collar workers	400
Bendix Aviation (Homedale):	
1963 to date layoff	100
Curtiss-Wright (Teterborough):	
1963 to date layoff of production and maintenance	2,000
1963 to date layoff of salaried personnel	400
ITT (data and information systems):	
1963 to date layoff (mostly professional staff)	500
General precision:	
1963 to date layoff of engineers	60
1963 to date layoff of production workers	170
Impending layoff of production workers	180
Massachusetts:	
Avco (Lawrence, Lowell, and Wilmington):	
1963 to date layoff of engineers and scientists (projected layoff now pending 2,500)	270
Mitre: 1964 layoff	150
Raytheon: 1963 to date layoff	8,000

California:	
Aerojet (Sacramento):	
1963 to date layoff	2,000
Pending layoff	3,000
Aerojet (Azusa):	
1963 to date layoff	800
Pending layoff	1,200
Douglas (projected layoff now pending, 3,750)	------
Lockheed:	
1963 to date layoff of engineers and scientists	1,100
Pending layoff (not including 700 to be transferred to Sunnyvale	1,500
Systems Development Corp.: pending layoff	1,000
Colorado:	
Martin (Denver): As of Mar. 8 layoff of employees	2,800
Washington: Boeing:	
1963 to date layoff of employees (continued reduction in employment through 1964)	14,600
Total	67,085

Mr. ROBERTSON. Mr. President, I ask unanimous consent that I may yield to the Senator from New Jersey [Mr. WILLIAMS] without my losing my right to the floor.

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

FINANCIAL DISCLOSURE BY SENATOR HARRISON WILLIAMS AND HIS STAFF

Mr. WILLIAMS of New Jersey. Mr. President, the ultimate judge of the integrity of an elected official is—and ought to be—his constituency. The people must decide whether their representative—be he rich or poor—is worthy of public trust. Over the years the American people have erred on occasion, but by and large their judgment has been sound. No finer system than ours has ever been devised to hold those who legislate accountable to the people for whom they legislate.

In recent years, as the range of matters with which a Member of Congress is concerned has broadened to take in so much of our national and economic life, there has been a growing consensus that the public has the right to know what bearing, if any, the private financial interests of a legislator may have on his conduct of the public's business. Most recently, public attention has been drawn to the financial activities of a former Senate employee. This in turn has led to the demand that both Senators and Senate employees be required to disclose their financial interests.

Mr. President, there is nothing more essential in this democracy than public faith in the integrity of the National Legislature. My concern in this regard has been evidenced in my support of the original resolution authorizing the Rules Committee's investigation of the Baker affair and—only 2 weeks ago—in my support of a resolution which would have removed all doubt about the intended scope of that inquiry.

I believe that financial disclosure is a reasonable and desirable step in the public interest. I am therefore filing today with the Secretary of the Senate—where it will be available for public examination—a full, complete, and detailed description of my financial situation. I also ask unanimous consent, Mr. President, that my financial statement be printed in the RECORD at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. (See exhibit 1.)

Mr. WILLIAMS of New Jersey. This statement reflects my conviction that a meaningful disclosure of interests necessarily entails a dollars and cents evaluation of one's financial holdings. Stock ownership, for example, is only meaningful in this context when the extent of ownership is stated.

I would remind my colleagues that it was the conduct of a former employee of this body, and not that of a Senator, that gave rise to the current investigation. Many staff personnel, representing as they do an extension of Senators themselves, are in a position to exercise varying degrees of influence in the legislative branch. I believe, therefore, that it is imperative that public trust repose not only in Senators but in the men and women whom they employ to assist them. Although this has been pointed out innumerable times in the past, no one, to my knowledge, has yet acted upon it.

Pending Senate bills would require disclosure for Senate employees only at salary levels of $10,000 or $15,000. This dividing line would seem to fall short of its intended purpose. I have given considerable thought to this problem, and it is my judgment that $7,500 represents a far more realistic cutoff point if we are to reach all professional staff personnel whose responsibilities are of sufficient importance to endow them with a significant measure of influence.

Mr. President, the three members of my staff whose salaries exceed $7,500 per annum have submitted to me comprehensive and detailed statements of their financial interests. I am today filing their statements, along with my own, with the Secretary of the Senate.

In conclusion, Mr. President, I think it worth noting that there are already several approaches to disclosure in evidence in the Senate.

Certainly, in meeting the public trust, it would seem most effective if one clear set of guidelines could be established.

My financial statement—and those of my staff—represent, of course, what I judge to be a proper approach to disclosure.

If we pride ourselves on the strict standards we impose on high officers in the executive branch of the Government, then, I believe, we in the Senate can settle for no less in promulgating our own code of ethics.

There is a continuing need for the Senate to demonstrate that its house is in order. To this end I have disclosed my personal holdings and those of my staff whose salaries exceed $7,500.

EXHIBIT 1

MAY 25, 1964.

Hon. FELTON M. JOHNSTON,
Secretary of the Senate,
U.S. Senate, Washington, D.C.

DEAR MR. JOHNSTON: I am furnishing herein a complete statement of my financial interests as of May 20, 1964, which is to be retained in your files and which may be made available to the general public.

My present stockholdings are:

American Telephone & Telegraph, 6 shares, current market value	$840.00
Annual dividend (1963)	21.60
Behlen Manufacturing Co., 50 shares, current market value	431.25
Annual dividend (1963)	40.00

My wife and I own the following real estate:

Residence:	
231 Elizabeth Ave., Westfield, N.J., purchase price (1955)	$24,000.00
Tax evaluation (40 percent of fair market value)	26,800.00
Mortgage balance—Westfield Savings & Loan Association	14,604.03
Summer home:	
Tamworth, N.H., purchase price (1959)	12,900.00
Fair market value	13,000.00
Mortgage balance—New Hampshire Savings & Loan	6,785.36

I estimate the value of my tangible personal property as follows:

Household furnishings	$2,500.00
3 automobiles (1964, 1961, and 1929 models)	3,500.00
Miscellaneous	750.00
Total	6,750.00

My life insurance policies and retirement credits are as follows:

Federal employees group life insurance	$20,000.00
Civil service retirement fund credit (deductions from Jan. 3, 1959, to May 31, 1934)	9,131.57
Mutual of New York, permanent whole life	45,000.00
Cash value	4,515.00
(Dividend account)	745.67
Mutual of New York, term insurance	15,000.00
National service insurance, term insurance	10,000.00

My wife and I have the following savings and checking accounts:

Checking account, National Savings & Trust, Washington, D.C.	$1,575.00
Checking account, Bank of Commerce, Washington, D.C	44.00
Savings account, Westfield Federal Savings & Loan, Westfield, N.J.	7,023.64
Savings account, New Hampshire Savings Bank, Concord, N.H	1,034.79
Total	9,677.43

My assets also include accounts receivable (primarily legal fees) of approximately $3,200. My obligation, in addition to the mortgages noted above, is a personal loan of $3,000.

In addition to my Senate salary of $22,500 and the dividend income noted above, I received income during 1963 in the following amounts:

Lecture fees	$500.00
Legal fees	13,322.95

These legal fees were received for services rendered to New Jersey clients; none of the services rendered related to matters involved in congressional legislation nor to matters pending before Federal courts, agencies, or commissions.

Savings accounts and U.S. savings bonds held by my five children do not exceed $2,500.

I estimate that during 1963 my nonreimbursed expenses, incurred in connection with the performance of official duties as a U.S. Senator, amounted to $7,245.50.

My income and expenditures to date in 1964 are comparable in amount and nature to the foregoing.

To the best of my knowledge, the above listings constitute a full disclosure of my financial status as of May 20, 1964.

Sincerely,

HARRISON A. WILLIAMS, Jr.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. WILLIAMS of New Jersey. I yield.

Mr. LONG of Louisiana. Why is the Senator leaving out income which does not equal $7,500 a year?

Mr. WILLIAMS of New Jersey. At some point it is necessary to draw the line. The suggestion has been made that the line be drawn with reference to $15,000 and with reference to $10,000. I will not be popular for saying it, but it seemed to me that $7,500 would separate the professional people from the secretarial people. The professional people are our extra arm in working directly with our constituents.

CIVIL RIGHTS ACT OF 1963

The Senate resumed the consideration of the bill (H.R. 7152) to enforce the constitutional right to vote, to confer jurisdiction upon the district courts of the United States to provide injunctive relief against discrimination in public accommodations, to authorize the Attorney General to institute suits to protect constitutional rights in public facilities and public education, to extend the Commission on Civil Rights, to prevent discrimination in federally assisted programs, to establish a Commission on Equal Employment Opportunity, and for other purposes.

Mr. ROBERTSON. Mr. President, the framers of the Constitution intended that we should have a government of three branches, separate and coequal. It was intended that the executive branch should execute the law, that the judicial branch should enforce the laws, and that the legislative branch should enact the laws.

Mr. President, in recent years there seems to have started a contest among all three of the branches as to which shall have superiority and which should go the furthest in destroying the kind of government it was intended we should have; namely, a government of strictly limited and delegated powers, with all other powers reserved to the States and to the people thereof.

Last year, the President, without any legal authority, in my opinion, issued a nondiscrimination housing order. Of course, it is to be confirmed by Congress. We saw him setting up an FEPC establishment which would apply to Government contracts, equally without any authority. That again is to be confirmed by Congress.

The Supreme Court has not been lacking in its contribution to the program of killing States rights.

It took a tremendous step forward in 1954 when it held that the 14th amendment applied to education. Everyone who knows anything about history knows that those who framed the 14th amendment did not have any idea that it would apply to education. The Congress that proposed the amendment operated segregated schools for years in the District of Columbia. There was no reference in any ratifying convention that it applied to education. Yet after the Supreme Court had held, in Plessy against Ferguson, that separate-but-equal schools were not in violation of the 14th amendment, and after decisions had come down from cases in the State of Massachusetts, the Supreme Court reversed all of its previous decisions—and I say thereby wrote law—by holding that the 14th amendment applied to school segregation.

The Court drove another nail into the coffin of States rights today, when it held that a district court had the power to compel a county to operate schools and to appropriate money for that school's operation.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. LONG of Louisiana. Is it not true that both the judiciary and the executive have been usurping the powers that belong in the legislative branch; in other words, is it not correct to say that the executive authorities, without any authority by Congress have been issuing executive orders telling people what they had to do with regard to housing, what they had to do in various and sundry situations, what they had to do with regard to contracts, and what they had to do with regard to whom they could hire, and that the judiciary had also been usurping the lawmaking function, which is reserved to Congress under the Constitution, by writing new laws, saying that the law is anything but what it is, thereby usurping the lawmaking function, as well.

I ask the Senator this question, If Congress does not assert itself and, more or less, slap the wrists of both the executive and the judiciary in that regard, what function will be left for Congress?

Mr. ROBERTSON. I agree that Congress should do all of that; but, in addition, Congress should slap its own wrist and put a little more restraint on its own actions.

I shall shortly discuss a proposal which I believe Congress has no authority to pass. Certainly it would do violence to the fundamental theory of States rights.

The Supreme Court has construed the 14th amendment, the due process of law amendment, to mean that it can strike down any State law of which it disapproves. It never was intended that the Supreme Court should have that power.

As the Senator says, Presidents issue orders. One of them was reversed by the Supreme Court when he seized the steel mills, but many Presidents have not been reversed for assuming powers that were not delegated to the President.

Still, Congress has allowed the Supreme Court to usurp its functions when the Constitution provides but two jurisdictions for the Supreme Court. One instance is when a treaty is involved; the other is when there is litigation between the States.

But now the Supreme Court has moved into a new field. There is pending before the Senate a civil rights bill that is without any support in the Constitution. Yet Congress is moving in to tell the States what they must do; and on top of that the Supreme Court, not to be outdone, has handed down a decision today to the effect that it can tell a county that it must levy a tax, that it can tell a county it must operate a school.

I expected the Supreme Court to strike down the provision for tuition grants, because that was an extension of the decision in the case of Brown against Board of Education. I did not approve of that decision; but when the Court struck down the provision for tuition grants, it was acting in keeping with that decision. However, the Court has gone further than that. Thank goodness, two Justices dissented.

The Supreme Court has now taken the position that it can tell a Virginia county—and if it can tell a Virginia County, it can tell a county in Utah or in Illinois or anywhere else—that it will have to levy a tax. Suppose 40 cents a $100 is required to operate a school, but the county does not levy more than 20 cents a $100. The Supreme Court can tell the county it has not levied enough. It can tell the county how much tax it must levy.

Suppose a school board said it would assign white teachers to a colored school. The Supreme Court could say, "No; you must supply colored teachers."

Incidentally, when the first Farmville, Prince Edward County, case was decided, Virginia was employing more colored teachers in its public schools than the total number of teachers who were employed in all segregated schools combined.

Mr. President, think what this precedent means. If the Supreme Court can tell a school board it must levy a tax, it can tell it how much the tax must be. If it can tell a State that it must operate a school, it can tell it who is to teach in that school.

Suppose $4,800 is the salary required to obtain teachers having college certificates, and the board offers only $2,500. Cannot the Supreme Court say, "Although you have opened a public school, it is a second-class public school; you must operate a first-class public school"? Then the Supreme Court will tell the State authorities the amount it must pay its teachers.

Suppose someone should say, "We have no gymnasium in our school"; or, "Our school is not air conditioned"; or there is some other complaint. The Supreme Court could then say, "Your buildings are old, horse-and-buggy-day buildings. We cannot have these fine young people occupying them when the weather becomes warm, without providing air conditioning for them."

Mr. President, I say there is a general trend in the courts and in Congress to kill States rights. I call that taking us down the road to dictatorship.

Mr. LONG of Louisiana. Mr. President, will the Senator yield for a question at that point?

Mr. ROBERTSON. I yield.

Mr. LONG of Louisiana. When the Supreme Court, perhaps with the assistance of the Executive and perhaps with

the assistance of Congress, undertakes to destroy State government and States rights, is it not thereby destroying government of the people and by the people, as we have come to know it?

Mr. ROBERTSON. Of course they are. No nation that has given up its personal liberties has ever been able to restore its former government. When a country goes into the hands of a dictator, all liberty goes. Dictators do not need a supreme court. Dictators do not need parliaments, except the one party, "da, da," or whatever they call it in Russia. There is only one party, and it is told how to vote. There is no free debate and no freedom of choice.

TRUTH-IN-LENDING BILL

Mr. President, what we see happening is a trend.

Ordinarily, I would not speak of a bill that is pending before the Committee on Banking and Currency before it was actually placed on the calendar. But something happened on Friday that makes me feel that a little comment about that bill is entirely in order. The bill has become quite well advertised, both by its number, S. 750, and by its nom de plume, or whatever writers would call it, the truth-in-lending bill. That bill is another evidence of the fact that we do not think the States know how to govern themselves. Every State has the power not only to fix the legal rate of interest, but to declare what the lender must tell the borrower about the rate of interest or the amount of interest in dollars.

Such a bill has been pending before Congress for more than 4 years. It was supposed to be a model in that respect. Yet no State has copied it. Most States have laws to regulate interest charges, and some have laws on the subject of disclosure.

A companion bill has been pending all this time in the House, but not 1 day of testimony has been heard on it.

The Senate bill was referred to a subcommittee of the Committee on Banking and Currency, of which the patron of the bill was the chairman. It was his subcommittee. The bill remained before that committee—his committee—for 4 years. It did not come out of that committee until the Senate became involved in another bill which the President said must have priority. He said everything else must stand back of the civil rights bill.

First, the President said he would give the civil rights bill priority over taxes; then he decided it would be better to give the tax bill priority and let the $800 million a year tax saving be poured into the commercial stream. So the distinguished Senator from Louisiana [Mr. LONG] reported a bill to reduce taxes. The chairman of the Committee on Finance [Mr. BYRD of Virginia] did not wish to handle the tax bill and did not care to vote for it; so the Senator from Louisiana reported the bill. He did a splendid job in explaining it, and Congress passed it. When Congress passed the tax bill, we were informed that the Chief Executive had said that the next priority was the civil rights bill.

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

Mr. ROBERTSON. I yield.

Mr. DOUGLAS. I merely wished to correct one statement the Senator from Virginia made. He stated that the truth-in-lending bill had not been reported from the subcommittee. If he will examine the records of his committee, he will find that on April 28, 1960, a motion to report the truth-in-lending bill to the full committee was adopted by a rollcall vote of 4 to 3, Senators FULBRIGHT, DOUGLAS, CLARK, and PROXMIRE voting to report the bill; Senators BENNETT, CAPEHART, and BUSH voting against reporting it.

So it was reported in 1960, and it was again reported 2 months ago.

Mr. ROBERTSON. I have been speaking about this Congress.

Mr. DOUGLAS. The Senator from Virginia said the bill was before the subcommittee for 4 years and was not reported.

Mr. ROBERTSON. The bill and its predecessors have been before the committee for 4 years. A previous subcommittee did report an earlier bill, but it was not acted on by the full committee; and now it is before this subcommittee.

That was a slight technical error, and I stand corrected. I want to be technically correct in everything I say about this matter.

This is another step on the part of the Congress to tell the banks, the savings and loan associations, the automobile dealers, and everyone who sells a washing machine, a refrigerator, a bedstead, or anything else, on time, "You must handle it this way. We know better than you do about what you should disclose to your customers, and therefore we are going to impose this model law, that has been before us for 4 years."

I am sure that statement will not be contested; and it has been before the House committee the same length of time, although there has not been 1 day of testimony before the House committee, whereas on our side, our committee has taken over 4,000 pages of testimony.

As I said earlier today, Saturday was a red-letter day in my little hometown of Lexington—a college town. Washington and Lee University has a thousand students, and VMI has a thousand cadets. Many colleges have a student body five times that number. But Washington and Lee University and VMI are famous for the outstanding accomplishments of their graduates. Their emphasis has been, and is, on quality, rather than quantity.

On Saturday, the President of the United States spoke there. A former President of the United States also spoke there. Another famous person who was there was General Bradley, the commander of our armies in World War II. He commanded more troops than Xerxes commanded; Xerxes had a million men under his command, but I think General Bradley had more than a million men under his command in World War II.

I forget whether it was General Marshall or General Eisenhower who said it; but one of them told me he considered General Bradley the greatest field commander this Nation has ever produced.

As I say, General Bradley was there. He is chairman of a foundation to build a memorial to a great VMI graduate, a great patriot, the Chief of Staff in World War II, a Secretary of Defense, and a Secretary of State—General George Catlett Marshall.

So I had to leave the Senate rather early on Friday, to get there, to meet some of my friends who were coming, and to be there by 10 o'clock, fast time, the next morning.

The President was gracious enough to invite me to go with him; but he was going by plane to Roanoke, and then by helicopter, and he was not going to get to Lexington until 11:30 a.m. That was too late for me; so on Friday, I had to dash off.

On Friday, while I was on my way there, the statement to which I have referred was put into the CONGRESSIONAL RECORD. I could not see it until I returned here from Lexington.

I ask Senators to listen to that statement, in which the Senator from Illinois complained that I had not pushed hard enough to bring this new invasion of States rights to a vote. This is what the patron of the bill said on this floor Friday, knowing full well that, partly through his help, we were "under the gun" in a way in which we have not previously been. It is not an easy task to make two or three speeches a week, for 2 or 3 hours each time, and to say anything worth hearing. I challenge those who call this a filibuster—we call it trying to educate the public—to examine the speeches we have made and to say whether they were germane and whether we were trying to explain what is in the bill and whether we were trying to keep Congress from carrying us further down the road to dictatorship. That was not an easy task; and we were in session between 10 hours a day and 12 hours a day. Sometimes the Senate met at 10 a.m., and at times the session continued to midnight—14 hours a day. Not many Members can hold this floor in the way that our distinguished friend, the Senator from Louisiana [Mr. LONG] can. His father had one of the great records for holding the floor here.

I wish to say that when it comes to holding this floor, the father of the Senator from Louisiana was tops; but the present Senator from Louisiana himself is no slouch, and we commend him on both his felicity of expression and his endurance.

Mr. LONG of Louisiana. Madam President, will the Senator from Virginia yield?

The PRESIDING OFFICER (Mrs. NEUBERGER in the chair). Does the Senator from Virginia yield to the Senator from Louisiana?

Mr. ROBERTSON. I yield.

Mr. LONG of Louisiana. Is the Senator from Virginia familiar with the late Senator George Malone's definition of a filibuster; namely, a long speech with which you do not agree—whereas, if you agree with it, it is profound debate?

Mr. ROBERTSON. Yes, indeed. [Laughter.]

Madam President, I return to my reference to the celebration at VMI: while I was there, the Senator from Illinois [Mr. DOUGLAS] said, in speaking in this chamber:

> It is the question of whether the chairmen of the various committees are to be czars over the committees, whether they are to have unrestricted power to decide when the committees will meet, and to prevent the committees from meeting, for long periods of time, and whether they will have power to refuse to permit certain matters to come before the committees, or whether they, too, are under a rule of law.

And he said:

> If we are to have a dictatorship in the Senate—which I am afraid we have—that is one thing. But I believe that is not what the country expects of the Senate, and I do not think that comports with the principles of fairplay.

I do not know whether that called me a czar or a dictator, or called me both. But I just want to deny the soft impeachment of being either. I have tried to be scrupulously fair to all members of the Banking and Currency Committee.

Bear in mind, Madam President, that although the distinguished Senator from Illinois thinks this bill is one of the best pieces of proposed legislation the Senate has ever had an opportunity to consider, some members of our committee are as bitterly opposed to it as he is in favor of it. I had to take them into consideration, in calling meetings and in deciding on what we were to do. But I went out of my way, Madam President, to accommodate the distinguished Senator from Illinois.

When the Senator from Arkansas [Mr FULBRIGHT] was chairman of the committee, he permitted the Senator from Illinois to name an economist, who did a great deal of work as economist for the Senator from Illinois. He went to the Treasury Department. Then the Senator from Illinois asked me for the privilege—and I granted it to him—of picking out his own economist. Then he got another very fine young man. I like him, and I think he has a great future; and he is with us now.

He had been working on the bill. He wanted to improve his educational background and perhaps get a Ph. D. degree. I do not know. He wished to go to school for 6 months and then come back. It was not too bad a job at $17,200. It was a little better than those college fellows usually get. But the man was worth it.

I said, "Sure, let him go to school. Let him come back, and we will take him back at his old job. Let him improve himself. I hope that he gets a Ph. D."

That was one effort we made to cooperate.

I wish to point out another thing. Never since I have been chairman of the committee have we ever paid for witnesses to come and testify. The patron of the bill to whom we are referring said, "There are some college professors whose testimony I must have."

I said, "Why don't you let them come?"

The Senator from Illinois said, "They cannot possibly pay their way."

I said, "Why cannot they mail their statements in?"

He said, "We must have them present in person and let Senators cross-examine them."

So in a moment of weakness I yielded.

I said, "All right. Invite those professors to come and we will pay their way."

Well, they came and we paid their way. The expense amounted to quite a large sum. We paid for the transcript of their testimony. We paid to print the transcript. Then what became of the testimony? With all due deference, I will tell the Senate what became of it. One thousand copies of the transcript, including the testimony of those professors, were given to the distinguished Senator from Illinois to use in 1960 when he was campaigning for reelection. That is what became of that testimony. I was generous with him. I said, "You may have a thousand copies." I knew that no one else would read it, and so I let the copies go out to Illinois, if it would do the Senator any good. I wished to see him reelected, so I let him have the copies. That was cooperation.

Mr. DOUGLAS. Madam President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. DOUGLAS. Is it not true that I personally paid the expenses of one of the witnesses, and I believe the Senator from Utah paid the expenses of one of the witnesses as well?

Mr. ROBERTSON. That must have been afterward, because I have the record of the witnesses whose expenses the committee paid. The committee paid for the witnesses $733.60. That was the first and only time that it did so. What became of the testimony?

As I said this morning when some of the braintrusters would write a tax bill, Harold Knutson used to say in the Ways and Means Committee, "Well, they have never met a payroll. The fine professors know all the theories, but they have never met a payroll."

Those witnesses attempted to state what should be put on a credit slip, although they may never have bought a washing machine. I approved a voucher for $733 to pay their expenses in order to enable them to come and testify. Their testimony was included in the record, but who read it? I ask Senators, Who read the testimony? Yet I am told that I am a czar, a dictator, or a little of both.

Not content with the witnesses who appeared to testify, the Senator said, "We must have hearings in other cities and other communities."

Never since I have been chairman of the committee—in fact, in the 18 or 19 years that I have been a member of the committee—has any subcommittee traveled to other cities. We did send some investigators out to Chicago when some bank ran into difficulties. But I am not sure whether any hearings were held out there.

I said, "We will let the committee vote on the question."

The committee voted to let the Senator conduct the hearings in various places.

Back in 1960, as I said, we paid $733.60 for travel; we paid $1,160.11 for reporting; we paid a total of $1,972.39 for the imported testimony of the professors who had never met a payroll, but who intended to tell all of our financial institutions how they should operate.

Then we went ahead and conducted out-of-State hearings. There were expenses for traveling, reporting, and printing of the hearings held in the field. The charges were as follows: New York reporting, $638; Pittsburgh, $390; Louisville, $387; Boston, $170; Boston, $273; travel to New York, $565; Pittsburgh, $490; Louisville, $447; Boston, $617; Boston, $523.

The total amount authorized for field hearings was $4,700; the total expenditures for field hearings were $4,504.02, leaving a balance of $195.98, and that amount does not include what it cost to print the hearings.

Mr. DOUGLAS. Madam President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. DOUGLAS. Will the Senator tell me of any subcommittee which has ever held hearings in four cities on five different occasions for less money than that, including the expenses of the members of the committee, members of the staff, and including reporting expense and the rest of the expenses? I believe it was a very economical hearing.

Mr. ROBERTSON. That may be, but that was my first and only experience in such a venture. I did not believe it was at all worth while to go out to those various cities. Hearings were conducted off and on for a period of 4 years. We have accumulated a total of $89,619.51 of expense in our consideration of the bill. Think of it. Never in the history of the Banking and Currency Committee, as far as I know, has the committee spent that much on any one bill.

Mr. DOUGLAS. Madam President, will the Senator submit an itemized list of the alleged total?

Mr. ROBERTSON. These figures were given to me by the staff. I will ask the staff to supplement the total.

Mr. DOUGLAS. May I ask what part of the total included the expenditure for the comparative survey of State laws? How much did that amount to?

Mr. ROBERTSON. It was $9,257.25.

Mr. DOUGLAS. In that connection I wish to point out that the Senator's own staff made a miscalculation. They informed me that the cost would be several hundred dollars. I said that the project would be worth while, but I found that the Senator's own staff—not mine—had made an egregious miscalculation. The total was approximately $10,000, and that amount did not include the printing cost. When I found that out, I said that it was not necessary to have the transcript printed. So charge not that item to me. Charge that item to the Senator's own retinue.

Mr. ROBERTSON. I certainly will charge it to the Senator, for the Senator from Illinois is the one who demanded it.

The Senator from Utah [Mr. BENNETT] is present. In a thoughtless moment he made some kind of commitment that the survey could be printed, and the Senator

presented to me a demand backed up by him. We had a copy of the survey in our office and another copy somewhere else, which no one would read. No one would read either copy, but the Senator desired the survey to be printed, and he demanded that it be printed.

I yield to the Senator from Utah on that question.

Mr. BENNETT. The Senator from Illinois is correct. We both assumed that we were dealing with a much smaller figure. But I point out to my friend from Virginia that if the $10,000 is deducted from the total figure, there still remains a pretty substantial figure.

Mr. ROBERTSON. Absolutely. But I did not wish to spend any of that amount. Is that not correct? Did I not object to printing the survey no matter what the cost?

Mr. DOUGLAS. The Senator would not have spent a cent on any of the investigation if his position had prevailed.

Mr. ROBERTSON. We should spend whatever was necessary, but a survey of State laws was involved which another agency had prepared. They had it in their office. No one cared about it. The agency sent us a copy and no one cared to see it. Still it had to be reprinted, and I discovered that an agreement in the subcommittee had been made to print it.

Then I obtained an incorrect estimate. When I found it was going to cost $30,000 or $40,000, I said, "It has gone too far. I am not going to have it printed." So the work was stopped. But by that time $9,200 had been spent.

Mr. BENNETT. Madam President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. BENNETT. When the problem first arose in the committee, the Senator from Utah assumed we were going to have a comparatively short, simple statement about various laws. But somewhere along the line, someone was encouraged to develop an encyclopedia on State laws. The Senator from Utah was greatly surprised at the scope of the work that was done when, as a result of a casual comment in the hearing I assumed we were going to have a little brochure, with a simple analysis of the basic State laws, we suddenly found ourselves with an encyclopedia.

Mr. ROBERTSON. The Senator from Virginia would like to keep the RECORD straight. I received a request from the Senator from Illinois to print this summary. I said, "Who authorized it?" He said it was concurred in by the ranking Republican member of the subcommittee. It was not the Senator from Illinois who said it would only cost a few thousand dollars. I asked, "What will it cost?"

I did not want to print it if it cost only 5 cents. I did not think it was that good. But we received an erroneous estimate of a few hundred dollars when in fact the total job would cost $30,000 or $40,000—I forget what the total cost would have been. But that is when I blew up and would not go any further.

Mr. DOUGLAS. Was the Senator from Illinois the one who gave the erroneous estimate?

Mr. ROBERTSON. Absolutely not. He was going to print it regardless of the estimate.

Mr. DOUGLAS. Not at all.

Mr. ROBERTSON. So far as I know, he was. Anyway, he asked that it be printed; and we received an erroneous estimate. We will remove that from the cut. It did not get into a finished product. That is not included in the more than 4,000 pages of testimony. We would have only $80,400 left as the cost of this bill if we were to take that item out.

Mr. DOUGLAS. Madam President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. DOUGLAS. As I recall, it was a Republican member of the committee who said we could not legislate effectively unless we knew what the State laws were. This led to a request for information on State laws, later joined in by both sides of the aisle, and the estimate of the Senator's staff was only a few hundred dollars. It turned out that it was an enormous figure. I agreed to a small amount. But I did not feel that the expenditure of the large sum, which it later turned out was involved, would be justified.

Mr. ROBERTSON. Madam President, I have tried to point out, without taking up too much of the time of the Senate, that the chairman of the committee has not been a czar or a dictator. He has tried to be fair. He has given the bill more leeway than any other bill since I have been chairman, or on the committee. We have paid for witnesses. We have paid for unlimited hearings. Never have we spent as much as $80,000 on any bill.

I was surprised when on Friday afternoon I received a letter that was dated Thursday. It was sent to me by a messenger. It was received in my office at 11:45. I had been conducting hearings, and I did not get it until 12:15.

I did not have any time. I knew I had to leave for my home. I had a few minutes to do whatever I had to do, during the morning hour. I dashed over here. I called Senator HOLLAND. I said, "Senator DOUGLAS has repudiated what you told me. You told me he said we could bring up your bill and he would not ask to have his bill brought up." The Senator said: "He said he would not try to bring it up." We tried to look for the Senator. We could not find him. He was very graciously entertaining some friends or constituents—I hope it was constituents—and the Senator from Florida [Mr. HOLLAND] said he did not want to interfere with him.

I had to make my little statement. The Republicans were having an important conference on cloture, or something important, at 9:30 this morning, and they would have had to leave the committee meeting. I had to commence a 10 o'clock committee hearing. I could not handle two so-called noncontroversial bills and one of the biggest bills that has been before us at this session, and the most controversial. I had to call off a meeting and take another look at the matter. That is when I received the statements about my being a czar and a dictator and whatnot.

Mr. DOUGLAS. Madam President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. DOUGLAS. I telephoned the office of the Senator from Virginia and reached his office. I notified the office of the Senator from Virginia that I intended to reply to the attack which the Senator from Virginia had previously made. The Senator from Virginia did not come. He says now that he has a perfectly valid excuse.

Mr. ROBERTSON. I said what?

Mr. DOUGLAS. The Senator said he had a perfectly valid excuse.

Mr. ROBERTSON. I received the message just before I left for home.

Mr. DOUGLAS. I received no notice from the Senator from Virginia or his staff. They admit they did not notify me. So far as the records show, my office did not receive any message from the Senator from Virginia who made his attack on me without giving me notice.

Mr. ROBERTSON. The facts are that the Senator wrote a letter on Thursday. He did not send it around until just before the morning hour on Friday. When it reached my office, the time was recorded as 11:45.

Mr. DOUGLAS. I signed it in the evening and asked to have it delivered by the inside postal delivery service that evening, not the next morning, so that there would be immediate delivery.

Mr. ROBERTSON. I have no way of knowing when I was supposed to receive it. All I know is that I had only the morning hour, 1 hour, in which to say whatever I had to say. If I canceled the meeting, I had to cancel it during that morning hour.

Mr. BENNETT. Madam President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. BENNETT. The Senator from Utah received a copy of that letter. But he did not see it until after the Senator from Virginia had made his speech. My staff does not call me to talk to me about every letter that comes in. The letter came in after the morning hour had begun.

Mr. DOUGLAS. What time did it arrive at the Senator's office?

Mr. BENNETT. I presume the letter was delivered about the same time that it was delivered to Senator ROBERTSON'S office.

Mr. DOUGLAS. I signed the letter the previous evening at about 6:30 and left instructions that it be given that evening to the inside delivery service and that every effort be made to get immediate delivery to the offices of the Senators concerned.

Mr. ROBERTSON. Madam President, I had about 30 minutes within which to act. I could not find the Senator. We looked for him. Senator HOLLAND looked around for him. Senator HOLLAND finally found him in the dining room.

Mr. DOUGLAS. He did not notify me.

Mr. ROBERTSON. He did not notify the Senator. Senator HOLLAND stated

this morning why he did not notify him. He did not want to take the Senator away from his constituents, whoever he was with at the time. But in any event, before I left for home, I dictated this letter to all the members of the committee. It reads:

DEAR PAUL: Your letter dated May 21 which was delivered by a page to my office at 11:35 a.m., today, and did not actually reach me until 12:15 p.m., surprised me very much.

When HOLLAND approached me last week about action on his noncontroversial bill to provide a recognition of the Pensacola Naval Air Station, I told him that even though his bill was noncontroversial I could not give it priority over your bill which had been pending for a long time and, therefore, he should ask MORSE if he would waive the rule against polling the committee. HOLLAND reported that MORSE was unwilling to waive that rule but he said "would you be willing to give my bill a hearing if DOUGLAS agreed that you could call an executive session for that purpose without bringing up his bill?" and I said "yes".

Let us have that clearly understood—without bringing up the Senator's bill. I had only half an hour to act—

and I said, "yes." Senator HOLLAND reported to me that he had such an agreement with you, and that is the reason and the only reason I announced that the committee would meet in executive session next Monday at 9 a.m. to consider two noncontroversial bills—the Holland resolution and the McIntyre bill.

When I reached the floor at 12:20 today, I showed your letter to Senator HOLLAND and both of us tried to find you, but without avail.

Mr. DOUGLAS. I was found, but I was not notified.

Mr. ROBERTSON. The Senator from Florida did not tell me that. I said, "Try to find him."

Mr. DOUGLAS. He did find me. He tried to find me, and he found me, but he did not notify me.

Mr. ROBERTSON. "We waited until after the quorum call, and you did not appear."

Mr. DOUGLAS. I was not notified.

Mr. LONG of Louisiana. Madam President, I call for the regular order.

Mr. ROBERTSON (continuing to read from the letter):

Therefore, before the morning hour expired, I deemed it both necessary and proper to say that I had called the meeting on the assurance of what Senator HOLLAND had told me; but your letter repudiated that 100 percent, and that, therefore, there would be no meeting next Monday morning on the Holland resolution and McIntyre bill, nor any other meeting until we could take up your bill, which would not be until we could have time to consider the multitude of pending amendments.

Incidentally there are 35 amendments, and we do not know how many more will be offered before action is completed on the bill. Five amendments have been offered by the distinguished Senator himself.

Mr. DOUGLAS. Madam President, will the Senator from Virginia yield?

Mr. ROBERTSON. I am glad to yield.

Mr. DOUGLAS. I waited until the quorum call. The RECORD will show that I answered the quorum call.

Mr. ROBERTSON. I checked the RECORD——

Mr. DOUGLAS. I answered the quorum call, and the RECORD will so show.

Mr. ROBERTSON. The Senator is correct. I checked the RECORD today. The Senator from Illinois must have gone up to the desk and said, "Put me on," because I was in the Chamber when the quorum call started, but he evidently was not. I did not see him. I sat here for the whole of the quorum call. I did not see him. But I did see the RECORD today. The Senator from Illinois is correct; in some way or another he got on the list of the quorum call.

Mr. DOUGLAS. Then the Senator's letter is incorrect.

Mr. ROBERTSON. What is that?

Mr. DOUGLAS. The Senator's letter is incorrect.

Mr. ROBERTSON. My letter was based on what I knew last Friday and it was correct then, because I was present shortly after the quorum call and the Senator was not. I therefore assumed that the Senator had not answered the quorum call. The Senator must have been the first one to answer it, because I was in the Chamber at 20 minutes after 12 and I could not find the Senator. But I checked the RECORD today; and the Senator is correct. He did answer the quorum call. However, it appeared to me at the time that the Senator had not answered it. I apologize for that error, but we could not find the Senator.

Mr. DOUGLAS. The Senator from Florida stated that he did find me, but he did not notify me. The RECORD will show that.

Mr. ROBERTSON. Let the RECORD show that the Senator from Florida did find the Senator and he did not notify the Senator. It was not my fault. Let me finish reading this letter, and then I shall——

Mr. LONG of Louisiana. Madam President, will the Senator from Virginia yield at that point?

Mr. ROBERTSON. I yield.

Mr. LONG of Louisiana. Let me say it is possible that both Senators are correct, because when a quorum call is begun the clerk will usually put on the roll every Senator in the Chamber, even though a certain Senator may not be present at the time his name is called.

Mr. ROBERTSON. That must have been what happened, because I came into the Chamber shortly after the quorum call started and I waited, thinking that the Senator from Illinois would surely answer the quorum call and that I would then get to see him. He moved a little too fast for me. I did not get to see him.

The Senator from Florida evidently did see the Senator from Illinois, but did not notify him.

To continue reading the letter:

As I explained on the floor today, the only reason we have an opportunity for committee meetings next week is to give me a chance to complete action on the very important Treasury-Post Office appropriations bill, which means so much to our colleague, MIKE MANSFIELD. He faces a really tough fight and one item apparently of considerable concern in Montana is the minting of additional silver dollars on which he has been sent a petition signed by more than 11,000 voters. So, I heard witnesses of the Post Office Department today and I thought that I could devote at least a half an hour next Monday to favoring the Florida Senators whose celebration is scheduled for June 13, and then proceed with witnesses from the Treasury Department. The Republicans have a conference at 9:30 Monday morning, so the Republican members would not have been at our meeting but a short time, and it would have been a physical impossibility to discuss and vote on the amendments in the limited period that would have been available.

There was nothing uncharitable at all in my reference to the fact that we could not get a quorum present at 8 or 8:30 in the morning. The Appropriations Subcommittee have been meeting with just one person present, but when we vote on your bill, a quorum is required.

Mr. DOUGLAS. Madam President, will the Senator from Virginia yield?

Mr. ROBERTSON. I yield.

Mr. DOUGLAS. How does the Senator from Virginia know that he could not get a quorum at 8 or 8:30? Has he ever called such a meeting at that time?

Mr. ROBERTSON. Yes. Several times I have sat in the committee room for an hour before we could obtain a quorum. That, of course, was before this so-called filibuster began. A meeting will be called for next Monday, at 8:30 a.m. We shall obtain a quorum, and then go to work on the Senator's bill and stay on it, so far as I am concerned, because I want to see it disposed of. Of course, I would rather see it laid on the table indefinitely; but in any event I want to see some action taken on it.

To finish reading the letter:

In addition to that, your measure is the most controversial that has been before our committee in a long, long time and, therefore, cannot be disposed of in a few minutes at any one session.

As I have said, I intend to cooperate with you to bring the bill before the full committee in plenty of time for action this session, at a time when the committee will have a full opportunity to consider all the amendments which have been proposed. However, it would clearly be unreasonable to review the many significant amendments proposed by the Federal Trade Commission and others, including you, without ample time for full discussion and exploration.

Since you sent a copy of your letter of May 21 to all members of the Banking and Currency Committee, I am sending a copy of this reply to them.

That summarizes the unfortunate impression of the distinguished Senator from Illinois, that because I did not give him preference over every other member of the committee, because I did not run roughshod over the members of the committee who did not care for his bill, I was hostile to him personally.

I have never been hostile to him personally. I have tried to point out that during the period that I have served as chairman I have never given anyone more kindly or more favorable treatment than the Senator from Illinois. I have even gone to the point of inconveniencing myself.

We shall start the hearing at 8:30 next Monday morning. I do not wish to do it at all, but I thought, perhaps since we have a few days when the Senate will meet at 12 o'clock, the committee will have an opportunity to work on the bill, because we cannot hope to bring the bill to the floor of the Senate before action is completed on the civil rights bill.

Madam President, I had planned to go into a discussion of the civil rights bill in some little detail this afternoon, but I have taken up a great deal of time in explanation of the background, and in an effort to convince the Senator from Illinois that he has not been mistreated. I understand that the distinguished Senator from Missouri [Mr. SYMINGTON] would like me to yield to him for the purpose of making a motion.

Mr. DOUGLAS. Madam President, I do not wish to delay the Senator from Missouri, but I should like to comment on one statement made by the distinguished Senator from Virginia. So far as I know, the chairman has never called a meeting this year at which he did not obtain a quorum. We have obtained a quorum at every meeting, as a search of the records will show. I hold a sheaf of papers in my hand of the hearings and the meetings, and I find no record of not obtaining a quorum at any meeting called this year.

I believe the Senator from Virginia is too harsh on the younger members of the committee, of whom I count myself one, in saying that we would not get up at 8 o'clock. I shall be glad to come to any meeting the chairman calls, even if it is at 4 o'clock in the morning.

Mr. ROBERTSON. I am sorry. I engaged in a little pleasantry. I did not mean that they would not get up at 8 o'clock. Perhaps they would. Certainly at least half the membership would not get up at 10 o'clock to attend a meeting on this bill. That is what we are up against, Madam President.

Mr. DOUGLAS. That is a very grave charge to make against the opponents of the bill, that they would not come to a committee meeting to consider this bill. I should like to defend them. I do not believe that they would act in that fashion. In my judgment they would come, even if it meant voting against the bill. I do not believe they would engage in the sabotage of which the Senator accuses them. He is rather ungracious to his Republican allies in saying that they would not attend.

Mr. ROBERTSON. I hope the Senator will bring them to the meeting at 8 o'clock on Monday morning. That will be the best test of who is right.

I do not know half as much about the bill as I ought to know, or half as much as the Senator from Utah [Mr. BENNETT] knows about it. He has attended practically all the hearings. He has done a wonderful job. He has gone out in the field for the hearings. He has made two excellent speeches on the bill.

Madam President, I ask unanimous consent that there may be printed in the RECORD at this point a speech delivered by the Senator from Utah [Mr. BENNETT] on April 22, 1964, before the Illinois Retail Merchants Association in Chicago, Ill., and another speech delivered by the Senator from Utah before the Virginia Retail Merchants Association at Richmond, Va., on May 17, 1964.

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

GOVERNMENT—FRIEND OR FOE

(By Senator WALLACE F. BENNETT)

It is always a stimulating experience for me to come back again into the atmosphere of the business world in which I worked for 30 years and talk from the point of view of Government, of which I am now a part.

Tonight I face a particularly fascinating challenge, which is to discuss S. 750—the Douglas so-called truth-in-lending bill—a specific piece of proposed legislation against the background of what is to businessmen like yourselves a great and puzzling question.

Let's talk first about the basic question, as stated in the title of my talk—is the Federal Government a friend of business or a foe?

There is no categorical "yes" or "no" answer to this question. Ours is a government of laws, but laws are conceived and administered by men, and it is the men in government who, by being friend or foe, set the image of government. Speaking particularly of individual men in government, their attitude toward business reflects their personal philosophy, their background of experience, and also, very importantly, their concept of the political advantages that they think may come from befriending business or attacking it. The whole American business structure was shaken when the late President Kennedy attacked the steel industry, but many of these same businessmen who were disturbed then have been charmed by the present courtship from the White House. Still, I leave you to decide whether you see in this any change in support of proposed laws affecting business. The fact that Senator DOUGLAS claims to have even greater support today for his so-called truth-in-lending bill is a good case in point.

Before we move on to a discussion of the specifics of the bill and its author, however, there is one more aspect of this friend-or-foe question which we should explore briefly. This involves the direct relationship between buyers and sellers—consumers and business. Are these two trading partners friends—or foes?

I am interested to discover that you had several roundtable discussions on this subject this morning, under the title "The Consumer-Retailer Partnership," which indicates that you believe these two are friends, not foes. So do I. Business cannot exist or prosper unless it demonstrates its friendship for and faith in its customers. The old theory of "let the buyer beware" exists today only in the books the theorists write and read themselves. It has been replaced, at least in the United States by marketing concepts of open shelves in the supermarket and a particularly open system of almost universal consumer credit, which is based on the finest human attribute—faith. The fact that credit volume grows every year—and 98 percent of it is repaid when due—is perhaps the most dramatic proof that this faith is not misplaced.

But sound as it is, the partnership is not perfect. There is still a tiny remnant of evildoers on both sides. Among the consumers, there are some shoplifters and bad check artists and those who get credit they never intend to pay. On the business side there are a few exploiters of shoddy merchandise, selling with extravagant promises, using hidden gimmicks. To all of these, Government is an enemy, using local laws to punish their crimes. But are all consumers stupid and ignorant—and all businessmen crooks? Obviously, the answer is no. The mutual faith to which I have referred demonstrates that the vast majority of consumers are trustworthy and the vast majority of businessmen are honest.

I'm afraid that the proponents of the bill seem to have difficulty accepting these facts. They apparently feel that consumers are good guys and businessmen are bad guys. While they might accept the idea that there are only a few dishonest consumers, they refuse to believe that there are equally few dishonest merchants. They distrust them all.

The provisions of S. 750 reflect not only this basic mistrust but also an interesting attitude toward credit itself. From his record, it is obvious that Senator DOUGLAS, an academician who relies almost entirely on theory, tends to believe that interest rates are generally too high. He votes to use controls, subsidies, and direct Government loans to try to bring these rates down. When you add this to a basic mistrust of business, a theoretical rather than practical approach, and a political conviction that consumers are to be appealed to, you have a clear basis for understanding what the Douglas bill is all about.

This bill has cost more in time and money than any other in the Senate Banking and Currency Committee's history. We have had 4 years of hearings and studies on this bill and created a record 4,400 pages long at a cost of more than $75,000.

Both Senator DOUGLAS and I have sat through every word of this process; and today we are further apart than ever. I will list several assumptions the bill makes. The bill won't work because these assumptions are essentially false, impractical, or unnecessary. Of its sponsors it can be said in the Biblical phrase, "they imagine a vain thing."

A brief look at the language of the bill itself reveals many such vain or false, imaginings. Here are a few:

1. That consumers do not use credit wisely because they are being deceived as to its true cost.

2. That businessmen engage in the deception of their customers because they can make more profits out of credit than they can out of sales.

3. That since consumers cannot use their credit wisely, under present conditions, their decisions damage the whole economy.

4. That all types of consumer credit should be interchangeable; therefore, there is only one right way to express credit changes—the way required by the Douglas bill. That manner of disclosure is truth; any other is ipso facto falsehood.

5. That to be called "truth" all credit costs (*a*) must be stated in writing in advance; and (*b*) must be stated both in total dollars and also as a simple annual rate.

6. That this pattern must be enforced on a national basis, by the Federal Government, superseding all State laws that are not identical.

7. That the principles of disclosure are so simple that the bill needs only to state them to make them largely self-enforcing. As for actual details to governing under the law, these can be worked out by some Federal agency—as yet unselected—and enforced in the Federal courts.

8. That all this confusion and agony will, in the end, benefit the consumer—and win his votes.

This evening, at the risk of not sounding as colorful as are the emotional cases used in support of this bill, I would like to discuss the fallacies of each of these assumptions in turn.

1. Are lenders and sellers deliberately deceiving consumers as to the cost of credit—and are most consumers so ignorant and stupid that they can be thus exploited?

Commercial deception, as a basic policy, disappeared in America long ago and was replaced by the concept that "The customer is always right." Since most business is repeat business, based on faith, rather than a

series of one-shot "killings," no established seller or lender would risk deceit as a policy. This is the record of the hearings.

The bill's sponsors have tried to sustain their false assumption by publicity campaigns calculated to cry up a storm of popular indignation. That process is still going on—in every mass media they can persuade to cooperate—newspapers, magazines, radio and TV. Books have been written, and now White House-sponsored consumer conferences are being set up. All they have created is a gigantic apathy * * * no flood of mail, no spontaneous consumer uprisings against you credit grantors. Only silence. You still know that your customers are not stupid, and they still have faith in your honesty.

2. The second assumption is that you encourage credit sales because you make more profit on your credit charges than on your sales. No one who believes this understands merchandising or the problems of sales competition. Which produces the biggest share of your gross margin—sales or credit charges? Most if not all of your gross margin comes from sales markup. Income from credit charges usually fails to cover the added cost of credit service. In other words, credit service exists to increase sales.

You do not make sales for the purpose of creating profit in credit charges. This is illustrated by an objective study of 80 stores by Fouche, Ross, Bailey & Smart, management consultants. It was discovered in this investigation that total credit costs for all stores in the study was $6.2 million more than the $15.8 million. This means that only about 70 percent of the cost of giving credit is paid for by credit charges. The remaining 30 percent must be made up from markup on sales. Most stores that start on a cash basis—including supermarkets, discount houses, and national chains—move into credit slowly. Credit sales are in effect forced on the merchant by consumers who will go elsewhere if he doesn't satisfy their demands for this accommodation.

3. The third assumption—that ignorance of credit costs forces consumers to use their credit unwisely and that this affects the basic business cycle—is pure unsupported theory. The best authority on this is the Federal Reserve Board, responsible for managing our overall monetary system to smooth out the peaks and valleys of the cycle. They say "No" very firmly. Let me quote briefly from Chairman Martin's statement: "Finance charges on consumer installment credit, a major area that would be covered by the bill, have not shown much fluctuation in response to cyclical changes in the availability of credit during the postwar period. Also, it is hard to find evidence as to consumer responsiveness to the changes in charges that have occurred."

4. The fourth false premise is that all consumer credit is the same and is interchangeable. On this assumption rests the next one—equally false—that people will shop for credit along with merchandise and services, if all credit is expressed in the same official way. A logical extension of this idea is that people will ignore their needs and change their buying patterns, which now reflect convenience or loyalty to brands and stores, simply because they can find different things at different places at credit rates that may be a fraction of a percentage lower.

Of course, the real truth about lending is that all forms of consumer credit are not identical. Some, like mortgages, are large direct loans of money whose total credit cost is made up of interest charges. Others, like revolving charge accounts, are services in which interest is only a small part of the credit cost.

Today a person seeking a mortgage will find all mortgage credit costs quoted in the same way and thus can make an accurate credit cost comparison. The same is true if one wants to open a revolving charge account at one of two department stores, or decide which of two credit unions to join. Where comparisons have any meaning, they are easy to make. Mortgage loans are probably the cheapest form of consumer credit, but what consumer housewife would even think of trying to negotiate one of these when she wants to buy a pair of rubbers on a rainy day? The Douglas bill would force all credit grantors to adjust their system to conform to a theoretical basis for comparisons that, in practice, will never be made. Are the present methods of stating credit—each of which fits the needs of its uses—false, and the bill's formula—which no one uses—true? I think it significant that no body of credit suppliers, even those who testify in support of it, have voluntarily dropped their present pattern and adopted the one the bill would require.

The fifth assumption is the heart and focus of the bill, the ultimate expression of the imagined perfect solution, the dreamer's utopia. It sets up straitjacket terms into which all credit transactions must be forced—and says only that is "truth." Even more than the others, it distorts truth into falsehoods and impossibilities. It has two unyielding requirements:

1. That the cost of credit under the formula must be computed and given to the customer in writing in advance of every credit transaction.

2. That it must be figured both in dollars and as a simple annual rate.

The first requirement rests on the fallacy that all of the basic facts on which to make the calculation are within the control of the lender or seller and are known to him in advance. This is obviously not true since it is the customer, and not the seller, who has the choice—and therefore the control—in all cases. He decides how much he will buy—and when—and how much he will repay—and when.

There is another fallacy which is an extension of the first. It is that the seller knows in advance how the customer will act and how his actions will influence the quoted dollar cost and rate. If the bill passes, it will be a great boon for gypsies, tea leaves, and crystal balls. You would think this would be obvious even to Senator DOUGLAS. However, he has said—over and over again—that these concepts are the heart of the bill and he will not change them. Of course, if he ever admits they are invalid, his whole bill falls. His only defense is the weak one that the enforcing agency can write regulations to identify where this "in advance" information is "ascertainable."

The section's other requirement is based on the false assumption that it is always possible—and even easy—for anyone with a sixth-grade education to do the required calculations. Dr. Robert W. Johnson, in his book "Methods of Stating Consumer Financial Charges," estimates that it is impossible for anyone to get the right answers in 69 percent of consumer credit transactions. Other witnesses have shown that the basic rate transaction is not a problem in simple percentage but involves a choice among a variety of complex algebraic formulae. The bill's author says this can all be taken care of with rate books, charts, and sliderule-type computers. At successive hearings he has proudly unveiled a series of different gimmicks—only to have all of them revealed as failures. The latest is this little beauty designed by the CUNA especially to help Senator DOUGLAS—or so I believe. But under questioning, a CUNA official admitted it would only work on simple credit union loans, with regular repayments, and charges at monthly rates.

Of course no chart will show both the rate and the dollar cost. The requirement that both dollar cost and simple annual rate be shown sets up the false implication that the relationship between dollars and rate is always fixed and that the same dollars will always produce the same rate and vice versa. Just the varying of the time of payment within the month can destroy this mythical relationship.

One final comment on this point. The very phrase "simple annual rate" is a synthetic idea that hides falsehoods. It is intended to be a legal synonym for interest and in hearings the author has used both terms interchangeably—but called it interest most of the time. But when you come to compute it—the bill would require you to add in "the sum of all the charges which any person to whom credit is extended incurs in connection with, and as an incident to, the extension of such credit." Interest is only one of these charges. So, if the customer believes this simple rate is true, he is being deceived—not given truth.

Let's move on to the sixth assumption, which is that for consumer protection, the power to control all consumer credit must be placed in a Federal agency and all State laws not exactly in conformity to this one must be abandoned.

Early this year, the Supreme Court of Nebraska overturned a State consumer credit law of long standing and invalidated every installment contract made in the State since the law was enacted. This created chaos. If the Douglas bill passes, it may create 50 situations similar to Nebraska's—affecting millions of people and billions of dollars. The danger is obvious.

A seventh assumption is that once a formula is adopted, the problem will disappear. This idea generates a very curious two-part fallacy. The words of the bill leave the consumer with the responsibility of enforcing it himself by court action. But the promises of the bill's supporters leave consumers with the idea that if the bill passes and they think they have been deceived, Uncle Sam will get their money back for them and punish the lender or seller.

One of the remarkable aspects of this whole experience is that never at any time has the bill's author had a clear picture of this enforcement problem. He has no firm idea as to which Federal agency should enforce it.

Although the administration has recommended that the FTC enforce the law even against the banks—over which it has long sought control and been denied by Congress. This bill may be the back door through which it can reach its goal.

At the present time, there is even an idea that FTC should write regulations for merchants—FRB for banks and HLBB for savings and loan associations. Think of it—three sets of regulations from three agencies with different powers.

The idea that the bill would be easy to enforce is a great error. Many consumers haven't the experience or means to go to court. If all did, the Federal courts, many of which are now months behind schedule, could be swamped. At the present they take no cases under $10,000. Cases under this bill would reduce our courts to the level of a small claims operation and block justice in major cases.

The eighth and final assumption of the bill's supporters is that by intervening in the buyer-seller credit relations, the Government will be a friend to the consumer and provide him protection against his enemy—the small businessman. To some supporters of the bill this sounds like a good vote-getting idea. But that too is a fallacy.

In the first place, the consumer doesn't need or want this protection. He knows the cost of credit now—or can find it out easily. If he's interested in comparisons, he can make them. He doesn't accept the idea that he is ignorant, stupid, or gullible.

Second, he, the consumer, would bear the added cost of giving this unwanted service. He would absorb in his shopping hours the

time he must wait for the seller to figure the total dollar cost and simple annual rate. His order couldn't be written up until this has been done.

Third, the consumer can't understand what is meant by "simple annual rate" and doesn't know he's supposed to want to.

Fourth, this whole question of credit cost is so small a part of the consumer's total spending program that it cannot be made into an issue that will influence his votes in favor of the bill's supporters. This was proved in the campaign against me in 1962.

On the other hand, support for this bill could have exactly the opposite political effect. Senator DOUGLAS' party does everything it can to woo the votes of the so-called small businessmen, like you and me. If the bill passes we would be hurt in terms of added cost, added time, and added harassment. And I have had personal evidence that even the threat of the bill can wipe out party loyalty in many small businessmen.

Maybe this is a good point on which to move to the end of my quest for the answer to the title of my speech: "Government—Friend or Foe?"

If Government reflects the philosophies and fallacies of this bill, it is a foe, not only to the businessmen, but to their customers. At this time it is impossible to tell whether or not the bill will be approved by the committee. But let's imagine the worst and assume that it becomes law. Will this mark the end of the Federal Government's attempt to control consumer credit? I am sure it will not. Let me tell you what I think will happen then.

The next step will be a kind of Federal usury law—an attempt to put a ceiling on credit charges. And since its advocates believe in low interest charges and the myth that any rate above 6 percent is immoral, that ceiling will be less than your cost for credit service.

To meet this, you must begin to bury this cost in your prices. Some merchants are already doing this. Then the Government will probably react with a law requiring you to reveal how much you have thus buried, setting in motion a whole new process of reports, complaints, and punishments.

While all of this is going on for you, the small loan companies will face a different problem. They can't possibly survive loaning money at these low rates; and when the people become conditioned to expect them, there will be a demand for direct subsidized Federal consumer loans. Does this shock you? It shouldn't. The Federal Government already has 14 agencies with 74 credit programs loaning money at low or subsidized rates. To add consumer loans would be a simple—and to many, a logical—next step.

The passage of the Douglas bill can thus have damaging effects extending far beyond its own provisions. If it is only the first step toward the complete federalization of consumer credit, the time to act is now—both in Congress and at the polls. Otherwise, we may soon get a permanent wrong answer to the question in my title—"Government—Friend or Foe?"

SPEECH BY SENATOR WALLACE F. BENNETT BEFORE THE VIRGINIA RETAIL MERCHANTS ASSOCIATION, RICHMOND, VA., MAY 17, 1964

Mrs. Bennett and I are grateful for the warm and generous welcome you have given us here tonight, and I am honored by the privilege of opening your important meeting. There is a real challenge in the responsibility of matching my message to the circumstances and the spirit of the occasion.

In the first place, this is a Sabbath evening—the end of a day on which our thoughts turn to the great spiritual values in our lives. In the second place, this is Richmond—the capital of the Old Dominion, deeply imbued with great political traditions based on responsible local government.

There is no conflict or incompatibility between these two traditions, and I hope that what I shall say will be in harmony with both. This should not be hard because during most of my years in the Senate I have served under your two great Senators. As a member of the Finance Committee, HARRY BYRD is my chairman. And on the Banking Committee, I serve under WILLIS ROBERTSON. I am sure you know better than I how great these men are, each in his own sphere.

Tonight, however, I want to pay a special tribute to Senator ROBERTSON, since the problem I am to discuss falls in the jurisdiction of this committee. I can proudly claim that he and I have stood shoulder to shoulder for 4 years to protect your customers and you against the Federal credit control bill sponsored by Senator DOUGLAS. I will have more to say about that in a moment.

Indeed, as I have come to know Senator ROBERTSON more intimately, I have learned how deep and strong his Christian faith is—and how gallantly he can fight for the traditional political beliefs of Jefferson, Madison, and Robert E. Lee. I think it can be said that, as a Senator, he personifies the message I shall try to bring you tonight.

In the spirit of this Sabbath evening, may I begin by pointing out that that great principle of faith, which is the central strength of Christianity, is also the greatest resource available to the retailer—a resource that is constantly growing in strength and usefulness. It has become the essential ingredient in billions of transactions that take place in millions of stores in the country every day. It is the irreplaceable foundation of the modern customer-dealer relationship, and we must not allow it to be weakened or destroyed and then replaced with a concept of the use of legalisms and force.

The customer has faith in his merchant friend and buys with confidence. He knows that goods which prove defective will be accepted for return. He knows that prices will be fair, representing a reasonable rate of return to the merchant. He knows, through repeat experience, that his merchant trading partner is worthy of his loyalty. Without such loyalty on the part of our customers, none of us would last very long in today's business world.

In return, the merchant has faith in the customer. He puts goods on open counters, lets items go out on approval, and has self-service departments. Above all, the merchant offers credit to all of his customers who are capable of handling it. It is a testimony to his faith in faith and to the integrity of American customers to note that over 98 percent of all consumer credit accounts are repaid.

Of course, impressive as this figure is, it reminds us that there are some accounts which are not repaid and that a tiny fraction of these delinquencies are deliberate. There are those who take advantage of the great reservoir of faith and good will which exists in the buyer-seller relationship and try to enrich themselves at the expense of other innocent persons. Shoplifters, forgers, and those who obtain credit fraudulently are in this class. They are usually required, by the very nature of their acts, to move on quickly, lest they be found out. They cannot come back to deal with a store they have cheated.

Among sellers there is this same tiny "fringe" of men and women who take advantage of the faith that is general in American commerce. They sell shoddy merchandise whose value is misrepresented. They misstate easy terms and defraud the public. Like the shoplifters and check-kiters, they are few and far between; and they must constantly be on the move. Fly-by-nighters who must hit and run, they are the exceptions that prove the rule. Anyone who knows American retailing, knows that lasting success can be built only on repeat business based on honest dealing—in other words, on mutual faith.

Unfortunately, there are still those who do not know American business patterns as they really operate today—those whose sole source of knowledge comes from the textbook and the classroom. They often assume that the ancient warning, "Let the buyer beware," still applies and mistake the exception for the rule. They fail to grasp the significance of the mutual trust and faith that has come to exist between seller and buyer—or lender and borrower, as the case may be.

It is from such men that legislation like the Douglas bill, misnamed the "Truth in Lending" bill, gets its support. They assume that if one businessman is unethical, all businessmen must be. Conversely, they assume that if one customer is gullible, all customers need to be protected from themselves. Lacking faith in business themselves, they fail to understand the workings of business faith and decide that the force of law must be brought into the marketplace to fill a void which, except in a few cases, exists only in their imaginations.

The individual provisions of this so-called truth measure demonstrate not only a mistrust of businessmen in general but a woeful lack of understanding of many aspects of American commercial life. Let's look at a few of them.

1. The authors of the bill apparently do not understand how credit can take many forms. They assume, incorrectly, that all credit is alike and is interchangeable and that all costs attached to credit can be compared accurately.

Even a quick glance at the various types of credit shows immediately that there are fundamental differences between them. Mortgages on homes don't resemble revolving charge accounts in size, cost of servicing, nature of the transaction involved, repayment pattern, availability, or purpose. Similar differences appear when we look at the other types, such as installment credit on merchandise, small loans, credit union loans, auto loans, and so on. Each type of credit has evolved to fill a particular consumer demand, and each has its own individual pattern of special factors and special cost.

For a mortgage, the interest on the money is the prime consideration. It is a long term, formal, heavily secured loan of a large amount of money.

For a credit union loan, the amount pledged to the credit union in "shares" owned by the borrower becomes a factor. The money amount is comparatively small, and the repayment pattern is tied to a man's paycheck. His main security is the stability of his employment rather than any tangible asset represented by a house or car.

Because they do not understand that each type of consumer credit serves a particular need, which difference creates different cost components, and because they have no faith in the ability of the consumer to choose the type of credit that best serves his need, the supporters of the Douglas bill "imagine a vain thing." They imagine that they can wipe out the effects of this difference by a theoretical legalism—a new magic mythical yardstick they call "simple annual rate."

Their very use of this phrase is an admission of their frustration. To them, it means "simple annual interest." In fact, Senator DOUGLAS, in all of the hearings on the bill, has used the two terms interchangeably. And yet, it almost never can express interest only—which is a charge for the use of money over time—because the bill itself requires the inclusion of "the sum of all the charges which any person to whom credit is extended incurs in connection with, and as an incident to, the extension of such credit."

They also display their ignorance of the true nature of consumer credit when they require the statement, in all cases, in ad-

vance, of the total dollar cost as well. This is based on the false assumption that the relationship of these two expressions of cost, once stated, will not vary. We all know that this is demonstrably not the case.

2. But failure to understand the true nature of credit is not the only aspect of the proposed law which is abhorrent to people of a State like Virginia. On its face, this is another program which would invade and seize for the Federal Government responsibilities and power in an area in which the States have hitherto been supreme. Virginia is one of the foremost among many States whose awareness of this danger is acute and whose determination to oppose it is courageously unyielding.

Tonight, I do not propose to discuss the narrow question of the constitutionality of this proposal. As might be expected, there are those who believe it is constitutional. I don't. I hope the question never has to come up, because I hope the bill will never be passed. But there is a broader, deeper question which affects the whole legal and economic pattern affecting credit, should this proposal be adopted.

Up to the present time, laws dealing with credit have been adopted by virtually all States. In enacting these laws, the States have met local needs. For example, what is required in an industrial State like New York, with its giant metropolitan area, is different from what is needed in a State like Virginia with its more uniform balance of agriculture and industry.

The Douglas bill proposed to invade this area of established law on behalf of the Federal Government and replace all these naturally different laws with one identical, overriding Federal statute, enforced by Federal power.

Dealing as it does with only one aspect of the credit relationship, disclosure of finance charges, the bill appears harmless enough on its face. But it contains a charge of dynamite on the subject of Federal-State relationships. Its legal effect, I am advised, may be far beyond what appears in the bill itself. There is a doctrine, enunciated by the Federal courts and upheld by the Supreme Court of the United States, known as the principle of preemption. The central idea of this legal principle is that when the Federal Government enters a field of legislation in a broad way intended to be applicable over the whole country, it is presumed by the courts that the Congress intended the Federal law to replace all State laws that differ from it and intended it to be the only law on the subject.

Federal power is plenary; that is to say, it is supreme and prevails over State laws. Therefore, if you have a Federal law on a subject and a State law on the same subject, the State law may be invalidated by the Federal law.

We have already had one striking warning of what happens when existing consumer credit laws of a State are invalidated. The year was 1964, and the State was Nebraska. The State supreme court of this one State created a crisis which the Douglas bill could cause to be repeated in all 50 States by use of Federal control. The Supreme Court of Nebraska overturned a State consumer credit law of long standing and invalidated every installment contract made in the State since the law was enacted. This created chaos. If the Douglas bill passes, it may create 50 situations similar to Nebraska's—affecting millions of people and billions of dollars. The danger is obvious.

Let me give you another example. South Carolina had a statute requiring railroads to pay damages and a $50 penalty if goods were damaged while being carried and if the railroad failed to prove that it was not responsible for the damages. Federal law also covered the subject, except that it did not provide for the $50 penalty. The Supreme Court of the United States held that the State law in this area was invalid and said:

"When Congress has taken the particular subject matter in hand, coincidence is as ineffective as opposition, and a State law is not to be declared a help because it attempts to go further than Congress has seen fit to go."

So far as laws to regulate consumer credit are concerned, this doctrine can have unexpected and startling effects. The one thing that the Douglas bill requires is what its sponsors say is a simple thing: That the amount of the total finance charge in a credit transaction be quoted both in dollars and as a "simple annual rate." However, a State law, as in New York and other States, may require a great deal more by way of protection to the borrower or buyer. For example, the State law may limit the amount of interest that may be charged, while the Douglas bill specifically does not. State law may require that the buyer be given a copy of the contract. It may prohibit harsh repossessory proceedings. It may restrict wage assignment and garnishment, and so on.

All of this State protection may go by the boards if the Douglas bill prevails and if the Supreme Court holds, as it did in the South Carolina case, that the intent of Congress is construed to be that once a customer has been given the information required by the Douglas bill, he has been protected all he needs to be. This may not happen, of course, but it is a real possibility, with a resultant risk of great magnitude for consumers who now depend on State laws to safeguard them.

There is another aspect of this same question that deserves comment. I refer to the question of flexibility and amendability. Let us refer again to the New York example, because New York is the scene of a tremendous volume of credit buying. There, the legislature meets every year. And every year amendments are proposed to the State banking law, the State small loan law, the retail installment sales law, and other laws governing relations between creditors and debtors. Changes are constantly being made by the legislature in response to the needs made known to the assembly. Incidentally, the Douglas bill approach to simple annual rate has been offered several times as an amendment to the New York law and has always been rejected as unsound. It has met the same fate in every other State where it has been considered.

While State laws can be kept up to date with comparative ease, the U.S. Congress is occupied with far-reaching and highly controversial national questions, such as medical care, civil rights, foreign aid, defense, and taxation. These subjects are immensely complicated and difficult and necessarily claim the attention of the Congress for months on end. Would the Congress find time to amend and perfect the Douglas bill once it were passed? Would Congress ever consider legislative enactments to meet differing situations in the various States? The answer is obvious.

The bill would introduce into credit the necessary rigidities of Federal law. There might be crying needs for revision in certain areas, but they could not be met because the Congress would be occupied with other issues. It must be borne in mind that we live in an economy in which credit plays a central part. The constant adjustments of relationships created by new products, new sales ideas, and new forms of business transactions require new ways of handling the needs of consumers. It cannot be demonstrated—and those advocating the Douglas bill have not even tried to do so—that the basic idea on which the bill is based has any practical relationship to the requirements of lenders and borrowers and buyers and sellers or that it is flexible enough to change when the requirements change.

3. Finally, of course, there is the question of enforcement. Legislators with the best of intentions and highest motivations may write laws for noble purposes; but if these laws are so worded as to be unenforceable and unworkable, the high motives are frustrated. In addition to failing to understand credit itself and failing to realize what they may be doing to existing State law, the bill's supporters fail to realize that, as it is currently drafted, their measure simply cannot be complied with and, therefore, cannot be enforced.

You know better than I that it is impossible for a merchant to forecast for his customers, in advance, what their repayment patterns will be on each and every credit transaction. Yet, without that information, you could not comply with the law. When this is pointed out to Senator DOUGLAS, he suggests that this can all be cleared up when the regulations are written by the agency charged with enforcement of the bill. In other words, he hands the mystery to them. To which we must reply, at the present time, "What agency?"

Originally, it was thought that the Federal Reserve Board should enforce this bill. The Board of Governors took a long look at it and decided differently. They said:

"The Board, of course, wishes at all times to cooperate fully with Congress and the committees of Congress. However, the Board strongly urges that S. 750 not be favorably reported by your committee without a further amendment in accordance with the foregoing recommendation to place administrative responsibility for the bill in the Federal Trade Commission, and with the Board's consistent position that administration of the bill by it would not be appropriate. The Board would not favor enactment of the bill in its present form."

Almost glibly, the bill's author said, with a wave of his hand, "Let the Federal Trade Commission do it then." The actual language of the bill has never been amended to make this change, and so we have had no hearings on this proposal.

But resentment is already pouring in from banks and other financial institutions who strenuously object to being made subject to the FTC. This would mean that they would have to comply with the edicts of still another agency, not connected with banking but policing their consumer lending practices. They are under the jurisdiction of not one, but two or three governmental agencies already. If the FTC were given the power to enforce this bill, the banks could well be caught between two conflicting sets of regulations, one promulgated by the Federal Reserve Board and the other by the Federal Trade Commission. I can hardly see how this will increase consumer faith in lending institutions or dispel any confusion which may exist. The obvious effect will be a sharp move in the other direction.

There are many other aspects of this bill I could discuss with you, but these three are enough for one Sunday evening. This bill is based on a lack of understanding of what credit really is in modern life. It is based on ignorance of the myriad of legal questions involved that would be created if the Federal power of preemption were imposed on local credit laws. It is based on sweeping, false, and misleading assumptions about enforcement problems. In sum, it is based primarily on a theoretical approach to a practical question. Is it any wonder that its supporters are those who fail to realize the vital role that mutual faith between buyers and seller, between lender and borrower, plays in our economy?

What can we, who, from our actual experience in business, have an understanding of all of these things, do to help nurture, and increase the already great reservoir of faith and trust which now exists? How can we offset the insidious influence of

this bill and its premises? In short, how can we serve the economy and our customers better by helping them use their credit more wisely?

To repeat an old truth, in this field as in all others, what we need most is a successful program of education reaching all groups involved.

First, we must realize that the truth is on our side and that is a powerful weapon. Let us learn it fully so that we can tell it properly to others. To refer to a scriptural passage, "Truth is mighty and will prevail." Too many of us businessmen have been on the defensive on this bill simply because we haven't taken the time to inform ourselves about it. Once we understand what is involved, we can defend our position against all comers, regardless of their academic attainments or political prominence. So, first, we must educate ourselves.

This we must do quickly because we face an immediate need to get the full truth about the bill to all Senators directly involved in order to make sure that the bill doesn't pass. You in Virginia are fortunate because Senator ROBERTSON, who heads the Senate Banking and Currency Committee and serves as a member of the subcommittee considering this bill, has a full grasp of what is involved and is doing his utmost to see that truth will prevail and the bill will be defeated.

Next, we must tell our story to our trading partners, the consumers. They are the ones who will suffer most if the bill passes. They are the ones who must pay higher prices as business costs go up, as they surely would under this bill. It will be the customers who will experience the annoyance and delay while they wait for the laborious calculations to be made. They are the ones who will be confused by the meaningless figures they will be quoted. Enlist them in the fight by educating them about the facts of their present credit charge costs so that they understand that these costs are fair and need not be tampered with by Federal interference.

Third, see that the news media gets and understands the truth about consumer credit. Senator DOUGLAS and others are flooding the papers and airwaves with stories, meant to appear as if they were representative examples—stories which paint businessmen everywhere with the same brush as cheats and deceivers.

Bring a reporter into your store, give him the provisions of the Douglas bill, and ask him to put himself in the place of both clerk and customer—ask him to figure out a sample problem on a revolving charge account. Don't worry. The smartest reporter in the world, equipped with the newest IBM computer, won't be able to figure out an accurate simple annual rate on a revolving charge account in advance—because it has been demonstrated time and again by some of the Nation's leading mathematicians that it is impossible. Tell this truth to the news media and enlist their help in getting the facts before the public.

We recognize, as I said in the beginning, that there is a tiny minority in the twilight zone of the business world who prey on the unsuspecting and the gullible. Help expose these people and root them out. Support the better business bureau and help in the constant improvement and enforcement of State and local laws dealing with fraud, false advertising, and business deception. If our consumer credit laws are weak or inadequate, help strengthen and perfect them. If they need better enforcement, insist on this with State and local officials.

In other words, what we must do is try to nurture the atmosphere of faith and trust which does exist and make it stronger. American businessmen have an extraordinary story to tell, and they should be willing to take the time and, where necessary, the money to tell it. If you of this association will provide the leadership needed to get this job done so that the whole truth about American business can be fully told, then the doubters and the skeptics, the theoretical "nay-sayers," the men who are ignorant of the practical facts of economic life will be silenced in the most effective way possible.

On this lovely Sunday evening when thoughts of faith and truth are strong in our minds, let us resolve to begin at once to get this job of education done, remembering again the phrase, "Truth is mighty and will prevail."

Mr. DOUGLAS. Madam President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. DOUGLAS. I welcome the fact that the secretary of the Illinois Retail Merchants Association to which the Senator from Virginia referred is Mr. Joseph T. Meek, who ran against me for the seat in the U.S. Senate in 1954, and who was beaten by me by a majority of 241,000 votes.

Mr. ROBERTSON. I do not know who the secretary was. I am glad that my friend came back to us with such a big vote.

Mr. DOUGLAS. I am sure the Senator is greatly pleased.

RECESS

Mr. SYMINGTON. Madam President, in accordance with the previous order, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 41 minutes p.m.) the Senate took a recess, under the previous order, until tomorrow, Tuesday, May 26, 1964, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 25 (legislative day of March 30), 1964:

PUBLIC UTILITIES COMMISSION

James A. Washington, Jr., of the District of Columbia, to be a member of the Public Utilities Commission of the District of Columbia for a term of 3 years expiring June 30, 1967. (Reappointment.)

IN THE COAST GUARD

The following-named person to be a permanent commissioned officer in the Regular Coast Guard in the grade of ensign:

James Milford Sharpe, Jr.

EXTENSIONS OF REMARKS

Howard Bertsch, Administrator, Farmers Home Administration, Gets Distinguished Service Award

EXTENSION OF REMARKS
OF

HON. HAROLD D. COOLEY

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 25, 1964

Mr. COOLEY. Mr. Speaker, Mr. Howard Bertsch, Administrator of the Farmers Home Administration, a great champion of the family farms of America, has received the Department of Agriculture's Distinguished Service Award, the Department's highest citation.

The coveted award was presented to Mr. Bertsch by Secretary Orville L. Freeman in honor award ceremonies on the grounds of the Washington Monument, May 19.

Secretary Freeman cited Mr. Bertsch "for dynamic leadership in revitalizing the spirit, redoubling the impact, and greatly increasing the rural credit program, and thus sharply increasing the Department's attack on rural poverty."

Mr. Speaker, Mr. Bertsch has devoted his entire life to serving the needs of disadvantaged rural families.

His first attack on the difficulties rural people endure came in 1934 when he began his USDA career. He joined the Resettlement Administration as a county supervisor in Clackamas County, Oreg., and served that agency as well as the Farm Security Administration in Oregon during the following 9 years.

His ability to cope with difficult rural problems was recognized in 1943, when Mr. Bertsch was placed in charged of the farm ownership loan program of the Farm Security Administration for Oregon, Washington, Idaho, and Alaska. His administrative talents were again recognized in 1947 when he was promoted to the national headquarters of the agency.

In 1954 Mr. Bertsch left the agency to assume a position as a consultant to the Ford Foundation on rural credit programs. During the next 7 years he was financial adviser to the Development Bank and to the Agricultural Bank of Iran, and played a major role in the development of that country's village improvement program, rural credit program and rural cooperative program.

Bertsch was awarded "The Order of the Crown" in 1958 by his Imperial Majesty, Mohammed Reza Pahlevi, and decorated by the Minister of Education, Government of Iran, by order of the Council of Ministers, for distinguished service to Iran.

Under Administrator Bertsch's leadership, the Farmers Home Administration has increased the volume of its lending activities from $300 to $800 million a year, and greatly increased its support of the family farm and the rural communities that are so vital to the welfare of rural America and the nation.

Under Bertsch's leadership:

The Farmers Home Administration has been assigned a role of growing importance in rural areas development.

Farm ownership and operating loans have been broadened to serve the full range of family farmers including small farmers. Credit may now be advanced for the financing of income-producing recreational enterprises. The emer-