By Mr. VIGORITO:

H.R. 9776. A bill to prohibit certain practices creating artificial shortages in the supply of coins of the United States; to the Committee on the Judiciary.

By Mr. WHALLEY:

H.R. 9777. A bill to provide for the expansion of the existing training facilities of the Federal Bureau of Investigation at Quantico, Va.; to the Committee on Public Works.

By Mr. WILLIS:

H.R. 9778. A bill to amend titles 10 and 37, United States Code, to codify recent military law, and to improve the code; to the Committee on the Judiciary.

By Mr. HARRIS:

H.R. 9779. A bill to extend the provisions of title XIII of the Federal Aviation Act of 1958, relating to war risk insurance; to the Committee on Interstate and Foreign Commerce.

By Mr. WHALLEY:

H.R. 9780. A bill to amend section 535 of the Internal Revenue Code of 1954 to increase the accumulated earnings credit; to the Committee on Ways and Means.

By Mr. ZABLOCKI:

H.R. 9781. A bill to amend section 3 of the John F. Kennedy Center Act to provide for relocation payments to certain displaced persons, business concerns, and nonprofit organizations; to the Committee on Public Works.

By Mr. ST. ONGE:

H.R. 9782. A bill to establish a procedure for the review of proposed bank mergers so as to eliminate the necessity for the dissolution of merged banks, and for other purposes; to the Committee on Banking and Currency.

By Mr. VIVIAN:

H.R. 9783. A bill to more effectively prohibit discrimination in employment because of race, color, religion, sex, or national origin, and for other purposes; to the Committee on Education and Labor.

By Mr. CHARLES H. WILSON:

H.R. 9784. A bill to provide assistance in training State and local law enforcement officers and other personnel, and in improving capabilities, techniques, and practices in State and local law enforcement and prevention and control of crime, and for other purposes; to the Committee on the Judiciary.

By Mr. DYAL:

H. Res. 454. Resolution expressing the sense of the House of Representatives with respect to discriminatory practices by the Government of Rumania; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. ADDABBO:

H.R. 9785. A bill for the relief of Anna Krzywoszyja and minor child, Jolanta Krzywoszyja; to the Committee on the Judiciary.

By Mr. ANDERSON of Tennessee:

H.R. 9786. A bill for the relief of Elton P. Johnson; to the Committee on the Judiciary.

By Mr. ASHMORE:

H.R. 9787. A bill for the relief of Lt. Col. Lawrence F. Bachman, U.S. Air Force; to the Committee on the Judiciary.

By Mr. CLARK:

H.R. 9788. A bill for the relief of Nikola Sudar; to the Committee on the Judiciary.

By Mr. CONABLE:

H.R. 9789. A bill for the relief of Miss Maria Concetta Strano; to the Committee on the Judiciary.

By Mr. GUBSER:

H.R. 9790. A bill for the relief of Dr. Alexander D. Cross; to the Committee on the Judiciary.

By Mr. IRWIN:

H.R. 9791. A bill for the relief of Annunciata Di Carluccio; to the Committee on the Judiciary.

By Mr. UTT:

H.R. 9792. A bill to authorize the Administrator of General Services to donate certain surplus property to the Summer Institute of Linguistics; to the Committee on Government Operations.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

243. By the SPEAKER: Petition of Henry Stoner, Fishing Bridge Station, Wyo., relative to providing special work camps for certain youths involved in mass vandalism; to the Committee on Education and Labor.

244. Also, petition of Massachusetts Rural Letter Carriers' Association, Webster, Mass., relative to certain vehicles used for rural route delivery of mail; to the Committee on Post Office and Civil Service.

SENATE

MONDAY, JULY 12, 1965

The Senate met at 11 o'clock a.m., and was called to order by the President pro tempore.

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

God of all truth and grace: In the midst of false lights which in these uncertain times in our confused generation are, by their deceptive glare, leading so many to the quagmires of despair, in Thy light we would see light. Only thus we shall keep sight of the perfect righteousness which we struggle so imperfectly to attain. On the heights of prayer, beyond our shortsighted, self-centered conceptions, grant us at the week's beginning an enlarging vision of Thy benevolent purpose for all mankind.

Faced with the frustrations and failures that mark and mar our records, we pray that beyond our frailties Thou wilt strengthen the faith and hope that alone anchor us to Thee. Make us persons of brotherly love in an unbrotherly world; in seeing the faults of others, make us as forgiving as we would be forgiven.

In all our striving to defend the truth as others desecrate its sanctions, preserve in us the grace of constant self-criticism, so that what was the living faith of the dead may not become the dead faith of the living.

We ask it in the spirit of the Master. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Friday, July 9, 1965, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Geisler, one of his secretaries, and he announced that on July 9, 1965, the President had approved and signed the act (S. 1229) to provide uniform policies with respect to recreation and fish and wildlife benefits and costs of Federal multiple-purpose water resource projects, and for other purposes.

EXECUTIVE MESSAGES REFERRED

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

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

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (H.R. 2) to protect the public health and safety by amending the Federal Food, Drug, and Cosmetic Act to establish special controls for depressant and stimulant drugs and counterfeit drugs, and for other purposes.

ORDER DISPENSING WITH CALL OF LEGISLATIVE CALENDAR UNDER RULE VIII

On request of Mr. MANSFIELD, and by unanimous consent, the call of the legislative calendar under rule VIII was dispensed with.

LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

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

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. DIRKSEN, and by unanimous consent, the Committee on Public Works was authorized to meet during the session of the Senate today.

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

On request of Mr. MONRONEY, and by unanimous consent, the Subcommittee on Labor of the Committee on Labor and Public Welfare was authorized to meet during the session of the Senate today.

EXECUTIVE COMMUNICATIONS, ETC.

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

REPORT ON PASSAMAQUODDY-ST. JOHN RIVER BASIN POWER DEVELOPMENT (H. DOC. NO. 236)

A communication from the President of the United States, transmitting, for the information of the Senate, reports on the Passamaquoddy tidal power project and the Upper

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

St. John River hydroelectric development (with an accompanying document); to the Committee on Public Works.

AMENDMENT OF INTERNATIONAL WHEAT AGREEMENT ACT OF 1949, AS AMENDED

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend section 2 of the International Wheat Agreement Act of 1949, as amended (with an accompanying paper); to the Committee on Agriculture and Forestry.

PLANS FOR WORK OF IMPROVEMENT IN CERTAIN STATES

A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting, pursuant to law, plans for works of improvement in the States of Florida, Iowa, Kansas, Mississippi, Nebraska, South Carolina, and Virginia (with accompanying papers); to the Committee on Agriculture and Forestry.

REPORT ON APPROVAL OF LOAN BY RURAL ELECTRIFICATION ADMINISTRATION

A letter from the Administrator, Rural Electrification Administration, Department of Agriculture, reporting, pursuant to law, the approval of a loan by that Administration to the Western Farmers Electric Cooperative of Anadarko, Okla., to finance certain generation and transmission facilities (with an accompanying paper); to the Committee on Appropriations.

REPORT ON GUARANTEE ON ESTABLISHMENT OF A U.S. COMMERCIAL BANK CREDIT BY EXPORT-IMPORT BANK OF WASHINGTON

A letter from the Assistant Secretary, Export-Import Bank of Washington, reporting, pursuant to law, that that Bank has issued a guarantee in connection with the establishment by a U.S. commercial bank of a credit to be utilized in financing the export of U.S. machinery, equipment, materials, and services required for the expansion of aluminum rolling mill facilities in Yugoslavia; to the Committee on Appropriations.

AMENDMENT OF TITLES 10 AND 37, UNITED STATES CODE, TO CODIFY RECENT MILITARY LAW, AND IMPROVE THE CODE

A letter from the Acting General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend titles 10 and 37, United States Code, to codify recent military law, and to improve the code (with an accompanying paper); to the Committee on the Judiciary.

REPORT OF FEDERAL DEPOSIT INSURANCE CORPORATION

A letter from the Chairman, Federal Deposit Insurance Corporation, Washington, D.C., transmitting, pursuant to law, a report of that Corporation for the calendar year 1964 (with an accompanying report); to the Committee on Banking and Currency.

REPORT ON RELATIVE COST OF SHIPBUILDING IN THE VARIOUS COASTAL DISTRICTS OF THE UNITED STATES

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report on the relative cost of shipbuilding in the various coastal districts of the United States (with an accompanying paper); to the Committee on Commerce.

AMENDMENT OF FEDERAL POWER ACT

A letter from the Chairman, Federal Power Commission, transmitting a draft of proposed legislation to amend the Federal Power Act (with accompanying papers); to the Committee on Commerce.

INEFFECTIVE UTILIZATION OF EXCESS PERSONAL PROPERTY IN FOREIGN ASSISTANCE PROGRAM

A letter from the Director (Congressional Liaison), Agency for International Development, Department of State, transmitting to Agency's reply to the Comptroller General on ineffective utilization of excess personal property in the foreign assistance program, dated April 12, 1965 (with an accompanying paper); to the Committee on Government Operations.

DETERMINATIONS RELATING TO CONSTRUCTION PAYMENTS DUE FROM THE ANGOSTURA IRRIGATION DISTRICT, ANGOSTURA UNIT, MISSOURI RIVER BASIN PROJECT, SOUTH DAKOTA

A letter from the Assistant Secretary of the Interior, reporting, pursuant to law, on determinations relating to construction payments due the United States from the Angostura Irrigation District, Angostura unit, Missouri River Basin project, South Dakota, in the years 1966 and 1967; to the Committee on Interior and Insular Affairs.

PENALTIES FOR USE OF INTERSTATE ROUTE MARKER FOR COMMERCIAL PURPOSES

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to provide penalties for the use of the interstate route marker for commercial purposes (with an accompanying paper); to the Committee on the Judiciary.

LT. COL. LAWRENCE F. BACHMAN

A letter from the Assistant Secretary of the Air Force, transmitting a draft of proposed legislation for the relief of Lt. Col. Lawrence F. Bachman, U.S. Air Force (with an accompanying paper); to the Committee on the Judiciary.

REPORT OF CLAIM PAID BY RAILROAD RETIREMENT BOARD

A letter from the Chairman, Railroad Retirement Board, reporting, pursuant to law, on the settlement of a claim against that Board in the sum of $73.50; to the Committee on Labor and Public Welfare.

REPORT ON AIR POLLUTION

A letter from the Secretary of Health, Education, and Welfare, transmitting, pursuant to law, a report on air pollution caused by motor vehicles and measures taken toward its alleviation (with an accompanying report); to the Committee on Public Works.

PLANS FOR WORKS OF IMPROVEMENT IN CERTAIN STATES

A letter from the Director, Bureau of the Budget, Executive Office of the President, reporting, pursuant to law, on plans for works of improvement in the States of Arkansas, Maine, Mississippi, Mississippi and Tennessee, Missouri, North Carolina and Virginia, Oklahoma, and Utah (with accompanying papers); to the Committee on Public Works.

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

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

Brig. Gen. Ellis E. Wilhoyt, Jr., Corps of Engineers, to be a member of the California Debris Commission.

BILLS AND JOINT RESOLUTION INTRODUCED

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

By Mr. MAGNUSON (by request):

S. 2274. A bill to amend section 510(a)(1) of the Merchant Marine Act, 1936; to the Committee on Commerce.

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

By Mr. DOUGLAS:

S. 2275. A bill to assist in the promotion of economic stabilization by requiring the disclosure of finance charges in connection with extensions of credit; to the Committee on Banking and Currency.

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

By Mr. MORSE:

S. 2276. A bill for the relief of Veljko Stanisic; and

S. 2277. A bill for the relief of Veselin Vucinic; to the Committee on the Judiciary.

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

By Mr. ROBERTSON:

S.J. Res. 96. Joint resolution to establish an Advisory Commission on Health Research Activities; to the Committee on Government Operations.

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

RESOLUTIONS

COMMISSION FOR A STRONGER ATLANTIC UNION

Mr. CHURCH submitted a resolution (S. Res. 128) to provide for the establishment of a Commission for a Stronger Atlantic Union, which was referred to the Committee on Foreign Relations.

(See the remarks of Mr. CHURCH when he submitted the above resolution which appear under a separate heading.)

TO PRINT AS A SENATE DOCUMENT A STUDY ENTITLED "U.S. INTERNATIONAL SPACE PROGRAM WITH TEXTS OF EXECUTIVE AGREEMENTS, MEMORANDUMS OF UNDERSTANDING, AND OTHER INTERNATIONAL ARRANGEMENTS, 1959–65"

Mr. ANDERSON submitted a resolution (S. Res. 129) to print as a Senate document a study entitled "U.S. International Space Program With Texts of Executive Agreements, Memorandums of Understanding, and Other International Arrangements, 1959–65"; which was referred to the Committee on Rules and Administration.

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

AMENDMENT OF SECTION 510(a)(1) OF THE MERCHANT MARINE ACT, 1936

Mr. MAGNUSON. Mr. President, by request, I introduce, for appropriate reference, a bill to amend section 510(a)(1) of the Merchant Marine Act, 1936. I ask unanimous consent that the letter from the Secretary of Commerce, requesting the proposed legislation, together with a statement of purpose, and a comparative text, be printed in the RECORD.

The PRESIDING OFFICER (Mr. BASS in the chair). The bill will be re-

ceived and appropriately referred; and, without objection, the letter, statement of purpose, and comparative text, will be printed in the RECORD.

The bill (S. 2274) to amend section 510(a)(1) of the Merchant Marine Act, 1936, was received, read twice by its title, and referred to the Committee on Commerce.

The letter, statement of purpose, and comparative text, presented by Mr. MAGNUSON, are as follows:

THE SECRETARY OF COMMERCE,
Washington, D.C., June 24, 1965.

Hon. HUBERT H. HUMPHREY,
President of the Senate,
U.S. Senate, Washington, D.C.

DEAR MR. PRESIDENT: There are submitted herewith four copies of a draft bill "to amend section 510(a)(1) of the Merchant Marine Act, 1936." The purposes and provisions of the draft bill are explained in the accompanying statement.

The Bureau of the Budget advises there is no objection to the submission of this proposed legislation to the Congress from the standpoint of the administration's program.

Sincerely yours,

JOHN T. CONNOR,
Secretary of Commerce.

STATEMENT OF THE PURPOSES AND PROVISIONS OF THE DRAFT BILL TO AMEND SECTION 510(a)(1) OF THE MERCHANT MARINE ACT, 1936

When section 510 of the Merchant Marine Act, 1936, was enacted it defined an "obsolete vessel" for the purposes of the trade-in provisions of that section as a vessel which—

(a) Is not of less than 1,350 gross tons;

(b) Is not less than 17 years old and, in the judgment of the Commission (now the Secretary of Commerce) is obsolete or inadequate for successful operation in the domestic or foreign trade of the United States; and

(c) Is owned by a citizen or citizens of the United States and has been owned by such citizen or citizens for at least 3 years immediately prior to the date of acquisition under the section.

In 1952, however, a proviso was added to this definition which provided that until June 30, 1958, the term "obsolete vessel" shall mean a vessel which—

(a) Is of not less than 1,350 gross tons;

(b) Is not less than 12 years old; and

(c) Is owned by a citizen or citizens of the United States and has been owned by such citizen or citizens for at least 3 years immediately prior to the date of acquisition under this section.

This proviso was extended by subsequent legislation to June 30, 1964, at which time it expired.

The difference between the original definition and the proviso is in subdivision (b) of both of them. Subdivision (b) of the original definition requires that the vessel to be trade-in be not less than 17 years old and in the judgment of the Secretary obsolete or inadequate for sucessful operation in the domestic or foreign trade of the United States. Subdivision (b) of the proviso merely required that the vessel be not less than 12 years old.

The reason for enactment of the proviso was to permit an orderly replacement program for war-built ships all of which were built between 1941 and 1946 and would reach the end of their statuatory 20 year lives between 1961 and 1966. The purpose was to avoid such block obsolescence by permitting the trade-in of some of these vessels before they become 20 years of age and some after they reach that age.

For that reason the minimum age required for trade-in by the proviso was 12 years and there was no requirement for a finding that the trade-in ship is obsolete or inadequate for successful operation in the domestic or foreign trade of the United States.

Upon expiration of the proviso on June 30, 1964, the original definition again became applicable. The 17-year minimum age is not a problem, because all of the war-built ships were at least 17 years old on the date the proviso expired. The required finding, however, is not clearly consistent with other actions which the Maritime Administration must take in connection with its replacement program.

Under the replacement program for subsidized operators, some of the war-built ships may be operated with the aid of operating-differential subsidy until they are about 30 years of age. Section 605(b) of the act provides that operating-differential subsidy shall not be paid for the operation of vessels built before January 1, 1946, which are more than 20 years old (or for the operation of vessels built after that date which are more than 25 years old) unless the Secretary of Commerce finds that it is to the public interest to do so. A finding that a ship, say a C-3, is obsolete or inadequate for successful operation in the domestic or foreign trade of the United States at its age of 17 years is not clearly consistent with a finding that it is to the public interest to pay operating-differential subsidy for the operation of other ships of the same type until they are 30 years of age.

Under the Vessel Exchange Act (section 510(i) of the Merchant Marine Act, 1936) vessels traded-in by subsidized operators are eligible for trade-out to upgrade the unsubsidized fleet. On the basis of current market values, we have recently fixed the value of two C-3s, which are respectively 20 and 21 years old, under the Vessel Exchange Act for trade-in purposes at approximately $850,000 each, and we have five applicants for the trade-out of these ships under that act. These facts likewise are not clearly consistent with a finding that such vessels are obsolete or inadequate for successful operation in the domestic or foreign trade of the United States.

The draft bill would amend section 510(a)(1) to eliminate this inconsistency by striking out the required finding and substituting therefor a finding that the vessel should be replaced in the public interest. This would relate the required finding to the requirements of the replacement program.

COMPARATIVE TEXT SHOWING THE CHANGES THE DRAFT BILL TO AMEND SECTION 510(a)(1) WOULD MAKE IN THAT SECTION

(Deletions are shown by brackets; new material is shown by italic.)

SEC. 510(a). When used in this section—

(1) The term "obsolete vessel" means a vessel or vessels, each of which (A) is of not less than one thousand three hundred and fifty gross tons, (B) is not less than seventeen years old and, [in the judgment of the Commission, is obsolete or inadequate for successful operation in the domestic or foreign trade of the United States] *in the judgment of the Secretary of Commerce, should be replaced in the public interest,* and (C) is owned by a citizen or citizens of the United States and has been owned by such citizen or citizens for at least three years immediately prior to the date of acquisition hereunder [: *Provided,* That until June 30, 1964, the term "obsolete vessel" shall mean a vessel or vessels, each of which (A) is of not less than one thousand three hundred and fifty gross tons, (B) is not less than twelve years old, and (C) is owned by a citizen or citizens of the United States and has been owned by such citizen or citizens for at least three years immediately prior to the date of acquisition hereunder].

TRUTH IN LENDING

Mr. DOUGLAS. Mr. President, once again I rise to introduce my bill requiring full disclosure of the costs of personal credit. This bill—the truth in lending bill—is being introduced for the fourth time. I introduced similar legislation in the 86th, 87th, and 88th Congresses. I must admit to some disappointment over the failure thus far of Congress to enact this much needed reform legislation. However, I learned long ago that any essential reform opposed by powerful segments of American industry requires years of intensive effort before it results in a victory for the public interest. And so I console myself with the thought that the original Food and Drug Act of 1907 was passed only after it had met with the most intense opposition from many of the food and drug companies. It was only after public indignation had been fully aroused that the Congress was able to enact even the most modest requirements to insure that foods and drugs marketed were safe and sanitary.

Many years later the truth in securities legislation of the 1930's was passed over the vehement protest of the New York financial community. The president of the New York Stock Exchange, Mr. Whitney, opposed this reform in testimony before the Banking and Currency Committee—the same committee that has been considering the truth in lending bill. Mr. Whitney, as I remember it, predicted that if brokerage houses were required to tell the truth, that is, if they made a full disclosure of the salient facts about the stocks which they offered for sale to the public, the stock market would collapse. Mr. Whitney pleaded, in effect, that the stock market could continue to operate only so long as the gullible could be duped into buying stocks on the basis of misinformation and fraud.

The truth in securities legislation did not wreck the stock market. Instead, it became the salvation of reputable stock brokers and brokerage houses.

These same arguments against the full disclosure of essential information have again come to the surface as we have considered the truth-in-lending bill. Lenders have solemnly and self-righteously warned the Banking and Currency Committee that if we were to pass legislation to require the full disclosure of the costs of consumer credit, the consumer credit industry would be destroyed.

In recent years the Congress has enacted additional laws protecting the consumer, such as the Wool Products Labeling Act of 1939, the Fur Labeling Act of 1951, the Textile Fiber Products Identification Act of 1958, and the Automobile Information Disclosure Act of 1958. But again, most of these laws were passed only after the most bitter controversy and violent opposition of the industry affected. And so, although I am disappointed that the truth-in-lending bill has

not yet been enacted, I think that it is appropriate to point out again that all reform measures which protect the public at large and which are opposed by powerful and well financed segments of industry require a number of years before they can be signed into law. I am delighted to say that there are substantial segments of the personal credit industry that do support the truth-in-lending bill. I simply wish that more of the reputable members of the industry, such as the commercial bankers, would join in supporting this kind of reform legislation.

It is unfortunate, however, that powerful segments of the consumer credit industry habitually oppose any legislation to establish ethical standards and protect the honest and efficient competitor in the industry. In spite of this opposition, the principle of truth in lending has been proposed in a number of States and foreign countries and I understand gradual progress is being made. For example, the Canadian Province of Nova Scotia has recently passed an act requiring the finance charge and simple annual rate of interest to be disclosed on all credit transactions. It is ironic that a reform measure first proposed in this country has now been copied and enacted into law in another country, while we here are struggling to gain a foothold here.

I. WHAT THE BILL DOES

Mr. President, the basic purpose of the truth-in-lending bill is to require that anyone who lends money or extends credit must supply the would-be borrower or credit user with two simple but vital facts:

First. A statement of the total finance charge in dollars and cents; and

Second. A statement of the finance charge expressed in terms of a true annual rate on the outstanding unpaid balance of the obligation.

The bill does not attempt to regulate or control the rate of interest or the cost of credit.

The bill would enable the typical consumer to compare the cost of credit from various sources and make an intelligent decision. It would also assist him in deciding whether or not to borrow, pay cash, or save toward the purchase instead.

Suppose, for example, a man wants to borrow $1,500 to finance the purcase of a car. Assume he goes to two lenders and the first states the payments will be $53.40 a month over 36 months while the second quotes payments of $60 over 30 months. Which credit plan is the cheapest? How can the buyer judge between these two lenders?

The truth-in-lending bill would require the lenders to provide the information the buyer needs. The first lender would be required to disclose that monthly payments of $53.40 over 36 months actually amount to a total finance charge of $422.40 at an annual rate of interest of 18.3 percent. The second lender would have to state that the payments he receives of $60 a month over 30 months amount to a total finance charge of $300 at an annual rate of interest of 15.5 percent. Thus the buyer has the information to make an intelligent choice.

We would apply the same conditions to those who sell the use of money as we require from those who sell goods. We expect the seller of breakfast food to at least state tne quantity and the price on the package. We expect the butcher to list the price per pound for the meat he sells. We expect the gasoline dealer to disclose the price per gallon he charges for gasoline. We expect food stores to post the price for milk per quart at the retail level. Why should not we expect the lender or credit extender to post his price in a similar fashion?

The price of credit has traditionally been expressed as a true annual rate on the unpaid balance. Most loans on homes have always been expressed in this manner as have interest rates on business transactions. Interest rates on savings accounts in commercial banks are expressed in terms of true annual rates. So are short-term interest rates to businessmen to finance payrolls and the purchase of raw materials. It is only when we turn to the short-term consumer credit field, that we find a departure in the time-honored method of expressing the price of credit. Why should we permit the seller of credit to be less honest with the unwary public than he is with the experienced businessman? Why should not these lenders state the amount of interest they are charging and its price in the form of an annual rate of interest or charge? Who could possibly object to such an elementary prerequisite of fair dealing?

It was with this simple conviction that I introduced the original truth-in-lending bill over 5 years ago.

II

Since that time the Banking and Currency Committee has held extensive public hearings on truth in lending. In the last Congress alone, we heard from 135 witnesses and the record of their testimony runs to more than 1,600 pages. We heard from bankers and bus drivers—from mayors and crane operators. We have listened to numerous tales of interest gouging and shady practices, some of which were truly shocking, even to the most skeptical observers.

Throughout these long and detailed hearings, an endless series of technical objections were raised by those who opposed the bill. As these were disposed of, new ones arose to take their place. The opponents of truth in lending have an infinite capacity for conjuring up mythical situations where they claim the bill might be somewhat difficult to apply.

I am convinced, however, that the real objections to this bill are not technical but practical. First of all, by requiring a simple statement of true annual interest, the law would obviously work to the disadvantage of those who charge an excessively high rate of interest. If we pass this bill, these firms will either have to lower their rates or face a loss of business to their competitors. Up to now, these operators have been able to get by with charging exorbitant rates through confusion and subterfuge. Naturally, they would like to continue this unhappy state of affairs. But why should we continue to subsidize their subterfuge?

Second, many who charge high, but not excessive, rates fear a loss of good will when their customers first realize the interest rate on their debt is not as low as all these years they had been fondly led to believe In effect, these lending institutions are arguing that the Government should maintain their customers in the deceptive style of life to which they have become unwittingly accustomed. Aside from the ethical implications involved in such a proposition, there are economic arguments against continued deception. The overall efficiency of the economy requires that the consumer should know the true cost of credit if he is to make an intelligent decision in the marketplace. It may be that he would prefer to deal elsewhere, pay cash, or save toward the purchase if he realized the true rate of interest.

III. HISTORY OF INTEREST RATES

A study of the history of interest rates will reveal that truth in lending legislation is nothing new. For example, over 37 centuries ago in 1800 B.C., the king of ancient Babylonia decreed that all loans had to be accompanied by a written contract setting forth the terms of the loan. Moreover, if through subterfuge, a higher than legal rate of interest was actually collected, the principal of the loan was forfeited to the borrower.

Mr. President, at the risk of sounding like the archest of reactionaries, I merely want to observe that if the prevention of subterfuge on interest rates was good enough for ancient Babylonia, it is good enough for us.

It should also be pointed out that interest gouging has enjoyed an equally long, if not honorable tradition. In ancient Greece, loan sharks in Athens were known to have charged interest at the rate of 48 percent a month, or 576 percent a year. And in the 15th century, Italian bankers charged the King of France 100 percent interest on a war loan while local merchants were borrowing at only 5 percent. Apparently, the King of France was not considered to be a good credit risk.

During most of the Middle Ages, however, the "just price" doctrine was followed in regard to the loaning of money. An interest rate of more than 6 percent was regarded as usury and this judgment was backed up by the medieval church, which felt that ordinary citizens were at a disadvantage in dealing with sophisticated and worldly money lenders. The church, therefore, established and enforced the 6-percent "just price" doctrine to protect the public interest.

The historical and moral sanctity given to the magic figure of 6 percent survives to this very day and many lenders go to great pains to disguise the fact that they are charging more than 6 percent per year. Of course, the buy now pay later installment plan was unheard

of in the Middle Ages, and it would be unrealistic to expect anyone to profitably loan money at 6 percent in many areas of today's consumer credit market. Nevertheless, the reverent attitude accorded the historic 6 percent still survives.

IV. THE GROWTH OF CONSUMER CREDIT

Mr. President, anyone who argues that we need not be concerned about interest rates should review the statistics on consumer credit. At the present time, long-term consumer debt, primarily in the form of home mortgages, amounts to $196 billion while short- and intermediate-term consumer debt is $79 billion, or a total of $275 billion. This is almost the size of the entire national debt.

What is even more startling is the dramatic rise in consumer debt in the last 20 years. Long-term consumer debt has increased 943 percent during that time; short- and intermediate-term consumer debt has increased 1,247 percent, while the national debt has increased by only 18 percent. I sometimes wonder what would happen if we ever actually adopted some of the simple pieties so ardently advanced by many of our conservative colleagues. We often hear, for example, that Government finance is no different from family finance and that the Government should manage its money like the typical American family. Consider the national debt today if the Government had increased its debt at the same rate the American consumer increased his. It would be nearly $3 trillion.

Perhaps the most striking figure of all, however, is the interest paid on consumer debt. The interest payments on long-term consumer debt are conservatively estimated at $10 billion a year, while short- and intermediate-term debts account for at least another $10 billion a year. Thus, the American consumer, with a total debt just under the national debt, is paying at least $20 billion a year in interest, or nearly double the annual interest charge on the national debt. I personally believe that the total is considerably more than this, but I am trying to err on the conservative side.

Thus, by any standard, consumer credit has become big business. In the short- and intermediate-term field alone, most of which includes installment debt, the American consumer is paying at least $10 billion a year in interest and, in my judgment, actually more. This is more than all the sales of the entire natural gas industry. Anything we can do to increase the competition in the growing field of consumer credit, in which there is almost no price competition, can save the American people millions or even billions of dollars a year.

Mr. President, I ask unanimous consent that several tables on the history of consumer, corporate, and Federal debt be included in the RECORD at the end of my remarks.

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

(See exhibit 1.)

V. THE WONDERLAND OF CREDIT

Mr. DOUGLAS. Mr. President, independent studies as well as the hearings of the Banking and Currency Subcommittee reveal that most consumers do not know what rate of interest they are being charged on an installment purchase or small loan. Most of the blame for this state of affairs lies not in the inherent ignorance of the buyer but in the confusing practices of the seller.

Dr. Theodore O. Yntema, vice president in charge of finance for the Ford Motor Co., testifying once before another Senate committee, warned:

> The variety and complexity of finance and insurance arrangements and the charges for them are such as almost to defy comprehension. It is impossible for the average buyer to appraise the rates for finance and insurance services offered, as compared with alternatives available elsewhere.

A credit union manager with many years of experience in the lending field vividly described the dilemma of today's consumer. He said:

> The average borrower is caught in a wonderland of credit where percentages multiply and divide at will, where finance charges materialize on command and fees are collected on the way out; where sharp practices and rackets not only inflate the costs of credit, but also impose enormous financial hardships on the debtor, particularly those who can least afford it.

There are several widely used methods by which this confusion is created and perpetuated by lenders and credit extenders.

First, often no rate at all is quoted to the consumer: This is the simplest and most direct method of obscuring the cost of credit. The borrower is, for example, merely told that he will pay $10 down and $10 a month. Neither the total finance charge nor the interest rate is evident. And unless the borrower is a persistent questioner and skillful mathematician, he will not discover the true facts.

Second, the add-on rate: The borrower is told that the finance charge will be $6 on a 1-year, $100 loan, repayable in equal monthly installments. The lender represents this to be a 6-percent loan, but such a claim is merely a play on the number six. The actual rate is almost 12 percent, or nearly double the stated rate, because the borrower is constantly repaying the loan over the year and does not have the use of $100 for a full year. His average debt over the year is only about $50. In other words, the interest rate is quoted on the original amount of the debt and not on the declining or unpaid balance as is the custom in business credit, government loans, or mortgage transactions. In reality the borrower is asked to pay interest on amounts he has already repaid.

Third, the discount rate: This is a variation of the add-on rate. In the case of the add-on, the borrower receives $100 in cash or goods and must pay back $106. In the case of the discount technique, the consumer "borrows" $100 but only receives $94. The finance charge again is $6 and is often represented as being 6-percent interest. Again, the actual rate is almost 12 percent, or twice the quoted rate because the borrower is periodically repaying the loan.

Fourth, a simple monthly rate: This rate statement method is usually quoted by small loan companies and by retailers using revolving credit plans. The finance rate is represented as being 1, 2, 3, or 4 percent per month. The true annual rate in this case is 12 times the quoted figure, or 12, 24, 36, or 48 percent per year, if the interest is based upon the unpaid balance at the end of each month. If it is based upon the original amount of the loan, the simple annual rate is approximately 24 times the quoted figure, or in the illustrations cited 24, 48, 72, or 96 percent per year.

Fifth, "loading the camel": Sometimes lenders compound the camouflaging of credit by loading on all sorts of extraneous fees, such as exorbitant fees for credit life insurance and excessive fees for credit investigations, processing and handling. These charges are a cost of doing business, and should rightfully be figured in with the interest or finance charges. By excluding them in a separate list, the interest rate can be superficially reduced. However, a comparison with other rates would now become virtually meaningless. This, of course, would be the purpose of all this sleight of hand in the first place.

Some dealers are even unwilling to use the word "interest." They prefer to call it a "small monthly service charge." Indeed, the delicate semantics which accompany the consumer credit business remind me of the turtle in Alice in Wonderland who insisted that when he used a word, it meant exactly what he intended it to mean, no more and no less.

Transferring these practices into some typical examples, we find that—

The 3-percent-per-month plan of small loan companies is really 36 percent per year.

The 4½-percent new car financing plan of some commercial banks is really 9 percent per year.

The advertised 5-percent rate on home improvement loans is not less than a 6-percent first mortgage, but nearly twice as much, or almost 10 percent per year.

The so-called 6-percent rate for financing used cars offered by some dealers is at least 12 percent per year and sometimes very much higher—18 to 25 percent per year or more.

The cost of teenage credit now being promoted by some retailers as only "pennies per week" is sometimes as high as 80 percent per year.

VI. CREDIT ABUSES

The inevitable and tragic outcome of this policy of deception was made abundantly clear during the hearings before the Banking and Currency Subcommittee in the last session of Congress. A few examples will suffice to illustrate the point:

A man in Jersey City bought a TV set for $123.88. He was given a coupon book

which called for 24 monthly payments of $17.50. We were shocked when we computed the interest rate. It was 229 percent per year. What is even more tragic, he had to keep up the payments or lose his job.

A housewife on the lower East Side of Manhattan purchased a couch from a door-to-door salesman for $300. The payments were set at $12 every 2 weeks for 2 years. The total interest charge was thus $324 and the annual rate was 107 percent, although not a word of this was mentioned at the time of the sale.

A New Jersey busdriver borrowed $1,000 from a small loan company. He was told the interest rate was 4.5 percent. The actual rate turned out to be 29.5 percent, or more than six and a half times the claimed rate. Had the borrower known this at the start, he said he would have dealt with a lower cost lender.

A similar case occurred in Pittsburgh when a witness testified that he borrowed $900 from a small loan company and was told that his monthly payments would be $58.10 for 24 months. We computed the interest rate in this case and were amazed to discover it was 52 percent per year.

Another New York witness bought a television set on credit for 30 months. We figured out the interest rate on this transaction, and it turned out to be 143 percent. We asked the witness whether she would have signed the contract if she had known the interest rate. The witness replied, "Never in my life."

Testimony before the committee also revealed that Negroes and Puerto Ricans in New York were systematically and automatically charged a higher rate of interest, regardless of their individual credit standing.

VII. FLIMFLAMMING THE EDUCATED

But it is not only the poor, the uneducated, or the members of a minority group who are victimized by the hidden cost of credit. The educated middle classes are also being duped. Last year the distinguished senior Senator from Indiana performed a public service by publishing a table in the CONGRESSIONAL RECORD which revealed the true rates of annual interest charged for college education loans. While Federal loans are available for 3 percent and various State plans run from 3 to 6 percent, I was shocked to learn that some of the private loans plans which are offered to students and parents by our leading colleges and universities involved an interest rate as high as 60 percent per year. Invariably, the lending institutions with the highest rates establish subsidiaries with high sounding names such as the Tuition Plan, Inc., or Education Funds, Inc. The latter is a subsidiary of the Household Finance Co., which saturates television with advertisements telling us to borrow confidently. Unfortunately, they do not tell us this confidence is going to cost anywhere from 26 to 54 percent per year in interest and other charges on their college education loans.

No doubt these small loan companies would self-righteously argue that the cost of these incessant television advertisements are responsible for the high interest rates that they charge on their loans, which they are peddling through the auspices of hundreds of colleges and universities.

To my knowledge, the colleges and universities unwittingly continue to collaborate with these high-cost lenders of educational loans. Even college presidents and their administrative staffs have been duped by the prolific techniques now used by these high-cost lenders to camouflage the costs of their credit plans. My truth-in-lending bill would at least educate the educators about the costs of credit.

Perhaps the most discouraging fact of all, as I understand it, is that many church schools and colleges are now unknowingly sponsoring these high-cost education loan plans offered by small loan companies and automobile finance corporations. It is tragic that the church groups, with their long tradition against usury, have been misled by the deceptive trade practices that now pervade the consumer lending field. I am sure that these groups do not know what is being done. I hope they wake up.

Equally shocking is the invasion of the underworld into the consumer credit field. Joe Valachi, when he testified before the Senate Permanent Investigations Subcommittee, exposed the extent to which the Cosa Nostra was involved in the loan sharking or "juice" racket. A recent investigation in New York State also revealed that the underworld was moving into the loan-sharking business and was using the income derived from exorbitant rates as a major source of revenue for its other nefarious activities.

Apparently, local and State laws have proved to be inadequate to deal with this nationwide loan-sharking scandal. My truth-in-lending bill would require all credit extenders to disclose the essential facts in connection with a credit transaction. Either the underworld would have to comply with this truth-in-lending bill and disclose the fact that they are charging 200, 300, or 400 percent per annum in interest rates or they would run the risk of being imprisoned for willfully violating a Federal law. In this way the truth-in-lending bill would help stamp out what is regarded today as the underworld's primary source of income, the growing loan-shark racket.

VIII. BILKING SERVICEMEN

For a number of years I have been hearing more and more complaints about the exorbitant rates of interest servicemen are forced to pay on all types of credit transactions.

Recent hearings before the House Banking and Currency Committee have also revealed the shocking operations of a small loan finance company which has systematically bilked our American servicemen. According to the hearings, this company specializes in auto loans and masquerades under an official sounding name as though it were a Government agency. It has charged interest rates as high as 100 percent over a 2-year period. The firm also adds an excessive charge for insurance which frequently turns out to be nonexistent or with a defunct company. All too often, those victimized are low-paid enlisted men who can ill afford such a drain upon their meager budgets.

IX. OBJECTIONS TO THE BILL

Now Mr. President, what are some of the technical objections that have been raised against this bill?

First of all, it has been charged that an interest rate is too difficult to compute. It is said that it would impose an intolerable burden upon the poor sales clerks who would have to make complicated computations with each sale. I think the most effective answer to this charge was given by former Under Secretary of Commerce Edward Gudeman, who had years of experience in retailing with Sears, Roebuck. In answer to this point, Mr. Gudeman said:

> We must realize that consumer credit extenders begin by setting all their charges individually and in total on an annual rate basis. This means that the businessman in setting his charges works backward from an annual rate determined in light of his own financing costs and the behavior of his competitors. This being so it is difficult to understand why the average businessman cannot easily state the annual rate implicit in his total rate charges.

In addition, there are several pocket size slide rules that are simple to operate. These devices can rapidly compute the true annual rate of interest on any installment purchase and I am exhibiting two of them. One is primarily for the lender and costs 4 cents to manufacture. It is primarily for the borrower. The other is a circular slide rule accurate to one-tenth of 1 percent and is primarily for lenders and the extenders of credit. It is issued by the Credit Union Supply Cooperative.

Second, it is charged that dealers will bury the finance charge by hiking the cost of the merchandise if they are required to state the true rate of interest. This, is an ingenious but obviously unsound tactic. The dealer who attempts to do this will soon price his goods out of the market. His more ethical competitors would advertise and offer a lower price for merchandise and they would get the business.

The present system works in just the opposite way—it gives the edge to the unethical. Such operators have been known to advertise ridiculously low prices while recouping their losses in the hidden finance charges. In effect, they give it away in the big print and take it back in the fine print. The truth in lending bill would make it difficult to continue this racket.

Third, it is claimed that most consumers do not care about interest rates. This claim is directly contrary to the statements of many witnesses who related their sad experiences before our committee. Many of these people said they never would have agreed to a particular transaction if the had known the interest rate was as high as it was. I think the notion that consumers do

not care about interest rates is probably due to the confusing manner in which credit is dispensed. The average person usually gives up when confronted with the problem of computing a rate of interest from the meager information supplied by a fast talking salesman, and accepts instead, his bland assurance that the rate is the lowest in town.

However, if every dealer and lender were required to compute and state the rate of interest in a uniform manner, the consumer would soon become educated to the mysteries of credit and would be able to hold his own.

Fourth, it is claimed that a disclosure of true interest rates will retard sales. No real evidence has been presented to support this view. I feel it is more logical to assume the opposite. Consumers will shift their borrowing from high-cost to low-cost lenders, and thus have added purchasing power at their disposal with which to buy more than they otherwise could. The bill should also stimulate a greater use of consumer credit by those who have been fearful of its mysteries.

Fifth, it has been argued that the bill would not work in the case of revolving charge accounts because the length of time the money is borrowed cannot be known in advance. I have carefully listened to the arguments on this point, and I have amended the bill to take these objections into account. This objection now is somewhat difficult to understand since most revolving charge accounts state a monthly rate of 1 or 1½ percent. All this bill does is require that such monthly rate be multipled by 12 to indicate the true annual rate of 12 or 18 percent.

X. REASONS FOR THE BILL

There are at least five reasons why the truth in lending bill ought to be enacted.

First, it protects consumer rights: The American consumer is entitled to know the truth about credit rates and charges—to be informed about credit costs so that he can exercise his right to make intelligent choices among various credit plans.

President Johnson aptly summed it up in his 1964 consumer message in which he endorsed the truth in lending bill. The President said:

> The cost of such credit must be made as clear and unambiguous as possible, eliminating all possibility of abuse. The antiquated legal doctrine, "let the buyer beware," should be superseded by the doctrine, "let the seller make full disclosure."

And I would further argue that we cannot fully win the war on poverty unless we also put a stop to the activities of those who prey upon the poor and profit from their unfortunate circumstances. We must also win the war against the loan shark and the fast-buck artist. We must provide the poor and uneducated with some defense against the smooth talking salesmen who often have saddled families with years of debt at exhorbitant rates of interest. I believe the truth-in-lending bill will tip the scale of justice a little way back toward the consumer. It will give all consumers, and especially the poor, a better chance in today's complex marketplace.

Second, protecting businessmen: In addition to protecting consumers, the truth-in-lending bill will protect the ethical lender from losing business to his unscrupulous competitors. In a field as complicated as credit, it is perhaps inevitable that a few sharp operators will try to steal a march on their honest colleagues by making exaggerated and misleading claims with respect to credit. Soon all are forced to follow suit.

However, if we require every lender to compute and state the true rate of interest in a uniform manner, we will break the endless chain of misleading claims and shabby deceptions. A lender can confidently and freely state the true interest on his loan, secure from the fear that a higher cost competitor will lure his customers away with phony statistics.

Third, invigorating competition: Every businessman pays lipservice to competitive free enterprise, but when we get down to actual cases, it often turns out that competition is desirable only for the other fellow. Nevertheless, from the standpoint of the public interest, it is generally sound policy to insist upon vigorous price competition within a given industry. Unfortunately, this is not the case in the credit industry. Since the cost is usually hidden or misstated, those who provide credit do not really compete in terms of price. Rather, high-pressure salesmanship, advertising gimmickry or other nonrational factors become decisive. Such a system permits many inefficient, high-cost lending institutions to survive and flourish.

If consumers had an effective yardstick with which to measure the cost of credit, we would restore price competition within the credit industry. High-cost firms would have to become more efficient to stay in business. High-profit firms would have to be satisfied with reasonable profits. And in the end, all consumers would benefit in the form of cheaper credit.

Fourth, stabilizing the economy: The cost of credit that is the interest rate, functions as a built-in economic stabilizer. When inflation or overexpansion threatens a rise in the rate of interest can discourage investment and force the economy back upon an even keel. Conversely, when recession or underinvestment becomes a threat, a lowering of interest rates can encourage investment and help check a downward spiral.

This mechanism does function in the business world since business loans disclose the true rate of interest and businessmen can therefore react to changes in interest rates. However, the mechanism breaks down in the field of consumer credit where interest rates are generally obscured. As a result, a rise in the interest rate on consumer installment purchases will not curb an excessive level of demand because most consumers simply do not realize the rate is being raised. By the same token, a lowering of the rate will have little effect in stimulating consumer willingness to buy on credit when recession threatens.

The truth-in-lending bill will correct this situation by disclosing the interest rate on consumer debt. Changes in the rate could then have their proper effect of stimulating or discouraging purchases and thus helping to stabilize the economy.

Fifth, encouraging economic growth: No one can accurately measure the extent of economic waste when consumers pay too much for credit because they are unaware of what it really costs or are unable to shop around for lower credit prices. However, to the extent that with full information about the cost of credit, consumers will use it more efficiently, it will contribute to the growth of the economy. This point has been fully recognized by experts in the field of credit.

For instance, the Federal Reserve Bank of Philadelphia in the April 1960 issue of its Business Review pointed out that a real burden for the economy "occurs because consumers often buy on time in an uninformed way without knowing the cost of the money they are borrowing. When they do this, they not only hurt themselves, but they reduce the efficiency with which the economy provides goods and services in accordance with consumer taste."

In short, Federal Reserve officials believe that the economic growth of the Nation is jeopardized when consumers are misled about the price of credit.

XI. CONCLUSION

Basically, the question is whether we want truth to prevail in the marketplace. Men often fear truth, but ultimately it is beneficial and healing. It rewards the ethical and deters the careless and less ethical. In the end it benefits all but the determined and conscious wrongdoers.

My bill gives to everyone the chance to conform to the standards which the vast majority know in their hearts to be right.

Truth, like sunlight, is a powerful disinfectant. This bill would throw light into dark places and, by that very fact, help to clear up many of the abuses that plague the consumer credit marketplace.

Our last two Presidents have given their strong endorsements to the truth-in-lending bill. President Kennedy, in his 1962 consumer message, said:

> Excessive and untimely use of credit arising out of ignorance of its true cost is harmful both to the stability of the economy and to the welfare of the public. Legislation should therefore be enacted requiring lenders and vendors to disclose to borrowers in advance the actual amounts and rates which they will be paying for credit.

And President Johnson, in his 1964 consumer message to the Congress stated:

> I recommend enactment of legislation requiring all lenders and extenders of credit to disclose to borrowers in advance the actual amount of their commitment and the annual rate of interest they will be required to pay.

And so, Mr. President, let us keep our commitment to the American consumer and pass a law which will give him an even break in today's complex marketplace—let us reaffirm our faith in the

free enterprise system and the beneficial effects of honest competition—let us restore to the field of consumer credit the elementary prerequisites of fair dealing—let us pass the truth-in-lending bill.

Mr. President, in previous years when introducing the truth-in-lending bill I have encouraged other Members of the Senate to cosponsor the measure. I wish to express my deep gratitude to all Members of the Senate who have supported this legislation in the past.

However, this year I have not circulated this bill in advance seeking cosponsors. Frankly, the cosponsors of the previous truth-in-lending bills have been subjected to extreme pressure by the opponents of this legislation. Of course, this is the classic problem with legislation such as this which benefits the public at large and which is opposed by a few powerful, organized, and well financed lobbies, richly filled with Washington lawyers, public relations experts, and last but not least, campaign war chests. I do not wish to subject my colleagues to these risks.

Of course, I appreciate the interest of all of those Members of the Senate who feel that this legislation is desirable and in the national interest and I will be glad to welcome their support. However, I did wish to make clear to the friends of this legislation outside the Congress the reasons why I have not distributed this bill to other Members to invite cosponsorship.

Mr. President, I request that the text of the bill be printed in the RECORD immediately following my remarks.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2275) to assist in the promotion of economic stabilization by requiring the disclosure of finance charges in connection with extensions of credit, was received, read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

S. 2275

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Truth in Lending Act".

DECLARATION OF PURPOSE

SEC. 2. The Congress finds and declares that economic stabilization is threatened by the untimely use of credit for the acquisition of property and services. The untimely use of credit results frequently from a lack of awareness of the cost thereof to the user. It is the purpose of this Act to assure a full disclosure of such cost with a view to preventing the uninformed use of credit to the detriment of the national economy.

DEFINITIONS

SEC. 3. As used in this Act, the term—

(1) "Board" means the Board of Governors of the Federal Reserve System.

(2) "Credit" means any loan, mortgage, deed of trust, advance, or discount; any conditional sales contract; any contract to sell, or sale, or contract of sale of property or services, either for present or future delivery, under which part or all of the price is payable subsequent to the making of such sale or contract; any rental-purchase contract; any contract or arrangement for the hire, bailment, or leasing of property; any option, demand, lien, pledge, or other claim against, or for the delivery of, property or money; any purchase, or other acquisition of, or any credit upon the security of, any obligation or claim arising out of any of the foregoing; and any transaction or series of transactions having a similar purpose or effect.

(3) "Finance charge" means the sum of all the charges (including but not limited to interest, fees, service charges, and discounts) which any person to whom credit is extended incurs in connection with, and as an incident to, the extension of such credit.

(4) "Creditor" means any person engaged in the business of extending credit (including any person who as a regular business practice makes loans or sells or rents property or services on a time, credit, or installment basis, either as principal or as agent) who requires, as an incident to the extension of credit, the payment of a finance charge.

(5) "Person" means any individual, corporation, partnership, association, or other organized group of persons, or the legal successor or representative of the foregoing, and includes the United States or any agency thereof, or any other government, or any of its political subdivisions, or any agency of the foregoing.

DISCLOSURE OF FINANCE CHARGES

SEC. 4. (a) Except as provided in subsection (b), any creditor shall furnish to each person to whom credit is extended, prior to the consummation of the transaction, a clear statement in writing setting forth, to the extent applicable and ascertainable and in accordance with rules and regulations prescribed by the Board, the following information—

(1) the cash price or delivered price of the property or service to be acquired;

(2) the amounts, if any, to be credited as downpayment and/or trade-in;

(3) the difference between the amounts set forth under clauses (1) and (2);

(4) the charges, individually itemized, which are paid or to be paid by such person in connection with the transaction but which are not incident to the extension of credit;

(5) the total amount to be financed;

(6) the finance charge expressed in terms of dollars and cents; and

(7) the percentage that the finance charge bears to the total amount to be financed expressed as a simple annual rate on the periodic unpaid balance of the obligation.

(b) Any creditor agreeing to extend credit to any person pursuant to a revolving or open-end credit plan shall, in accordance with rules and regulations prescribed by the Board and in lieu of the information described in subsection (a)—

(1) furnish to such person, prior to agreeing to extend credit under such plan, a clear statement in writing setting forth the simple annual percentage rate or rates at which a finance charge will be imposed on the monthly unpaid balance; and

(2) furnish to such person, at the end of each monthly period (which need not be a calendar month) following the entering into of any such agreement, a clear statement in writing setting forth to the extent applicable and ascertainable—

(A) the outstanding balance in the account of such person as of the beginning of such monthly period;

(B) the amount of each extension of credit to such person (including the cash price or delivered price of any property or service acquired by such person) during such period and, unless previously furnished, the date thereof and a brief identification of any property or services so acquired;

(C) the total amount received from, or credited to the account of, such person during such period;

(D) the finance charge (in dollars and cents) required for such period;

(E) the outstanding balance in the account of such person as of the end of such monthly period; and

(F) the simple annual percentage rate or rates at which a finance charge has been imposed on the monthly unpaid balance.

As used in this subsection, the term "revolving or open-end credit plan" means a credit plan prescribing the terms of credit transactions which may be made thereunder from time to time and under the terms of which a finance charge may be computed on the outstanding unpaid balance from time to time thereunder.

(c) If information disclosed in accordance with this section and any regulations prescribed by the Board is subsequently rendered inaccurate as the result of a prepayment, late payment, or other adjustment in the credit agreement through mutual consent of the parties, the inaccuracy resulting therefrom shall not constitute a violation of this section.

REGULATIONS

SEC. 5. (a) The Board shall prescribe such rules and regulations as may be necessary or proper in carrying out the provisions of this Act. Such rules and regulations shall (1) include a description of (A) the methods which may be used in determining the "simple annual rate" or "simple annual percentage rate or rates" for the purpose of section 4, and (B) the size of type or lettering which shall be used in setting forth information required by such section, (2) prescribe reasonable tolerances of accuracy with respect to disclosing information under such section, and (3) require that such information be set forth in bold type and with sufficient prominence to insure that it will not be overlooked by the person to whom credit is extended. Any rule or regulation prescribed hereunder may contain such classifications and differentiations, and may provide for such adjustments and exceptions as in the judgment of the Board are necessary or proper to effectuate the purposes of this Act or to prevent circumvention or evasion, or to facilitate the enforcement of this Act, or any rule or regulation issued thereunder. In prescribing any exceptions hereunder with respect to any particular type of credit transaction, the Board shall consider whether in such transactions compliance with the disclosure requirements of this Act is being achieved under any other Act of Congress.

(b) In the exercise of its powers under this section, the Board shall request the views of other Federal agencies exercising regulatory functions with respect to creditors, or any class of creditors, which are subject to the provisions of this Act, and such agencies shall furnish such views upon request of the Board.

(c) The Board shall establish an advisory committee, consisting of not more than nine members, to advise and consult with it in the exercise of its powers under this section. In appointing members to such committee the Board shall seek to achieve a fair representation of the interest of sellers of merchandise on credit, lenders, and the public Such committee shall meet from time to time at the call of the Board, and members thereof shall be paid transportation expenses and not to exceed $25 per diem in lieu of subsistence, as authorized by section 5 of the Act of August 2, 1946 (5 U.S.C. 73b-2).

EFFECT ON STATE LAWS

SEC. 6. (a) This Act shall not be construed to annul, or to exempt any creditor from complying with, the laws of any State relating to the disclosure of information in connection with credit transactions, except to the extent that such laws are directly in-

consistent with the provisions of this Act or regulations issued thereunder.

(b) The Board shall by regulation except from the requirements of this Act any credit transactions or class of transactions which it determines are effectively regulated under the laws of any State so as to require the disclosure by the creditor of the same information as is required under section 4 of this Act.

CIVIL AND CRIMINAL PENALTIES

SEC. 7. (a) Civil penalties: Any creditor who in connection with any credit transaction fails to disclose to any person any information in violation of this Act or any regulation issued thereunder shall be liable to such person in the amount of $100, or in an amount equal to twice the total finance charge required by such creditor in connection with such transaction, whichever is greater, except that such liability shall not exceed $2,000 on any credit transaction. Action to recover such penalty may be brought by such person within one year from the date of the occurrence of the violation, in any court of competent jurisdiction. In any such action, no person shall be entitled to recover such penalty solely as the result of the erroneous computation of any percentage required by section 4(a)(7), 4(b)(1), or 4(b)(2)(F) of this Act to be disclosed to such person, if the percentage disclosed to such person pursuant to this Act was in fact greater than the percentage required by such section, or by the regulations prescribed by the Board, to be disclosed. In any action under this subsection in which any person is entitled to a recovery, the creditor shall be liable for reasonable attorneys' fees and court costs as determined by the court. As used in this subsection, the term "court of competent jurisdiction" means either any Federal court of competent jurisdiction regardless of the amount in controversy or any State court of competent jurisdiction.

(b) Criminal penalties: Any person who willfully violates any provision of this Act or any regulation issued thereunder shall be fined not more than $5,000 or imprisoned not more than one year, or both.

(c) Except as specified in subsection (a) of this section, nothing contained in this Act or any regulation thereunder shall affect the validity or enforcibility of any contract or transaction.

(d) No punishment or penalty provided by this Act shall apply to the United States, or any agency thereof, or to any State, any political subdivision thereof, or any agency of any State or political subdivision.

EXCEPTIONS

SEC. 8. The provisions of this Act shall not apply to—

(1) credit transactions involving extensions of credit or business firms, governments, or governmental agencies or instrumentalities; or

(2) transactions in securities or commodities in accounts by a broker-dealer registered with the Securities and Exchange Commission.

EFFECTIVE DATE

SEC. 9. The provisions of this Act shall take effect upon the expiration of one hundred and eighty days after the date of its enactment; except that section 5 shall take effect immediately.

EXHIBIT NO. 1

Short- and intermediate-term consumer credit outstanding, 1945–64

[Millions of dollars]

End of year or month	Total	Installment credit					Noninstallment credit		
		Total	Automobile paper [1]	Other consumer goods paper [1]	Repair and modernization loans [2]	Personal loans	Total	Charge accounts	Other [3]
1945	5,665	2,462	455	816	182	1,009	3,203	1,612	1,591
1946	8,384	4,172	981	1,290	405	1,496	4,212	2,076	2,136
1947	11,598	6,695	1,924	2,143	718	1,910	4,903	2,381	2,522
1948	14,447	8,996	3,018	2,901	853	2,224	5,451	2,722	2,729
1949	17,364	11,590	4,555	3,706	898	2,431	5,774	2,854	2,920
1950	21,471	14,703	6,074	4,799	1,016	2,814	6,768	3,367	3,401
1951	22,712	15,294	5,972	4,880	1,085	3,357	7,418	3,700	3,718
1952	27,520	19,403	7,733	6,174	1,385	4,111	8,117	4,130	3,987
1953	31,393	23,005	9,835	6,779	1,610	4,781	8,388	4,274	4,114
1954	32,464	23,568	9,809	6,751	1,616	5,392	8,896	4,485	4,411
1955	38,830	28,906	13,460	7,641	1,693	6,112	9,924	4,795	5,129
1956	42,334	31,720	14,420	8,606	1,905	6,789	10,614	4,995	5,619
1957	44,970	33,867	15,340	8,844	2,101	7,582	11,103	5,146	5,957
1958	45,129	33,642	14,152	9,028	2,346	8,116	11,487	5,060	6,427
1959	51,542	39,245	16,420	10,630	2,809	9,386	12,297	5,104	7,193
1960	56,028	42,832	17,688	11,525	3,139	10,480	13,196	5,329	7,867
1961	57,678	43,527	17,223	11,857	3,191	11,256	14,151	5,324	8,827
1962	63,164	48,034	19,540	12,605	3,246	12,643	15,130	5,684	9,446
1963	69,890	53,745	22,199	13,766	3,389	14,391	16,145	5,871	10,274
1964 [4]	76,700	59,300	24,550	15,200	3,500	16,050	17,400	6,300	11,100

[1] Includes all consumer credit extended for the purpose of purchasing automobiles and other consumer goods.
[2] Includes only such loans held by financial institutions; those held by retail outlets are included in "other consumer goods paper."
[3] Single-payment loans and service credit.
[4] Preliminary; December by Council of Economic Advisers.

NOTE.—Data for Alaska and Hawaii included beginning January and August 1959, respectively.

Source: Board of Governors of the Federal Reserve System (except as noted).

Mortgage debt outstanding, by type of property and of financing, 1939–64

[Billions of dollars]

End of year or quarter	1- to 4-family houses, nonfarm properties, Government underwritten	End of year or quarter	1- to 4-family houses, nonfarm properties, Government underwritten
1939	16.3	1952	58.5
1940	17.4	1953	66.1
1941	18.4	1954	75.7
1942	18.2	1955	88.2
1943	17.8	1956	99.0
1944	17.9	1957	107.6
1945	18.6	1958	117.7
1946	23.0	1959	130.9
1947	28.2	1960	141.3
1948	33.3	1961	153.1
1949	37.6	1962 [1]	166.5
1950	45.2	1963 [1]	182.2
1951	51.7	1964 [1]	197.9

[1] Preliminary.

Source: Board of Governors of the Federal Reserve System, estimated and compiled from data supplied by various Government and private organizations.

TABLE B-54.—*Net public and private debt, 1945–64* [1]

[Billions of dollars]

End of year [2]	Total	Federal Government and agency	State and local government [2]	Private							
				Total	Corporate	Individual and noncorporate					
						Total	Farm [3]	Nonfarm			
								Total	Mortgage	Commercial and financial [4]	Consumer
1945	406.3	252.7	13.7	139.9	85.3	54.6	7.3	47.4	27.0	14.7	5.7
1946	397.4	229.7	13.6	154.1	93.5	60.6	7.6	53.0	32.5	12.1	8.4
1947	417.4	223.3	14.4	179.7	108.9	70.8	8.6	62.3	38.8	11.9	11.6
1948	433.6	216.5	16.2	200.9	117.8	83.1	10.8	72.4	45.1	12.9	14.4
1949	448.4	218.6	18.1	211.7	118.0	93.7	12.0	81.8	50.6	13.9	17.3
1950	490.3	218.7	20.7	250.9	142.1	108.8	12.3	96.6	59.4	15.8	21.4
1951	524.0	218.5	23.3	282.2	162.5	119.7	13.6	106.2	67.4	16.2	22.6
1952	555.2	222.9	25.8	306.5	171.0	135.5	15.2	120.4	75.2	17.8	27.4
1953	586.5	228.1	28.6	329.8	179.5	150.3	16.9	133.6	83.8	18.4	31.4
1954	612.0	230.2	33.4	348.4	182.8	165.6	17.6	147.9	94.6	20.8	32.5
1955	672.3	231.5	38.4	402.5	212.1	190.4	18.8	171.6	108.7	24.0	39.8
1956	707.5	225.4	42.7	439.4	231.7	207.7	19.5	188.2	121.3	24.4	42.5
1957	738.9	224.4	46.7	467.8	246.7	221.1	20.3	200.8	131.6	24.3	44.8
1958	782.6	232.7	50.9	499.1	259.5	239.5	23.3	216.2	144.6	26.5	45.1
1959	846.2	243.2	55.6	547.4	283.3	264.1	23.0	241.1	160.8	28.7	51.5
1960	890.2	241.0	60.0	589.2	302.8	286.4	25.1	261.4	174.5	30.8	56.0
1961	946.4	248.1	65.0	633.3	323.0	310.3	27.5	228.8	190.4	34.8	57.7
1962	1,018.7	255.9	73.7	689.0	347.4	341.6	30.2	311.4	210.6	37.6	63.2
1963	1,093.5	261.2	79.5	752.8	374.6	378.2	33.2	345.0	234.2	40.9	69.9
1964 [5]	1,163.6	267.0	85.7	810.9	395.3	415.6	36.8	378.8	257.6	44.5	76.7

[1] Net public and private debt outstanding is a comprehensive aggregate of the indebtedness of borrowers after elimination of certain types of duplicating governmental and corporate debt. For a further explanation of the concept, see Survey of Current Business, October 1950.

[2] Data for State and local government debt are for June 30.

[3] Farm mortgages and farm production loans. Farmers' financial and consumer debt is included in the nonfarm categories.

[4] Financial debt is debt owed to banks for purchasing or carrying securities, customers' debt to brokers, and debt owed to life insurance companies by policyholders.

[5] Preliminary estimates by Council of Economic Advisers.

NOTE.—Revisions for 1929–39 and 1955–57 in the consumer credit data of the Board of Governors of the Federal Reserve System have not yet been fully incorporated into this series.

Sources: Department of Commerce (Office of Business Economics), Treasury Department, Board of Governors of the Federal Reserve System, and Federal Home Loan Bank Board (except as noted).

VELJKO STANISIC AND VESELIN VUCINIC

Mr. MORSE. Mr. President, I introduce, for appropriate reference, two private bills, and I ask unanimous consent that they be printed at this point in the RECORD.

The PRESIDING OFFICER. The bills will be received and appropriately referred; and, without objection, they will be printed in the RECORD.

The bills, introduced by Mr. MORSE, were received, read twice by their titles, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

S. 2276

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purposes of the Immigration and Nationality Act, Veljko Stanisic shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

S. 2277

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purposes of the Immigration and Nationality Act, Veselin Vucinic shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

Mr. MORSE. Mr. President, the first bill is for the relief of Veljko Stanisic; the second is for the relief of Veselin Vucinic.

The bills seek to come to the relief of two Yugoslavs, each of whom has close relatives in my State; each of whom jumped ship in Portland, Oreg.; each of whom is completely out of sympathy with the form of communism in Yugoslavia; and each of whom lives in the fear that if the policies of the immigration authorities are followed, they will be returned to Yugoslavia, to their great physical detriment.

These are hard cases. I have asked for a detailed report on each of them, which I shall supply to the committee after the bills have been referred.

I am satisfied that a strong prima facie case exists for giving these men asylum in the United States. When we think of the asylum that is given to others, including some having diplomatic status, we ought also to consider the humanitarian interests that are involved in the common people who, nevertheless, seek to flee from the type of persecution they are headed for if they are returned to Yugoslavia.

STUDY OF HEALTH RESEARCH

Mr. ROBERTSON. Mr. President, I send to the desk, for appropriate reference a resolution to establish an Advisory Commission on Health Research Activities, and ask unanimous consent to have printed in the RECORD a brief statement concerning the purposes and scope of this investigating Commission.

The PRESIDING OFFICER. The joint resolution will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The joint resolution (S.J. Res. 96) to establish an Advisory Commission on Health Research Activities, introduced by Mr. ROBERTSON, was received, read twice by its title, and referred to the Committee on Government Operations.

The statement presented by Mr. ROBERTSON is as follows:

The passage of the Medicare bill makes it more imperative than ever that the Federal Government get the best results possible from the money it is spending on medical research.

My attention was first drawn to the need for such a resolution by recent Senate hearings on the Independent Offices Appropriation bill, at which a group of doctors urged additional funds for the Veterans' Administration, both for the hospital treatment of ex-servicemen and for research.

Since that time it has become apparent that the so-called medicare plan, which is bound to create a need for more hospital space for the public generally, will become law soon. When it takes effect on July 1, 1966, more than 19 million persons 65 and over will be eligible for the basic benefit of up to 60 days in a hospital, with the patient paying a deductible amount of $40.

To the extent that laboratory research improves the general health of the community, it will help in the years ahead to hold down this growing patient load on the hospitals. Therefore, I believe it is timely that we have a high-level commission to examine the entire range of health research activities of the Government with a view to determining: (1) whether there has occurred an unnecessary proliferation of such

activities among too many different Federal agencies, and (2) ways and means of centralizing and coordinating such activities in order to eliminate waste and duplication, and to achieve maximum efficiency and productivity.

My resolution would set up an Advisory Commission on Health Research Activities, to be composed of two Senators, two Members of the House, and five members from private life to be appointed by the President. The Commission would submit a final report not later than January 1, and would cease to exist 30 days thereafter.

During the hearings on the independent offices bill I called attention to the large sums being made available to the National Institutes of Health, to the National Science Foundation and to various Government departments for health related research totaling $1.3 billion and asked: "But is there not some way that we can really coordinate all this terrific amount of money, to put it where it is most needed? We do not have an unlimited spigot that the Treasury can turn on."

A substantial number of veterans hospitals are operated in cooperation with university medical schools, and the Appropriations Subcommittee was hearing testimony at the time from several doctors from medical schools, who felt that additional funds would enable the Veterans' Administration to improve their patient care operations and staffing in order to raise their medical care standards to the level of affiliated schools.

As a result of this testimony, the Senate Appropriations Committee, in its report, requested the administration to review the matter and advise the committee in the next budget where such additional funds would be required.

Meanwhile, I believe that a study of all Government research in the field of health would be helpful.

TO PRINT AS A SENATE DOCUMENT A STUDY ENTITLED "U.S. INTERNATIONAL SPACE PROGRAMS WITH TEXTS OF EXECUTIVE AGREEMENTS, MEMORANDUMS OF UNDERSTANDING, AND OTHER INTERNATIONAL ARRANGEMENTS, 1959–65"

Mr. ANDERSON. Mr. President, I submit, for appropriate reference, a resolution the purpose of which is to allow to be published as a Senate document a study prepared for the Aeronautical and Space Sciences Committee on U.S. international space programs. The international arrangements made by the United States between 1959 and 1965 reveal the worldwide scope of our space efforts and the methods by which cooperation with other nations is achieved. This report is the latest of several which have been published in conformity with the committee's "jurisdiction to survey and review and to prepare studies and reports upon, aeronautical and space activities of all agencies of the United States."

It is appropriate that this document should be published during International Cooperation Year in the United States. Its contents are a testimonial to the patterns of cooperation developed with nations and groups of nations in space activities devoted to peaceful purposes for the benefit of all mankind.

The PRESIDING OFFICER. The resolution will be received and appropriately referred.

The resolution (S. Res. 129) was referred to the Committee on Rules and Administration, as follows:

Resolved, That there be printed as a Senate document a study entitled "United States International Space Programs With Texts of Executive Agreements, Memoranda of Understanding, and Other International Arrangements, 1959–1965", prepared for the use of the Committee on Aeronautical and Space Sciences; and that there be printed two thousand four hundred additional copies of such document for the use of that committee.

HOUSING AND URBAN DEVELOPMENT ACT OF 1965—AMENDMENTS

AMENDMENT NO. 340

Mrs. NEUBERGER submitted an amendment, intended to be proposed by her, to the bill (S. 2213) to assist in the provision of housing for low- and moderate-income families, to promote orderly urban development, to improve living environment in urban areas, and to extend and amend laws relating to housing, urban renewal, urban mass transportation, and community facilities, which was ordered to lie on the table and to be printed.

AMENDMENT NO. 341

Mr. TOWER submitted an amendment, intended to be proposed by him to Senate bill 2213, supra, which was ordered to lie on the table and to be printed.

AMENDMENT NO. 342

Mr. TOWER (for himself and Mr. BENNETT) submitted an amendment, intended to be proposed by them, jointly, to Senate bill 2213, supra, which was ordered to lie on the table and to be printed.

INDEPENDENT OFFICES APPROPRIATION BILL—AMENDMENTS

AMENDMENT NO. 343

Mr. YOUNG of Ohio submitted amendments, intended to be proposed by him, to the bill (H.R. 7997) making appropriation for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1966, and for other purposes, which are pending.

AMENDMENTS NOS. 344 AND 345

Mr. CLARK submitted two amendments, intended to be proposed by him to House bill 7997, supra, which were ordered to lie on the table and to be printed.

ADDITIONAL COSPONSORS OF BILLS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at the next printing of Senate bill 2152, relating to narcotic addicts, the name of the Senator from Wisconsin [Mr. NELSON] may be added as a cosponsor.

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

Mr. MANSFIELD. I also ask unanimous consent that the name of the Senator from Connecticut [Mr. DODD] may be added as an additional cosponsor when it is next printed, of Senate bill 944, relating to the establishment of a National Oceanographic Council.

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

Mr. MANSFIELD. Mr. President, on behalf of the Senator from Rhode Island [Mr. PELL], I ask unanimous consent that the name of the Senator from Oregon [Mrs. NEUBERGER] be added at the next printing of Senate bill 774, relating to the metric system.

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

Mr. JAVITS. Mr. President, at its next printing, I ask unanimous consent that the name of the distinguished Senator from Maryland [Mr. BREWSTER] may be added as a cosponsor of Senate bill 2082, to provide that time off be granted to certain employees for religious services.

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

NOTICE OF PUBLIC HEARING ON COPYRIGHT REVISION BILL

Mr. McCLELLAN. Mr. President, as chairman of the standing Subcommittee on Patents, Trademarks, and Copyrights of the Committee on the Judiciary, I wish to announce that the subcommittee has scheduled a public hearing on S. 1006, for the general revision of the copyright law. The hearings will be held on Wednesday, August 4, and Thursday, August 5, commencing at 10 a.m. in room 3302, New Senate Office Building.

Anyone who wishes to testify or file a statement for the record should communicate immediately with the office of the subcommittee, room 349–A, Senate Office Building, Washington, D.C., telephone 225–2268.

The subcommittee consists of the Senator from Michigan [Mr. HART], the Senator from North Dakota [Mr. BURDICK], the Senator from Pennsylvania [Mr. SCOTT], the Senator from Hawaii [Mr. FONG], and myself.

NOTICE OF HEARINGS

Mr. MANSFIELD. Mr. President, the Subcommittee on Administrative Practice and Procedure of the Judiciary Committee will be holding hearings on possible invasions of privacy by the Internal Revenue Service on Tuesday, Wednesday, and Thursday of this week. I ask unanimous consent that the subcommittee be granted permission to sit during such time on these days as the Senate may be in session.

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

MESSAGE FROM THE HOUSE

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

S. 956. An act to amend the act entitled "An act to provide better facilities for the enforcement of the customs and immigration laws", to extend construction authority for facilities at Guam and the Virgin Islands of the United States (76 Stat. 87; 19 U.S.C. 68);

S. 1462. An act to authorize the Secretary of the Interior to contract with the Middle Rio Grande Conservancy District of New Mexico for the payment of operation and maintenance charges on certain Pueblo Indian lands; and

S. 2154. An act to amend the act establishing the United States-Puerto Rico Commission on the Status of Puerto Rico.

The message also announced that the House had passed the bill (S. 1564) to enforce the 15th amendment to the Constitution of the United States, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (H.R. 9497) to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning July 1, 1966.

FOWLER PROPOSAL FOR INTERNATIONAL MONETARY STUDY

Mr. PROXMIRE. Mr. President, Secretary of the Treasury Henry H. Fowler has proposed that our country become formally and directly committed now to an international study of the monetary system. This is very good news. For one thing, it indicates that we have confidence that this initiative will not be misconstrued by our friends abroad as lacking any resolve to solve our own balance-of-payments problems.

There was a feeling by our top officials that we should not become formally and directly involved in an international monetary conference until we had established a favorable position on our balance of payments.

Mr. President, the fact of Mr. Fowler's speech in Hot Springs, Va., indicates our balance of payments is on the way to solution. Also it is such a concise and excellent description of why the solution of our balance-of-payments situation develops some extremely complex fallout effect on achieving international liquidity, that I should like to read a part of it in the RECORD at this point. Mr. Fowler says:

Our dollars are widely used to finance international transactions, and other countries hold them alongside gold in their official reserves.

Today, those dollars—some $27 billion—account for a major share of the international liquidity that sustains the growing free-world economy. Some $12 billion of those dollars are in official reserves while the remainder serve to support growing world trade and investment.

Mr. President, if anyone wonders why we have been able, in the last 15 years, to far more than double world trade, there is an essential reason. The U.S. deficit has played an important part in providing the fuel for that doubling of world trade.

Thus, as Mr. Fowler points out—

It is essential to the viability of the international monetary system as it exists today that the usefulness and value of those dollars remain unquestioned throughout the world. And, whatever changes might be introduced into that system, the dollar will have to continue to carry a heavy burden as a reserve currency.

If we allowed our deficits to continue, or if we lapsed back into prolonged deficit after a brief period of surplus, we would undermine world confidence in the dollar and impair its usefulness as a world reserve and leading currency. Dollars would return to our shores as claims on our gold, thus depleting, instead of supplementing, world financial resources.

To prevent such a contraction in world liquidity and the widening circles of deflation and restriction that would surely follow, we must reach and maintain equilibrium in our payments as a matter of the highest national priority, along with sustaining the economic advance that has marked the last 53 months.

The paradox is, therefore, that the very increase in official foreign dollar holdings that has fueled so much of the growth in world liquidity in the past—and has thus helped support the growth in world trade—can no longer be allowed to continue if current international liquidity is to be protected. Yet without additions to the reserve dollars that our deficits have so long supplied, the world will need a new and assured source of growing liquidity to support increasing world trade and investment.

Mr. President, this speech spells out how cautiously and carefully we are going about developing this kind of improvement in the international monetary system.

I ask unanimous consent that the entire text of Mr. Fowler's speech be printed at this point in the RECORD.

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

[From the New York Times, July 11, 1965]

TEXT OF FOWLER'S REMARKS ON INTERNATIONAL MONETARY SYSTEM

(NOTE.—WASHINGTON, July 10.—Following is the text of that portion of Treasury Secretary Henry H. Fowler's speech today dealing with the international monetary system. In an earlier section of the speech, Mr. Fowler discussed the U.S. balance of payments. The speech was delivered in Hot Springs, Va., and was released here by the Treasury Department.)

It is imperative not simply to reach balance in our payments for a quarter or two, or even for a year, but to sustain equilibrium over time. The reasons are clear.

Our 14 years of deficits have resulted in a large outflow of dollars to the rest of the world. Because there is worldwide confidence in the stability of those dollars and because they are convertible into gold at the fixed price of $35 an ounce, those dollars are widely used to finance international transactions, and other countries hold them alongside gold in their official reserves.

Today, those dollars—some $27 billion—account for a major share of the international liquidity that sustains the growing free-world economy. Some $12 billion of those dollars are in official reserves, while the remainder serve to support growing world trade and investment.

Thus, it is essential to the viability of the international monetary system as it exists today that the usefulness and value of those dollars remain unquestioned throughout the world. And, whatever changes might be introduced into that system, the dollar will have to continue to carry a heavy burden as a reserve currency.

If we allowed our deficits to continue, or if we lapsed back into prolonged deficit after a brief period of surplus, we would undermine world confidence in the dollar and impair its usefulness as a world reserve and leading currency. Dollars would return to our shores as claims on our gold, thus depleting, instead of supplementing, world financial resources.

WOULD SUSTAIN ADVANCE

To prevent such a contraction in world liquidity and the widening circles of deflation and restriction that would surely follow, we must reach and maintain equilibrium in our payments as a matter of the highest national priority, along with sustaining the economic advance that has marked the last 53 months.

The paradox is, therefore, that the very increase in official foreign dollar holdings that has fueled so much of the growth in world liquidity in the past—and has thus helped support the growth in world trade—can no longer be allowed to continue if current international liquidity is to be protected. Yet without additions to the reserve dollars that our deficits have so long supplied, the world will need a new and assured source of growing liquidity to support increasing world trade and investment.

This, in a nutshell, is what the issue of world monetary reform is all about. It is to assure ample world liquidity for the years ahead that the United States, in cooperation with other leading financial powers, is seeking workable ways of strengthening and improving international financial arrangements.

For several years now the essential laying of the technical groundwork has been underway as the United States has joined with other major countries in comprehensive studies of the international monetary system—its recent evolution, its present effectiveness and its future. An early conclusion was that there are two elements in international liquidity; on the one hand, the more conventional reserves of gold and reserve currencies and, on the other hand, the ready availability of credit facilities for countries in need of temporary assistance.

As long ago as 1961, the 10 major industrial nations, now known as the Group of Ten, negotiated with the International Monetary Fund a so-called general arrangements to borrow whereby the 10 nations agreed to lend to the International Monetary Fund up to $6 billion should this be necessary "to forestall or cope with an impairment of the international monetary system." That arrangement was activated last December and again this May in order to provide a part of a $2.40 billion drawing from the International Monetary Fund on the part of the United Kingdom.

BACK 25-PERCENT RISE

On the credit side, also, the members of the International Monetary Fund have now agreed to support a 25-percent general increase in International Monetary Fund quota. This 25-percent increase, plus special increases for some 16 countries, will raise total aggregate quotas from $15 billion to around $21 billion. The Congress last month approved a $1,035 million increase in the U.S. quota.

Meanwhile, the Group of Ten and the International Monetary Fund have been continuing their studies of the future course of world liquidity. Deputies of the group submitted a comprehensive report on the problems involved last August.

In their ministerial statement last August, the Group of Ten stated that while supplies of gold and reserve currencies are fully adequate for the present and are likely to be for the immediate future, the continuing growth of world trade and payments is likely to require larger international liquidity. While they said that this need might be met by an expansion of credit facilities, they added that it may possibly call for some new form of reserve asset.

A study group was set up "to examine various proposals regarding the creation of reserve assets either through the International Monetary Fund or otherwise." The efforts of that group have culminated in the so-called Ossola report, submitted to the deputies of the Group of Ten on June 1 of this year, which exhaustively examines, with all their promises and pitfalls, the possible paths to the creation of reserve assets.

Now for the first time in four years we are confronted by the happy concurrence of three crucial facts:

1

The U.S. balance of payments is approaching an equilibrium and the executive branch, the Congress and the private sector, including industry, banking and labor, have mounted a program that makes unmistakably manifest our determination to keep it that way.

2

Evidence is accumulating of a rising tide of opinion in many knowledgeable and influential quarters in the free world, private and public, that our international monetary arrangements can and should be substantially improved, building on the basis of the International Monetary Fund and the network of more informal international monetary cooperation that has marked recent years.

3

The completion of technical studies necessary to give a thorough understanding of the problem and various alternative approaches to solution on the part of those at the highest levels of government who must ultimately make these decisions.

We have now reached the moment which President Johnson had in mind when, in speaking of new international monetary steps, he said:

"We must press forward with our studies and beyond to action * * * evolving arrangements which will continue to meet the needs of a fast growing world economy. Unless we can make timely progress, international monetary difficulties will exercise a stubborn and increasingly frustrating drag on our policies for prosperity and progress at home and throughout the world."

In taking office, I described this as "the major task facing our Treasury and the financial authorities of the rest of the free world in the next few years."

In recent weeks we have moved beyond the plane of hope and technical studies toward the prospect of more conclusive negotiations from which alone solution can emerge.

I met last week with the British Chancellor of the Exchequer, James Callaghan, and we exchanged preliminary and tentative views on the subject of international liquidity.

Next week I hope to have the pleasure of informal discussions with the Japanese Minister of Finance, Takeo Fukuda, in connection with the joint Cabinet sessions of the United States-Japan committee on trade and economic affairs.

ADVISORY PANEL NAMED

Both before and after the scheduled meeting of the International Monetary Fund and World Bank in late September, I expect to visit ranking financial officials of other Group of Ten countries, to ascertain firsthand their views on the most practical and promising ways of furthering progress toward improved international monetary arrangements. We must not only be prepared to advance our own proposals, but to carefully consider and fairly weigh the merits of other proposals. As Congressman ROBERT ELLSWORTH, of Kansas, in discussing this subject, recently remarked:

"We must appreciate that if we wish a strong Europe it must be a Europe strong enough to look upon an American proposal as merely one among many possible solutions—all of which will be reviewed together. If we wish their partnership, we must treat them as partners."

Already your Government is engaged in an intensive internal preparation for these bilateral meetings and multilateral negotiations that should follow.

In addition, so that the Government may have the benefit of some of the expertise and experience outside the Government in this highly technical area, President Johnson has accepted my recommendation and announced creation of an Advisory Committee on International Monetary Arrangements which includes as its Chairman the former Secretary of the Treasury, Douglas Dillon, and a distinguished group of experts including Robert Roosa, former Under Secretary of the Treasury for Monetary Affairs; Kermit Gordon, former Director of the Bureau of the Budget; Edward Bernstein, economic consultant specializing in international monetary policy; André Meyer, of the investment banking firm of Lazard Frères; David Rockefeller, president of the Chase Manhattan Bank; and Charles Kindleberger, professor of economics at Massachusetts Institute of Technology.

With their help and that of many others who will be consulted, including, particularly, many well-informed members of the appropriate committees of Congress, we shall constantly seek a comprehensive U.S. position and negotiating strategy designed to achieve substantial improvement in international monetary arrangements thoroughly compatible with our national interests.

In the various proposals which have and will be made, we must determine those which will be acceptable to the United States, those which are entirely unacceptable, and those which may well be appropriate for negotiation.

There will be an initial meeting of the Advisory Committee on International Arrangements on July 16. Hearings are planned before the International Finance Subcommittee of the House Banking and Currency Committee under the chairmanship of Congressman HENRY REUSS, of Wisconsin, to obtain various private and organizational points of view. These hearings and the reports of the Committee will be of great value, together with those of the Joint Economic Committee of Congress and the International Finance Subcommittee of the Senate Banking and Currency Committee, under the chairmanship of Senator EDMUND MUSKIE, of Maine.

READY TO JOIN TALKS

I am privileged to tell you this evening that the President has authorized me to announce that the United States now stands prepared to attend and participate in an international monetary conference that would consider what steps we might jointly take to secure substantial improvements in international monetary arrangements. Needless to say, if such a conference is to lead to a fruitful and creative resolution of some of the free world's monetary problems, it must be preceded by careful preparation and international consultation.

To meet and not succeed would be worse than not meeting at all. Before any conference takes place, there should be a reasonable certainty of measurable progress through prior agreement on basic points.

Our suggestion is that the work of preparation be undertaken by a preparatory committee which could be given its terms of reference at the time of the annual meeting of the International Monetary Fund this September.

The United States is not wedded to this procedure nor to any rigid timetable. I shall exchange views with my colleagues in Europe and elsewhere, as well as with the senior officials of the International Monetary Fund, on how best to proceed. The point I wish to emphasize here is that the United States is determined to move ahead—carefully, deliberately—but without delay. Not to act when the time is ripe can be as unwise as to act too soon or too hastily.

We are, therefore, moving ahead—and we are making progress. But we must be aware that the issues involved are complex, and they raise basic questions of national interest.

PATIENT EXPLORATION NEEDED

It is not, therefore, easy to arrive at the degree of international consensus we must have for any workable reform of the international monetary system. We can expect no overnight solution—but only patient exploration of the alternatives with our trading partners in a spirit of mutual cooperation. This is the course we are now pursuing.

As we move ahead, we will do well to remember that the existing international financial system has successfully financed an unparalleled expansion in world trade and payments. We have also done much in recent years to strengthen that system. The need now is not to start all over again, to move in a completely new direction. Rather, we must move once more to strengthen and improve the existing arrangements.

And while we proceed solidly and surely toward international agreement on the problems of world liquidity, we in this country must keep ever before us the present and pressing need to protect the existing international payments system by maintaining a strong, sound, and stable dollar. First things must come first.

We are bringing our own payments into equilibrium. By resolutely shouldering that responsibility we will preserve the foundation upon which must rest all efforts to assure free-world growth in the years ahead—the monetary system that has served the free world so well in the past.

DOUGLAS DILLON MIGHTY WELCOME BACK IN WASHINGTON

Mr. PROXMIRE. Mr. President, I ask unanimous consent that I may continue for 2 additional minutes.

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

Mr. PROXMIRE. Hobart Rowen, a highly competent commentator on financial affairs, discusses this morning in a column in the Washington Post the great value of having former Secretary of the Treasury Douglas Dillon return to head what he, Rowan, calls the high-powered advisory committee on monetary reform. It is most helpful that Mr. Dillon is coming back, because he has not only the great experience of having served for many years as Secretary of the Treasury and Under Secretary of State, but during this period, especially as Secretary of the Treasury, he achieved great competence and won the confidence of the people on all sides of the many controversial issues that confront a Secretary of the Treasury.

For example, Walter Heller, who had disagreed on occasion with Secretary Dillon, said:

You have to go back to Gallatin—

Our second Secretary of the Treasury after Hamilton—

to find a more outstanding Treasury Secretary. Dillon became a master of modern economics and its application to fiscal policy.

I ask unanimous consent that the column by Hobart Rowen be printed at this point in the RECORD.

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

ECONOMIC IMPACT: THE MONETARY SYSTEM CRISIS

(By Hobart Rowen)

Former Treasury Secretary Douglas Dillon will be back in Washington at the end of the week as chairman of a high-powered advisory committee on monetary reform—and he's being welcomed with open arms, especially by liberal Democrats.

When Dillon's retirement was announced last spring, a close friend of the late President Kennedy said: "We're going to miss Doug Dillon—and 4 years ago, I wouldn't have believed that to be true."

At the start of the Kennedy administration in 1961, most Democrats viewed the appointment of Republican Dillon with some suspicion. As a matter of fact, Under Secretary Henry H. Fowler—who now occupies Dillon's post—was regarded by some as a Democratic watchdog.

That wasn't necessary. As one former White House staff man wise-cracks, "Doug moved to the left while Joe Fowler moved to the right." Actually, what really happened was that the imaginative and energetic Dillon found himself in such close harmony with Kennedy and his economic advisers that party lines blurred into insignificance.

Former chief economic adviser Walter W. Heller, with whom Dillon scuffled off and on for nearly 4 years, says: "You have to go back to Gallatin to find a more outstanding Treasury Secretary. Dillon became a master of modern economics and its application to fiscal policy."

Thus, Fowler is to be congratulated on his selection of Dillon to head the monetary committee. He enjoys a worldwide prestige that should help convince friends and skeptics alike that we are serious about the question of reform.

It should be said that Dillon himself wasn't always convinced of the need to add to international liquidity. At the International Monetary Fund meetings 2 years ago, he and former Under Secretary Robert V. Roosa (who joins him on the Advisory Committee) effectively deflated Reginald Maudling's scheme for reform.

Dillon and Roosa at that time thought that the need for some new form of reserves was far, far in the future. It is only to their credit that they have changed their minds.

Recently, in a commencement address in Middlebury, Vt., Dillon bluntly warned that the free world "is rapidly approaching a financial crossroads." Failure to strengthen the international monetary system, he added, could result in a "worldwide recession * * *. A strengthened international monetary system must be installed before it is needed, and not after the crash."

These are strong words. They reflect a position that many economists and academicians have taken for a long time. Even more important, Dillon's evaluation indicates that the United States will have a specific plan to put forward to its trading partners later in the year.

For all of the new clout that Dillon brings to Fowler's Treasury, however, success isn't assured. The big obstacle in the way is a stubborn man named De Gaulle.

The French attitude seems to be that there is no shortage of international liquidity—just a shortage of British reserves. The French are frankly tired of helping the British to "live above their means." Other continental powers like the Germans and Dutch are fat and content at the moment, and show no interest at all in monetary reform.

Well-informed International Monetary Fund sources think that the problem won't move off dead center until the French, the Germans, and the Dutch themselves feel a financial pinch. But everybody on this side of the Atlantic is delighted that Dillon will be at work generating and pushing ideas.

HIGH PRESSURE LOBBY BOYS MOVE IN FOR DIRKSEN AMENDMENT

Mr. PROXMIRE. Mr. President, Doris Fleeson, in a characteristically trenchant and persuasive column, has discussed the effect of the so-called Dirksen apportionment amendment as a godsend to State lobbyists who are fighting for special interests and against the public interest. She points out that the famed top priced lobbying firm of Whitaker & Baxter has been retained to fight for the Dirksen amendment on a national basis. She shows how adverse the passage of the amendment could be to the public interest.

I ask unanimous consent that the column be printed at this point in the RECORD.

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

A LIFELINE FOR STATE LOBBYISTS

(By Doris Fleeson)

Senator EVERETT DIRKSEN, Republican, of Illinois, ever the exponent of free enterprise, is trying to preserve the greatest over-the-counter market in America. This informal institution deals in the buying and selling of legislative favors in the 50 States.

Its brokers are the lobbyists for every variety of interest and the customers whom they shower with all manner of kind attentions, including the financial, are the State legislators. It has no rules, obeys no ethical code and its motto is: "All the traffic will bear."

Very occasionally when the more greedy overdo the act and scandal breaks out, public opinion steps in. After the cyclone passes, few legislatures enact the strong laws needed to regulate such conflicts of interest in the future.

All these comfortable arrangements, a commonplace in State politics, are now threatened by the Supreme Court's one-man, one-vote reapportionment order. It was apparent from the start, though strangely neglected in the comment, that the Court's decision would create a whole new climate for the lobbying operations which plague every capital.

This immense dividend, like one-man, one-vote, would be a casualty of the Dirksen constitutional amendment that proposes that one house of the State legislatures should be apportioned according to factors other than population. The amendment is a lifeline to the entrenched State lobbyists, an open invitation to use their great skills in a vast national effort to save their sanctuaries.

Civil rights advocates were slow to recognize that the fruits of President Johnson's historic voting rights bill could be snatched from them by the Dirksen amendment. It is true that a callous appeal has been made to Southerners on that ground, but important and well-financed lobbying has not come from the South.

Californians set up a committee early this year to make contact in all the States and assist Congress. It then hired the celebrated firm of Whitaker & Baxter, which, in 5 years of high-priced labor for the American Medical Association (1948–53), added "socialized medicine" to the language and probably staved off medicare until 1965.

The committee bears the dignified title of Citizens Committee for Balanced Legislative Representation. Adviser Whitaker has yet to evolve another masterpiece in slogans but has a "coordinator" here to help the Dirksen forces. His own cautious forecast: "I think the amendment can succeed."

The heaviest pressures come from the State legislatures themselves. They are comfortable in their troughs. They are the most out-of-date governmental machinery in the Nation and the Court's reapportionment decision was the direct result of their obdurate refusal to modernize themselves.

The executive branch, State and National, has been constantly reorganized and its techniques altered to meet new conditions. The courts, State and Federal, have undergone various forms of reorganization and reform. Congress reorganized itself in 1946 and the House leader of that effort, Senator MIKE MONRONEY, Democrat, of Oklahoma, is starting a new drive to correct its demonstrated deficiencies.

But the horse and buggy approach still prevails in many State legislatures and their internal weaknesses continue to lead to stronger federalization. Many experts in State affairs openly question their capacity to handle jet and space age problems.

Their irresponsibility is largely due to minority control and this the Dirksen amendment would help to perpetuate.

BOMB NOW, PAY LATER

Mr. CHURCH. Mr. President, I ask unanimous consent that I may be permitted to proceed for the next 5 minutes.

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

Mr. CHURCH. The pressure is on in Washington to further expand the war in southeast Asia. "Bomb Hanoi." "Bomb Haiphong" the air hawks cry. Plaster North Vietnam from the skies, they say, and in the same breath criticize the sending of more American ground troops into South Vietnam, where the guerrilla war is being fought. The air hawks' prescription makes little sense, but it is cleverly designed to feed an underlying public demand for a quick, cheap victory in Vietnam. The truth is that no such easy solution exists.

The war in the south will never be won by a bigger bombing of the north. As Dean Rusk has correctly pointed out:

> The basic problem, the central problem, is in South Vietnam. No miracle in the north can suddenly transform or eliminate the problem in South Vietnam.

Accelerating the war northward through the air, however, could greatly aggravate the problem we face on the ground in South Vietnam. Indiscriminate bombing of the population centers at North Vietnam would almost certainly force Hanoi to launch some form of massive retaliation. Since we command the air, Hanoi's counterattack would have to come on the ground. The Saigon Government is up against the ropes now, desperately hanging on against the jabbing attacks of Vietcong irregulars. If the disciplined armies of Ho Chi Minh were to invade the south, Saigon's survival would hinge entirely upon an immediate and unlimited American intervention on the ground. It is not unlikely that a half million American troops would then be required to occupy and hold South Vietnam, while the remainder of Indochina would soon be overrun by Communist armies.

Even in open terrain, like that in Korea, bombing alone never stopped an army on the march. What chance would our planes have against vast numbers of trained troops advancing beneath jungle cover? Obviously, bigger bombing of North Vietnam will not extricate us from the jungle fighting in the South, but it could easily lead to an immense intensification of the ground war, and a precipitous rise in American troop casualties to the tens of thousands.

If this happens, the stage will be set for our Korean war experience to be repeated. Vietnam will soon be dubbed "Mr. Johnson's war," and, as the taste of it turns sour in the mouths of the people, there may come again a Republican candidate for President who will promise, as Eisenhower did in Korea, to bring an end to the attrition by accepting the stalemate and arranging a truce. By then, as the St. Louis Post-Dispatch recently observed:

> The United States could destroy the North Vietnamese economy from the air, but to what end? It would only make it easier for China to pick the Vietnamese plum.

So, when Representatives FORD and LAIRD, the Republican leaders in the House of Representatives, call for expanded bombing of North Vietnam, even while they position themselves to wash their hands of a spreading land war in southeast Asia, I hope that President Johnson continues to ignore them. He will be better advised to listen to the wise words of GEORGE AIKEN, the Republican dean of the Senate, who recently warned:

> I, too, have been somewhat disturbed over reported statements of certain Republican leaders in recent days and weeks which might be interpreted as urging the President to broaden and intensify the war in Asia. * * * I hope that my own party, the Republican Party, will not acquire the title of "war party" * * *. I hope the President will have the courage not to be needled into precipitating a great war.

I agree with GEORGE AIKEN, a man who steadfastly refuses to seek any partisan advantage from the war in Vietnam. Those who urge an expansion of aerial attacks on the north are actually inviting an expansion of the ground fighting in the south. The only country which will benefit from a widening war in southeast Asia is Communist China, not the United States, or South Vietnam.

The struggle against the Vietcong insurrection within South Vietnam itself may be long and frustrating, but it is preferable to a major American war on the Asian mainland. The clamor of the air hawks should be ignored.

Mr. CLARK. Mr. President, will the Senator from Idaho yield?

Mr. CHURCH. I am happy to yield to the Senator from Pennsylvania.

Mr. CLARK. I am delighted that the Senator from Idaho made the statement he has just made. I find myself in complete accord with his point of view. I should like to ask him one question for clarification. Do I correctly understand that the North Vietnamese have a well trained regular army of about 300,000, which has been committed only in very small part in the fighting in South Vietnam so far?

Mr. CHURCH. The Senator is correct. There is indication that some units may have been covertly infiltrated into South Vietnam, but the great bulk of the North Vietnamese Army has not been committed to the war in South Vietnam.

Mr. CLARK. It must be clear that if that trained North Vietnamese Army were committed to the war, they would overrun the country, unless substantial additional American divisions were promptly dispatched. Is that correct?

Mr. CHURCH. Yes; in that event, it might well require the remainder of the standing American Army to prevent South Vietnam from being overrun.

Mr. CLARK. While we have no knowledge, of course, whether that North Vietnam army will be committed, it must be clear that the very intensive bombing of North Vietnam, including the destruction of North Vietnamese industry, could likely result in South Vietnam being destroyed from the north.

Mr. CHURCH. I agree completely. If our bombing is extended into the great population centers of North Vietnam, Hanoi will be strongly tempted to retaliate. Since Ho Chi Minh cannot retaliate by air, his only recourse will be to order his army to invade the south. When that happens, the United States will be involved in a full-scale ground war in Vietnam.

The President should be commended for the restraint he has shown in resisting the pressures from the air hawks. I applaud him for his efforts to avoid a widening war.

Mr. MILLER. Mr. President, when I came to the Chamber this morning, I had not expected to speak on the subject which has just been under discussion.

In the first place, no one that I know of expects a quick, cheap victory in South Vietnam. Second, no one that I know of is advocating indiscriminate bombing of civilians. In the third place, bombing alone will not eliminate the threat of war. I believe everyone agrees to that. What our action is designed to do, what President Johnson's actions are designed to do, what Representative FORD's and Representative LAIRD's actions are designed to do, is to stop the supplying of North Vietnamese troops in South Vietnam.

Perhaps, to the Senator from Idaho [Mr. CHURCH], that does not make sense. He is entitled to his opinion. However, I believe it makes a great deal of sense and fits in with the President's policy.

INTERNATIONAL ECONOMIC CONFERENCE

Mr. MILLER. Mr. President, on January 28, I cosponsored a resolution (S. Con. Res. 14) with Senators JAVITS of New York and JORDAN of Idaho requesting that the President call for an International Economic Conference.

It was felt then, as now, that such a world conference should:

First. Review the long-term adequacy of international credit.

Second. Recommend needed changes in existing financial institutions.

Third. Consider increased sharing of economic aid for development and military assistance; and

Fourth. Consider other pressing international economic problems placed before it by a preparatory committee for such conference.

We were concerned over developments which could affect the stability of the dollar, as well as the international balance-of-payments problem.

We knew that the United States had to take the initiative to strengthen international monetary and credit instruments.

I, for one, have become greatly disturbed in the ensuing months over the silence of the State Department and the Treasury Department to this call of ours for an international conference.

In fact, there have been reports that both the State Department and Treasury Department opposed such an economic conference, on the grounds that it would not be fruitful.

According to these reports, it was felt by administration spokesmen that the work should be continued through existing bodies, such as the International Monetary Fund. Also held was the feeling that such a conference now would entail a serious risk of failure, which would have a widespread adverse effect.

It was also believed in some high administration quarters that there was no general consensus of the need for such a conference.

Thus it was with a great deal of pleasure to see that over the weekend the administration has had a change of heart.

According to press reports of Sunday, July 11, the Secretary of the Treasury, Henry H. Fowler, at President Johnson's direction, has proposed just such a conference as we called for last January 28.

But one question lingers in my mind: If the administration had been opposed to the idea following our suggestion of January 28, what has occurred to change this opposition into an insistence now that it should be held? Could it be that the administration is finally awakening to the realization that such action is and has been overdue?

Could the international monetary situation be worse than it would lead us to believe, despite the rosy statements which seem always to precede a sudden change of plans?

But whatever the reasons—and they will come out in the wash eventually—I must commend the administration for finally deciding that action is necessary to call such an international economic conference.

I ask unanimous consent that an article, entitled "United States Asks World Monetary Parley," from the Sunday Star of July 11, be placed in the RECORD.

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

UNITED STATES ASKS WORLD MONETARY PARLEY

(By Lee M. Cohn)

The United States proposed last night the convening of an international monetary conference to reform the world's financial system.

Treasury Secretary Henry H. Fowler issued the call, at President Johnson's direction, in a speech prepared for the Virginia State Bar Association in Hot Springs.

The proposed conference would rank in importance with the historic Bretton Woods meeting of 1944, which led to establishment of the International Monetary Fund and laid out the post-World War II monetary system.

As sketched by Fowler, the purpose of the conference would be creation of a system to expand international liquidity—the supply of monetary reserves and credit available to finance the growth of world commerce.

Shortages of liquidity may develop as the United States eliminates its balance-of-payments deficits. These deficits through most of the postwar period have supplied the rest of the world with a huge flow of dollars to feed the growth of reserves.

Fowler did not say when the conference might be held, but other officials indicated 1966 as the target.

"It must be preceded by careful preparation and international consultation," Fowler said, adding:

"To meet and not succeed would be worse than not meeting at all. Before any conference takes place, there should be a reasonable certainty of measurable progress through prior agreement on basic points."

But he emphasized that the United States does not want to dally, because "not to act when the time is ripe can be as unwise as to act too soon or too hastily."

He suggested establishment of a preparatory committee by the International Monetary Fund at its meeting here in September.

Fowler said he will discuss monetary reform ideas with other finance ministers in bilateral meetings here and abroad, both before and after the International Monetary Fund session.

He presumably discussed the call for a conference with Britain's Chancellor of the Exchequer, James Callaghan, at their meeting here late last month, and obtained his endorsement.

Conversations between Fowler and Japan's Finance Minister, Takeo Fukuda, are scheduled for this week here.

Communist nations probably would be excluded from the conference, officials said.

"In recent weeks we have moved beyond the plane of hope and technical studies toward the prospect of more conclusive negotiations," Fowler said, continuing:

"The President has authorized me to announce that the United States now stands prepared to attend and participate in an international monetary conference that would consider what steps we might jointly take to secure substantial improvements in international monetary arrangements."

He said conditions now are right because the United States is "approaching an equilibrium" in its balance of payments; there is "a rising tide of opinion" in the free world favoring monetary reform, and technical studies have been completed.

Until recently, France and some other countries have been unwilling to talk seriously about expansion of world liquidity because they suspected the United States was seeking an easy way out of its payments deficits.

Now, however, the U.S. campaign to eliminate the payments deficit is making good progress. Other countries now see they may suffer from shortages of reserves as the flow of dollars dries up, so they are willing to negotiate for expansion of liquidity.

Some critics are complaining that the U.S. payments drive is so successful that it threatens to cause a worldwide depression by creating a dollar shortage.

Fowler, rejecting these criticisms, contended that "we must maintain those extraordinary measures in full force" because "it is imperative not simply to reach balance in our payments for a quarter or two, or even for a year, but to sustain equilibrium over time."

He confirmed that preliminary figures for the April-June quarter indicate a surplus, but warned of the dangers of backsliding.

When the United States has a payments deficit, foreigners acquire dollars. Most of these dollars are used to finance trade or are held as reserves by foreign governments to support their own currencies.

But many foreigners have accumulated more dollars than they want. The glut has weakened the value of the dollar from time to time.

Foreign governments and central banks have used some of their excess dollars to buy gold from the United States at the fixed price of $35 an ounce, reducing U.S. gold stocks to the lowest level since 1938.

Now that the net flow of dollars abroad is ending, other countries are worrying about shortages of liquidity. Without adequate reserves, world trade and commerce could not grow.

And the search is on for new methods to expand reserves.

Fowler did not indicate what kind of mechanism the United States favors.

"Fowler is inviting initiatives," an official said.

There are indications that the United States favors relying mainly on additional credit mechanisms for expanding world liquidity. Credit sources now include the International Monetary Fund, bilateral loans and multilateral arrangements.

SUPERB UNIVERSITY OF CALIFORNIA MARCHING BAND OF 101 MEMBERS TO VISIT WASHINGTON THIS WEEK

Mr. KUCHEL. Mr. President, the Nation's Capital enjoys an extraordinary number of opportunities—unparalleled, I believe, in any other city of our Nation—to savor varied musical performances of remarkable virtuosity and competence. A succession of choral groups, glee clubs, bands, orchestras, and other aggregations of vocal and instrumental musicians passes through the District of Columbia in an almost endless parade and invariably each schedules an appearance intended to bring pleasure to the Congress.

An outstanding musical organization from my native State, one which proudly boasts a history dating back to the last decade of the preceding century, is scheduled for two performances in this city in the next 2 days.

The University of California's marching band from the Berkeley campus, a 101-member organization making a 10,000 mile summer tour of the country, will put on a brief show on the Capitol steps on Wednesday noon and is booked for a full-scale variety-type presentation at the Monument grounds Tuesday night, tomorrow, at 8 o'clock.

The history of this talented, versatile musical contingent is almost as fascinating as its repertoire and its range of accomplishment. Founded in 1891 by a handful of students to play at military drills and university ceremonies, it has served as a group of musical ambassadors and demonstrated its capabilities at the New York World's Fair this year, the Brussels World's Fair in 1958, the Golden Gate International Exposition in 1939, the Panama-Pacific International Exposition in 1915, and the San Francisco Fair in 1894. Fittingly, it performed at the dedication of California's State Capitol in 1909, a building some decades later to be occupied by a student who, in another era coincidentally was perhaps the band's most prestigious member, the present Chief Justice and one-time Governor of my State, the Honorable Earl Warren.

Under the direction of James Berdahl and garbed in striking uniforms, the University of California marching band will bounce easily from cherished classical numbers and musical comedy favorites to jazz and Dixieland specialties, highlighted with vaudeville and song-and-dance routines.

I cordially invite all colleagues to join in enjoyment of this group's performance on the steps at 11 to 11:30 Wednesday morning and hope that they will suggest their families and friends attend the more ambitious performance at the Washington Monument tomorrow evening at 8 o'clock.

DEATH OF MENDEL SILBERBERG, OF LOS ANGELES, CALIF.

Mr. KUCHEL. Mr. President, a grand and distinguished Californian, an outstanding civic leader, passed away in Los Angeles on June 27. The late Mendel Silberberg was perhaps the foremost attorney for the American motion picture industry. He was a forward-looking, a stanch Republican leader. He was an intimate friend of the late Herbert Hoover.

His lifelong friend, Chief Justice Earl Warren, said that Mendel Silberberg devoted all his years to a strong and free America.

Mendel Silberberg was my friend. Along with all his legion of friends, I mourn his passing and send profound condolences to his bereaved widow and children.

At his memorial services, a very eloquent eulogy was delivered to the memory of the late Mendel Silberberg, by the distinguished jurist, Hon. Lester William Roth, justice of the District Court of Appeals, Second Appellate District.

I ask unanimous consent that the text of that eulogy appear at this point in the RECORD.

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

A man has died. But Mendel Silberberg will live on in this community in which he was born, which he helped to build and which he loved.

A lawyer has died, but his memory and his achievements will enrich the legal profession to which he brought tremendous ability for generations to come.

Some lawyers achieve fame as executives of States; some as lawmakers in legislatures, and in other high political positions.

Many lawyers become nationally famous as trial lawyers.

Many achieve eminence on the bench.

These men of law, because their names are exploited in news media, are the ones generally accepted by the public as the lawyers who are specially gifted. Many of them are.

But the members of the bar and the sophisticated public know there is another small select group of lawyers who are in every sense the cream of the profession, lawyers who are tremendously efficient and effective members of our great democratic society.

This select group avoids all news media.

They are just other names listed among many names on the stationery of the important law firms of this Nation.

Many of these men could be or could have been Governors, Senators, or judges, but their peculiar genius requires constant action in diverse fields. Their mental, emotional, and physical makeup is such that they cannot be harnessed permanently to a specific job which, because of its well-defined responsibilities, stifles or smothers much of their sparkling talents.

These gifted men are generally the dynamos of the important law firms, they are the strategists behind many famous trial lawyers, the inspiration and the sponsors of many of our judges and of many of the politically great.

These men are the yeast of the law.

These lawyers are the yeast of our democracy.

I have known Mendel as a lawyer and as a friend for 1 year short of one-half century. I have lived in this community for more than 50 years and I know that when I testify that Mendel was one of that select group, my testimony will be echoed by all of you assembled here to honor his memory and by all who knew him.

To belong to this very small and select group of which Mendel was a living symbol, one must have more than ability and energy—one must have honor and impeccable integrity. To qualify, it is not enough to know the law—one must know business, one must know politics—and above all one must know men.

Mendel was a very proud man, yet a humble one. He abhorred ostentation. He despised phonies. He had a cool, precise and agile mind. A lawyer from his heels to his fingertips, he would with clinical incisiveness, expose the charlatans and lay bare the defects in seemingly sound proposals. His life as a lawyer seems to have been inspired by the preachments of Isaiah.

He was in truth a sword of vengeance to those dissemblers who call evil good and good evil, who change darkness into light and light into darkness, who make the bitter sweet and the sweet bitter. He was in truth anathema to those who justify the wicked for reward and take away righteousness from the righteous.

He was an articulate forceful man who, when the occasion required, could and would devour with tongue of fire all sophistry and root out the rottenness of a pretender.

I remember an occasion just a few years ago, when I had the privilege of presenting Mendel to a large group of lawyers. We talked about a number of things and discussed what would we do if we had to start all over again. He replied promptly "I'd start practicing law tomorrow." I said to him he was a true son of David and that he had anticipated my introduction.

You will remember that when David was about to die, he sent for his son Solomon and said to him:

"I go the way of all flesh. Be thou strong therefore and show yourself a man, and walk in the ways of the Lord your God. Keep His statutes and His ordinances and testimonies, as it is written in the law of Moses, that you may prosper in all that you do."

Mendel kept the faith.

Dorothy, his beloved wife, Doria and Susan, his beloved daughters, and the members of his family have a rich storehouse of memories and achievements from which to draw warmth and comfort all the days of their life.

You are, I am sure, and I am too, profoundly grateful that he passed our way.

TRIBUTE TO SENATOR RANDOLPH AND SENATOR COOPER ON RECEIPT OF DOCTOR OF LAWS, HONORIS CAUSA DEGREE BY THE UNIVERSITY OF PITTSBURGH

Mr. CLARK. Mr. President, on June 7 of this year, honorary degrees of doctor of laws were bestowed on two of our colleagues at the annual commencement exercises of the University of Pittsburgh by the acting chancellor, Alan Carson Rankin, of that university.

The Senator from West Virginia [Mr. RANDOLPH] was described as a distinguished public servant and educated author, businessman, good neighbor. He was praised for his relentless efforts to meet the problems of the Nation and his State through progressive public policy; for his special concern about the human problems created by limited economic opportunity; and for his talent and experience in business, in education, and in government, which he has utilized to make him our "all purpose Senator."

He was granted a degree of doctor of laws, honoris causa.

The Senator from Kentucky [Mr. COOPER], was described as an ambassador and judge; Senator and savant; and esteemed Kentuckian. He was extolled for dedicated service to our country in the executive, judicial, and legislative branches of government; for his fearless defense of the ethical values and moral issues of political life; and for serving the Commonwealth of Kentucky to the benefit and advantage of all the Nation.

I ask unanimous consent that the comments made by the vice chancellor at the time these honorary degrees were conferred on the Senator from West Virginia [Mr. RANDOLPH] and on the Senator from Kentucky [Mr. COOPER] be printed at this point in the RECORD.

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

Mr. Vice Chancellor, I have the honor to present the distinguished senior U.S. Senator from the State of West Virginia, JENNINGS RANDOLPH.

Senator RANDOLPH's long public-service career as Congressman and Senator clearly symbolizes a deep and continuing concern for the human problems associated with our changing economy. Long before the struggle against human poverty became a major public concern, he was a strong exponent and architect of legislation designed to extend economic opportunities to wide segments of his own constituency as well as people of other States. Financial aid to higher education, medical assistance for the aging, employment opportunities, highway construction, aid to the physically handicapped, conservation, and control of water pollution have been among his major interests. A strong friend of small business, he has constantly sought means for improving the relations between Government and business. It was highly appropriate and characteristic of the man that he should have introduced and been the successful floor manager of the Appalachian Regional Development Act of 1965.

Beyond his public service, Senator RANDOLPH has distinguished himself as educator and academic administrator, serving as head of the Department of Public Speaking and Journalism at Davis and Elkins College and later as dean of the School of Business Administration at Southeastern University. An author of widely used books on public speaking, a former news reporter and currently associate editor and publisher of a West Virginia newspaper, and a practicing businessman with Capital Airlines for over a decade, he has successfully bridged the diverse worlds of business, government, and education.

As a native of West Virginia, his humanitarian roots are deep in the traditions of Jeffersonian democracy and in the progressive spirit symbolized by William Jennings Bryan whose namesake he is and whose sense of public service, oratorical skills, and concern for people in all walks of life he has inherited as a spiritual mantle.

Mr. Vice Chancellor, it is a privilege to present for the degree of doctor of laws the distinguished public servant, JENNINGS RANDOLPH.

BESTOWAL OF DOCTOR OF LAWS DEGREE ON SENATOR JOHN SHERMAN COOPER

Mr. Vice Chancellor, I have the honor to present a man whose devotion to his country has made him a long-term resident of Washington and has taken him to distant parts of the world, but never for so extended a time that he would be separated long from his native State—the distinguished Senator from Kentucky, JOHN SHERMAN COOPER.

Born in the Appalachian foothills at Somerset, Ky., he first attended Centre College and then Yale University where he earned his bachelor of arts degree, followed by professional training at the Harvard Law School. From 1928 when he was elected to the lower house of the Kentucky Legislature to the present, Senator COOPER has been engaged in public duty: Judge in Pulaski County; a career from private to captain during World War II; circuit judge in his home State; the popular and effective Ambassador to India in 1955 and 1956; and a leading member of the liberal wing of the Republican Party in the U.S. Senate. His energetic service on the floor of the Senate helped secure passage of the Appalachian Regional Development Act of 1965, linking his name to that of Senator RANDOLPH on behalf of the needy populations of the Appalachian region.

He has been called "unpartisan." His approach to issues is essentially legal, his style of debate is one of earnest persuasion, but he is fearless when faced with the moral issues of politics. His Republicanism traces from Lincoln, through Theodore Roosevelt, to Dwight Eisenhower. He early recognized and fought the influence of Senator Joseph McCarthy. He believes that his party has an historic role to play in assuring civil rights to all citizens, as well as in providing the educational and economic opportunities necessary to realize the full potential of those rights.

Representative of the finest in the Senatorial tradition, he was returned in 1960 by the largest majority ever given by Kentuckians to any candidate for public office.

Mr. Vice Chancellor, it is a privilege to present for the degree of doctor of laws, JOHN SHERMAN COOPER.

SECRETARY OF COMMERCE CONNOR DEMONSTRATED POOR JUDGMENT

Mr. YOUNG of Ohio. Mr. President, last January I voted in favor of confirming our President's nomination of John T. Connor as Secretary of Commerce. Apparently that was a mistake on my

part. Rowland Evans and Robert Novak in their column published in the Washington Post on July 11, 1965, make reference to the fact that Ohio Congressman at large SWEENEY recently hosted a luncheon meeting with Secretary Connor as guest of honor to which Ohio Democratic Representatives in Congress and the junior Senator from Ohio were invited. Frankly, I decided I would not be hungry that noon and declined. It appears that all of my Democratic colleagues in the other body, with the exception of one, also decided to skip that luncheon. Congressman SWEENEY, as host, was the only Ohio Democrat who showed up.

The inference to be drawn from the article is that Ohio Democratic Representatives in Congress were angered because Secretary Connor refused to appoint a Democrat as regional director in Ohio for the Department of Commerce. Speaking for myself only, I made no objection to the appointment of Charles B. Stebbins to be top representative of the U.S. Department of Commerce in Ohio because he is a Republican. From the record the facts are that Stebbins, who is approximately 50 years of age, never voted in a presidential or congressional election in his entire life until November 1964. For a year preceding 1964 he had been an applicant for appointment as regional director for the Department of Commerce in Ohio. Stebbins registered in June 1964, a month after the Democratic and Republican primaries. Whether he voted for Barry Goldwater or Lyndon B. Johnson, I neither know nor care.

I objected and do object to this man being top representative of the U.S. Department of Commerce in Ohio largely for the reason that over the years he has been a neuter gender when it comes to politics. Over the years this man has been a handsomely paid employee of the Department of Commerce. In my judgment throughout all this period he remainded a second-class citizen. He never cast a vote, in Ohio under our election laws it is essential that a citizen desiring to vote in the Republican or Democratic primaries state his poltics. Charles Stebbins lives in a locality where the large majority of his neighbors are Republicans. What his reason has been for being neuter when it comes to voting and taking an interest in National, State, and local public affairs is unknown to me. It may be that he felt it to his advantage socially to continue as a second-class citizen instead of participating in governmental affairs.

I am told that he is an affable gentleman socially who has catered to industrialists in the community where I live. He has never been a leader in any community affairs nor regarded as a man of particular competence, or achievement.

Frankly, I respect and admire his wife. She has been over the years a prominent member of Republican women's groups in Cuyahoga County. Mrs. Charles Stebbins registered as a voter in 1952. She voted in the Republican primaries of 1954, 1958, and 1960. She has been regarded as an active woman leader in Republican Party affairs. It is said that she actively supported Barry Goldwater for President. I respect her for taking an affirmative position. It is noteworthy, however, that the first Republican primary she missed in recent years was that of May 1964, at a time when her husband was campaigning personally for the appointment to the top position in the Department of Commerce in Ohio in a Democratic national administration.

The facts are that late last year and earlier this year I talked with officials of the Department of Commerce regarding Stebbins and none of them claimed him to be an outstanding man of achievement in private or public life.

Commerce Secretary John T. Connor in Ohio last April informed Albert S. Porter, Democratic National Committeeman, of Ohio, that he intended to appoint Stebbins. It was evident to the Democratic leader who talked with Connor that Herbert Klotz, at that time Assistant Secretary of Commerce—who has since resigned—and Paul Southwick, Special Assistant to the Secretary, had him "conned" into appointing Charles Stebbins.

It was stated to me that Secretary Connor reported to National Committeeman Porter that excluding Democrats from consideration for appointment to this top position in Ohio and catering to Republican businessmen was good policy. In fact, in the discussions of Department of Commerce aids with me, I was told how important it was to win the support of Republican businessmen in Ohio and have them get behind our President. When this was told by Secretary Connor to Ohio Democratic National Committeeman Albert S. Porter, Mr. Porter stated:

With that philosophy, maybe President Johnson will run as an independent in 1968.

Secretary Connor in a cavalier and "porky" manner said, "Maybe he will."

Frankly, Mr. President, had Secretary Connor appointed a known Republican who admits he is a Republican, I would not consider he had done a disservice to our President and to our State as much so as in appointing this man who over many years never voted in a presidential or congressional election, and took the position that he had no interest whatever in politics or in Government. I take a dim view of Secretary of Commerce Connor and consider he manifested very poor judgment in selecting the top field representative of the Department of Commerce in my State.

I ask unanimous consent that the column by Rowland Evans and Robert Novak referring to this matter be included at this point in the RECORD as part of my remarks.

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

[From the Washington (D.C.) Post, July 11, 1965]

(By Rowland Evans and Robert Novak)

In a studied snub to Secretary of Commerce John Connor, Democrats on the Ohio congressional delegation declined an invitation to lunch with him the other day.

To understand why, it is necessary to recall a dispute over appointment of a Commerce Department field representative in Cleveland. Connor refused to appoint a Democrat backed by the entire Ohio Democratic delegation (with the exception of lone wolf Senator FRANK LAUSCHE). Instead, Connor named a career Commerce Department employee who is not a Democrat.

After we reported this several weeks ago, President Johnson was most unhappy with Connor. He discussed the incident with Connor and strongly suggested a move to placate the Congressmen.

The opportunity came June 29 when Democratic Representative ROBERT SWEENEY, Ohio's Congressman at Large, entertained an Ohio civic group in the Capitol with Connor as his luncheon guest of honor. Connor suggested it would be a nice idea to invite all the Ohio Democrats. The way Connor put it was that he would like to meet every Democratic Member of the delegation.

SWEENEY agreed that would be a nice idea. When SWEENEY telephoned his fellow Democrats, several accepted at first—but several declined. Then those who had accepted changed their minds.

In the end, Host SWEENEY was the only Democrat who showed up.

BEYOND COMMONSENSE

Mr. WILLIAMS of Delaware. Mr. President, in the January 8 issue of the Washington Daily News there appeared an editorial pointing up another example of the court's undue interest in protecting the rights of the criminal while ignoring the rights of the victim.

I ask unanimous consent that this editorial, entitled "Beyond Commonsense," be printed in the RECORD.

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

[From the Washington (D.C.) Daily News, Jan. 8, 1965]

BEYOND COMMONSENSE

Here's a new high in the current custom in many courts of going beyond commonsense in "protecting the rights of the accused."

This happened in district court here.

A 34-year-old man was accused of luring a 12-year-old girl from a bus station and raping her. The trial had been going on 3 weeks and was in its closing day.

At this stage it was reported to the judge that the accused had passed a juror in the corridor and asked:

"Are you going to give me an acquittal?"

The remark was repeated in some form or fell within the earshot of six other jurors.

Then, lo and behold—

The accused man's lawyer moved for a mistrial. The lawyer contended his client could not get a fair trial now because the jurors could not erase from their minds what the accused had done in approaching them and would be prejudiced against him.

All seven jurors testified they could still render a fair verdict but the judge granted the defense motion.

Thus a 3-week trial went down the drain. The little girl again will have to go through the agony of telling her story from the witness stand. And time has a way of working for those charged with crime.

By doing what the accused man's lawyer asked him to do, the judge in reality rewarded the accused man for his own misconduct.

And all this was done in the name of "protecting rights of the accused."

THE GI BILL—EDUCATION, INSURANCE, AND LOAN BENEFITS

Mr. KUCHEL. Mr. President, it was my pleasure to coauthor Senator SALTON-

STALL'S bill, S. 520, which would extend wartime benefits to our valiant fighting men and women, and their families, who serve in defense of liberty in any area designated by the President as an area of hostility.

As some will recall, I have long had a keen interest and concern for our men in uniform, and for their welfare once they left the service. In the 84th Congress, on April 23, 1956, I authored S. 3697 to extend the so-called GI bill of rights to all persons who entered the Armed Forces of the United States after January 31, 1955, thus affording them the same benefits enjoyed by those who had entered the service prior to that date. While not successful on that occasion, my interest in the problem, and the need to remedy it, did in no way diminish. On February 11, 1957, I tried again with S. 1158. I offered S. 270 on January 14, 1959.

It seems appropriate, Mr. President, to this day quote part of the testimony I gave in 1959 before Senator YARBOROUGH's Subcommittee on Veterans Affairs of the Committee on Labor and Public Welfare:

> We no longer can assume that one's contribution to the defense of our society ends the moment an individual leaves the service. In fact he might make a greater contribution as a researcher in the laboratory, a skilled engineer and worker in the industrial plant, and the administrator who coordinates complex and farflung activities. These are the Armed Forces of democracy in the broadest sense.

These sentiments, I submit, have as much impact today as they had 8 years ago.

An extension of the GI bill this session would provide our fighting forces in such places as Vietnam and the Dominican Republic the educational, insurance, and loan benefits afforded men who have in the past served their Nation in its Armed Forces.

I ask unanimous consent to have printed in the RECORD a letter I have from Mr. O. W. Price, commander of American Legion Post 222, of Laguna Beach, Calif., in which he most capably highlights the many benefits which have accrued to our Nation in the past and which would, most assuredly, accrue to it in the future by an extension of the GI bill to those serving in danger spots today.

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

AMERICAN LEGION POST NO. 222,
Laguna Beach, Calif.

Twenty-one years ago, I was called into central office to help write regulation No. 1, putting into effect the largest and greatest experiment in mass education the world has ever known. At that time, I had charge of the VA's vocational rehabilitation program in Wisconsin. Subsequently, I was director of both programs for California, Arizona, Nevada, and Hawaii.

Its success from the beginning was phenomenal and its effect on the economy of the Nation has been tremendous. It helped to build up the Nation's resources of skilled manpower for the technological age we had just entered. It enabled many thousands to get a college education or to learn a skilled trade who otherwise would not have been able to do so.

World War II and Korea veterans who took education or training totaled 10,200,000. This does not include those who were under the rehabilitation program.

Here's what the United States gained: 460,000 engineers; 360,000 teachers; 130,000 doctors, dentists, and nurses; 150,000 scientists, and many thousands of skilled technicians, mechanics, accountants, farmers, administrators, and others.

Nearly all World War II and Korea veterans are employed and 4 out of every 10 workers is a veteran. Their income is about $100 billion a year. The GI's have already paid back the cost of their education through increased income taxes resulting from higher earnings. Educators agreed they were the best students they had ever had. They were mature, practical, democratic, serious-minded, and intensely patriotic.

Although there was an acute shortage of instructors, crowded classrooms, and inferior housing, there was no lawlessness or group efforts to embarass the school administrators as we have recently witnessed.

They also did not take to the "frills" and "rah rah" life on the campus.

They had given their country some of the most valuable years of their lives and were in a hurry to get out of school and into a job or business of their own.

The GI training programs have expired but the impact they had on America is a lasting one.

I had an important part in its administration and observed at firsthand its value.

Congress is strongly urged to grant similar benefits to members of the Armed Forces serving in the danger areas of Vietnam and the Dominican Republic.

O. W. PRICE,
Commander.

ECONOMY IN GOVERNMENT OPERATIONS

Mr. JACKSON. Mr. President, all of us in the Congress are rightly concerned about unnecessary duplication of effort and waste in government operations at home and abroad, and the fight against waste must be waged each day anew—in the executive branch and in the Congress.

I would like to insert in the RECORD an article in the Washington Post of July 6 concerning a new combined project in our foreign aid program—to build a microwave telephone system in Korea—the result of joint planning of the Agency for International Development—AID—and the military assistance program—MAP.

As indicated in the article by Richard Halloran that follows, the idea for a joint project began when the Inspector General for Foreign Assistance, J. K. Mansfield, suggested to the country team in Korea that there is not enough joint planning of projects. This case is an illustration of the contribution to economy in our AID operations abroad which can be made by continued auditing and effective inspection under the leadership of the experienced Inspector General, J. K. Mansfield and his able deputy, Howard E. Haugerud.

Therefore, I ask unanimous consent that this article be printed in the RECORD.

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

JOINT ECONOMIC-MILITARY AID PLANNED

(By Richard Halloran)

Possibly for the first time in the long history of American economic and military assistance, the Agency for International Development and the military assistance program will run a combined project from beginning to end.

AID and the military assistance program have put together a joint project to build a microwave telephone system in Korea. Also involved are the Korean Ministry of Communications and the Korean Army Signal Corps, for whom the system will be built.

Although much joint planning has been done before, this is the first case that officials can recall where a project has been carried through writing of specifications and into construction and operation.

SAVINGS EXPECTED

AID officials say the joint project will save about $2 million in equipment procurement. Additional savings will come from joint use of the system, interchange of spare parts, and joint training of operators.

About 60 percent of the $10 to $15 million project will be financed by an AID loan and 40 percent by a military assistance program grant. One contractor will do the job after a competitive bid. Contract signing is scheduled for November 30.

The idea for a joint project began when the Inspector General of Foreign Assistance criticized the American "country team" in Korea for not enough planning together.

OTHER JOINT PROJECTS SEEN

An AID-military assistance program study team that went out to check found that not only could more planning be done jointly but that further steps might be combined.

This led to joint writing of specifications and procurement in the microwave system and eventually to combining the entire project.

Officials say this unified approach is applicable to other projects such as roads, water systems, and electrical plants.

Why with all the American experience in aid, hasn't this been done before? No one is sure, except to note that in the press of day-to-day work, nobody thought of it.

RESOLUTIONS OF DETROIT ARCHDIOCESAN COUNCIL OF CATHOLIC WOMEN

Mr. HART. Mr. President, the Detroit Archdiocesan Council of Catholic Women recently completed their 26th annual convention.

The convention passed a number of resolutions, many of them pledging to continue the excellent community programs that the council has undertaken.

But the council also took stands on a number of national and international issues that should prove of interest to the Congress. These resolutions not only outline the council's views on these issues, but describe what the organization is doing to implement those views.

I ask unanimous consent that these resolutions be printed in the RECORD at this point in my remarks.

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

> The human relations committee resolves to intensify its efforts in the field of human relations, working specifically toward the achievement of equal opportunity in housing, education, and employment; be it further
>
> *Resolved,* That the human relations committee will continue to promote true integration in many of our Catholic women's organizations and remind Catholic women of the need for them to assume the leadership in the attainment of this goal.

Whereas there is greater need today than ever before to involves more women in the work of the church to aid in the solution of present-day moral, educational, social, and economic problems: Now, therefore, be it

Resolved, That the development-leadership program shall offer service to affiliated organizations that, informed of the objectives of the D.A.C.C.W. committees, their members may find channels to work toward these goals; be it further

Resolved, That because of the need for leadership training, programs will be initiated that will provide individual members with techniques and procedures to carry out the purpose of their affiliated group and of those committees of this council accepted by the affiliate.

Realizing that we are "our brother's keeper" and the greatest commandment is "thou shall love the Lord thy God and thy neighbor as thyself," the international relations program resolves:

1. To continue to support, and where possible, to augment, the food-for-peace program.

2. To commend the U.S. delegation for its steadfast opposition to the admission of Red China as a member of the United Nations, and by written notice to urge their continuation of the ideals of world understanding toward a strengthened United Nations.

3. We are in favor of the following principles in immigration: the elimination of the national origins quota system based on ethnic and racial discrimination; greater emphasis on family reunion; and permanent provision for admission of refugees.

4. Acting within our abilities to be ambassadors for our faith and Nation through the people-to-people program, we recommend continued participation in our intensive program of hospitality to international students and visitors.

5. We urge greater enlistment for work in the Latin American nations, through religious societies, missionary groups, the Peace Corps, and the papal volunteers for Latin America to combat poverty, illiteracy, social injustice and human despair, and to implement our work with knowledge acquired through the study of "Focus on Latin America" and "Great Decisions."

Whereas bad legislation exists in government because good citizens stand by and do nothing: Be it

Resolved, That the legislation program on education teach the DACCW, and urge all women to vote, and pledge to,

1. Supply information on registration and voting.

2. Provide nonpartisan information to aid all citizens to choose qualified candidates.

3. Alert members on pending legislative measures on matters concerning our homes, schools, and church, when so directed by the Michigan Catholic Conference.

4. Form telephone committees to be used on "Action Now" legislation.

5. Cooperate with existing civic groups in matters concerning the welfare of our city, State, and Nation.

Whereas our love must reach out to the poor and suffering of the world, the mission apostolate program will seek to alleviate distress, both spiritual and material, through the operation of its five committees: Therefore be it

Resolved, That—

1. Foreign relief committee will continue to support and promote the broad relief programs of NCCW with special emphasis on the help-a-child or Korean adoption program, the Holy Father's collection for children, the feed-a-family and the Madonna plan.

2. Mission service committee will seek to instill in all a constant awareness of the great importance of our missions and to give service to foreign and home missions through cooperations with the Propagation of the Faith Society and other designated outlets.

3. The migrant committee will continue to work to improve the situations of the migrant workers in our area in these ways:

(a) Work for legislation aimed at improving their working conditions.

(b) Provide summer schools and teachers to give religious and general instruction.

(c) Broaden the educational program to include some opportunities for the adults as well as children.

(d) Food, clothing, and book drives will be conducted to be distributed at the various migrant centers.

(e) "Family Night" programs with holy hours, refreshments, and appropriate entertainment will be provided regularly.

4. Local relief committee will strive to recruit enough women to carry out our threefold programs in one inner city parish this summer by

(a) Staffing a nursery school to aid in enriching and better preparing the small children for school.

(b) Helping the needy to best utilize the sources of aid available from the government, community, etc.

(c) Home visiting, driving, counseling, etc., to assist in the rehabilitation and training of adults in habits of organization, cleanliness, responsibility, etc.

5. Battle of the books committee will continue to send good books of all kinds to all areas of the world in an effort to promote an ideology of freedom and godliness.

THE 75TH ANNIVERSARY OF WYOMING STATEHOOD

Mr. McGEE. Mr. President, Wyoming celebrated 75 years of membership in this Union of States Saturday. Though the Diamond Jubilee of Wyoming statehood is being marked by a year of celebrations in the Equality State, July 10 was set aside for special recognition as the State's birthday. Such an occasion is, of course, a time for recalling the stirring stories of the pioneers who tamed the West. Mr. President, I would like to share my view of these hardy pioneers and their meaning for us today. I ask unanimous consent that my remarks made in Cheyenne Saturday night be printed in the RECORD.

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

PIONEERS, YESTERDAY AND TODAY

(Remarks of Senator GALE McGEE on the occasion of the celebration of the 75th anniversary of Wyoming statehood)

Doubtlesss there will be few commemorative occasions during this 75th anniversary year at which some reference is not made to the "hardy pioneers." Now these "hardy pioneers" were indeed hardy and unusual men and certainly deserving of a special place in the history books of our Nation. But there was one group of people who didn't think these people—those who settled the West—were at all remarkable. And they were the pioneers themselves.

They didn't consider themselves national heroes, but rather common ordinary Americans trying to find a better life for themselves. They packed up and came West looking not for a place in the history books, but rather for a better standard of living—a bigger farm, richer lands, mineral wealth, and in some cases, a scarcity of law enforcement personnel. And these people were not seeking a primitive standard of living—the unsprung wagons, corncob mattress, inhospitable Indians, and the 14-hour workday—they just accepted what was available and set out to improve living conditions as quickly as they could.

But I am not going to "debunk" the pioneers as being overrated Americans—by our living standards today they put up with unbearable living standards, accepted great risks as a way of life and ventured into the unknown with hardly a look backward. What I would like to suggest is that if we are to honor these pioneers by emulating their examples—and there is no greater way of giving honor—then we, too, must proceed with the job at hand with the tools available. We are seeking to conquer the frontiers of space rather than the frontiers of the West. We wish to win the minds of uncommitted millions for the cause of freedom rather than bring new territory under the flag. We seek to surmount the problems of increasing populations and decreasing space, of technology running ahead of our ability to control it and of poverty in the midst of plenty. We meet these challenges in the midst of air-conditioned, climate-controlled comfort, in a culture seemingly dedicated to making a life of ease and complete abandonment of labor a goal rather than a reward.

It may then be harder for us mentally, if not physically, to own up to these challenges and to meet them as they must be met. Like the pioneer, we seek a better life for ourselves and our children. And like the pioneer we must be prepared to take some risks, face some unknown dangers, try new and untested ideas, and sacrifice the comforts of a stable existence, and the assurance of old ways and old landmarks.

Today we meet to hail 75 years of progress and achievement. We are all proud to be able to do this. Whether or not our grandchildren and great grandchildren will meet 75 years from today to hail us for our achievements is a question I cannot answer; I cannot even suggest all the things that must be done, but I know that nothing can be achieved until we commit ourselves to the task. Those we honor here today set out from St. Louis not to make history but to make for themselves a better life. We must set out from our status quo to make a better life for all Americans, for I suspect that we shall either have a much better life or none at all.

In keeping with the thoughts of the pioneers, I am sure that these outspoken individuals had little patience with speechmaking and pious phraseology—they were men of action. And so in deference to the many buckskin-clad ghosts that may have wandered into these proceedings, I shall quit right now.

MOTION PICTURE "SHENANDOAH" RECEIVES PRAISE

Mr. YARBOROUGH. Mr. President, for many people, their closest touch with American history is the moments they spend watching a motion picture.

Our film industry has to its credit the production, over the last 50 years, of some outstanding screen stories depicting great events in the creation and development of these United States. While we might think of such portrayals as entertainment only, because they are a part of our theater, we should also recognize that they are also impressive and often tremendously inspirational to young people and adults who see them.

It is not coincidence that two of the greatest motion pictures ever produced, "Birth of a Nation," and "Gone With

the Wind," have as their subject the most climactic event in American history—the Civil War. Both were made with sensitive regard for authenticity in the unfolding of an unparalleled event. This is probably one outstanding reason for their lasting greatness as motion pictures.

I should like to call your attention to another recent film production which I have had the pleasure of seeing. Also having to do with the Civil War period, it is appropriately called, "Shenandoah."

A Universal Pictures film, set in the beautiful Shenandoah Valley of Virginia, and photographed with great authenticity for details, the story of "Shenandoah" concerns a family which resided in the valley, the members of which tried to remain neutral as the War Between the States encroached on their lives.

The head of this family is played by one of America's foremost actors, James Stewart. I think he may very well be nominated for another Academy Award in recognition of his excellent performance in this new film.

"Shenandoah" is a warm, emotional story of a most unusual family. It is also a reminder of the overwhelming tragedy of war.

Already the picture has received wide critical praise. On the basis of my viewing of this film, I would like to add my praise to this excellent movie and to join with James I. Robertson, Jr., executive Director of the U.S. Civil War Centennial Commission, when he calls the story of "Shenandoah" an "exceptionally fine screen play."

FIRST CONGRESS OF MICRONESIA—PROGRESS UNDER U.S. TRUSTEESHIP

Mr. FONG. Mr. President, an event of special political significance is taking place now in the far Pacific. The first Congress of Micronesia, serving as the legislature of the Trust Territory of the Pacific Islands, convened today in Saipan for its first regular session.

The two-house legislature marks a historic step forward in the political development of the 87,000 people who live on about 100 small island groups scattered over 3 million square miles of the Pacific Ocean.

During World War II the island-hopping campaigns of American Armed Forces made the names of many of the trust territory islands famous—Kwajalein, Saipan, Peleliu, and Truk. At the end of the war, the colonists were repatriated. The area became a strategic trust under a 1947 trusteeship agreement between the United States and the Security Council of the United Nations.

Initially administered by the Navy, jurisdiction was transferred to the Department of the Interior in 1951. Headquarters of the High Commissioner were transferred from Hawaii to Guam in 1954. In 1962 Saipan, which had been returned to Navy jurisdiction in 1953 and again put under Interior jurisdiction on July 1, 1962, was named the provisional capital of the trust territory.

CONGRESSIONAL APPROPRIATIONS

In 1962 a Federal appropriation ceiling for the trust territory was more than doubled and for the fiscal years 1963, 1964, and 1965 a total of 47,500,000 has been appropriated by the U.S. Congress

I call attention to the convening of the first Congress of Micronesia because this event reflects great credit upon the U.S. trusteeship over the affairs of the trust territory. With our Government's assistance, guidance and encouragement, the people of the trust territory have achieved advancements not only politically but also economically, socially, and educationally.

The general progress attained by the people under American trusteeship is particularly gratifying in view of the numerous problems they face, not the least of which is the immense geographic spread of the trust territory islands. The 700 square miles of land area are spread over a vast ocean area roughly the size of continental United States. Moreover, the nine major languages among the population present substantail obstacles to communication and cooperation on a territorial basis.

The Congress of Micronesia was created by an order of the Secretary of the Interior on September 28, 1964. Prior to that date, legislative functions in the trust territory were exercised by the High Commissioner and the Secretary of the Interior. The genesis of the new Congress occurred in 1956 when the High Commissioner created a Micronesian advisory committee. This committee met annually and in 1961, with the encouragement of the High Commissioner, voted to change its name to the Council of Micronesia and to elect its own chairman. In prior years the High Commissioner or a member of his staff served as chairman.

American administration gave self-government in the Trust Territory an early start with the establishment of district legislatures. The first, the Palau Legislature, was created in the late 1940's.

With this background of working to resolve mutual problems, the Council of Micronesia considered proposals to create a territorial legislature in October 1962, eventually leading to a recommendation that such a legislative body be established by the Secretary of the Interior.

HAWAII'S MANY CONTRIBUTIONS

It is a matter of pride and satisfaction for the United States, and particularly for the people of Hawaii, to observe the steady progress of the Trust Territory. The fact that Hawaii is the State closest to the Trust Territory has enabled the 50th State to make notable contributions to its advancement.

Hawaii's people are especially qualified to extend assistance because of their own long experience in developing their island community politically, economically, socially, and educationally. They have shared and are continuing to share their talents and energy toward helping their Pacific neighbors in the Trust Territory. The East-West Center for Technical and Cultural Interchange in Hawaii has been notably effective in offering training to Trust Territory participants. Through its Institute for Technical Interchange, the East-West Center has arranged for training of these participants in such diverse fields as health and medical services, business education, commercial sewing, legislative services, radio broadcasting and station management, plant quarantine procedures and techniques, practical island horticulture, dining room service, and commercial cooking.

The Center held training institutes in the field by sending instructional teams to the Pacific islands and also conducted Hawaii-based, on-the-job training through business firms and Government offices.

After training, participants returned to their island homes to impart their knowledge and skills to their neighbors. Dollars invested in each participant, therefore, brought high returns in extension of this training to many others.

It is also noteworthy that the University of Hawaii and other Hawaii schools are educating Trust Territory youths to meet their special needs.

PRESESSION WORKSHOP

A direct contribution to the new Congress of Micronesia was made recently when the East-West Center sponsored a 2-week presession workshop to prepare the 33 legislators of the congress for the opening of their historic session today. For the next 30 days of their first regular session, the 33 men will be putting into practice the presession training they received from the Hawaii team.

Dr. Y. Baron Goto, Vice Chancellor of the East-West Center's Institute for Technical Interchange, who took part in the workshop, reported his impressions and observations upon his return to Honolulu, in the following words:

> I think it is very significant that out of the 33 (legislators), 25 are between the ages of 26 and 39. This indicates that the majority are people who grew up under an American government rather than Japanese rule (before World War II).
>
> It is significant because it indicates that with all the criticism we have been hearing about American rule, we nevertheless have been making significant contributions in the field of education—so much so that the accepted leaders of today are those who have been educated under the American system.

Dr. Goto noted that in the 20 years since the United States took over Micronesia, the Micronesians had sufficiently mastered English to conduct their legislative work in English. Of the 33 legislators, only 2 needed interpreters.

Of the 33 legislators, 13 attended the University of Hawaii and 9 attended the College of Guam or mainland U.S. universities.

On this auspicious occasion, I extend sincere congratulations to all the people of the trust territory on the opening of the Congress of Micronesia, and send best wishes to the members of the congress for a most productive and rewarding session.

An excellent article on the Congress of Micronesia and its workshop was published in the Honolulu Star-Bulletin of

July 5, 1965, titled "Workshop Helps Micronesia Delegates." I ask unanimous consent to have it printed in the RECORD.

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

WORKSHOP HELPS MICRONESIA DELEGATES

(By Byron Baker)

SAIPAN, Marianas Islands.—Last Monday 33 men who were born and raised on a handful of tiny islands thousands of miles apart sat down at desks in the former officers' club of a CIA installation and began learning the job of governing the 87,000 citizens of the Trust Territory of the Pacific Islands.

They are the first delegates to the Congress of Micronesia, and they are learning the legislative skills they will need during the congress' first session.

Twelve of them—two from each of the territory's six districts—are delegates, members of the congress' upper house.

The other 21 are members of the house of assembly, elected on a population basis.

Until next Monday, July 12, with the assistance of professors from the University of Hawaii and a legislative counsel who at other times is the head of Tufts University's political science department, they will learn of bills and resolutions, of house rules and decorum.

Their ranks include a district director of education, who is expected to become the first speaker of the house, a goldsmith who also is the publisher of the only private newspaper in the trust territory, a member of island royalty who will make a bid to become president of the house of delegates and a sprinkling of Micronesian civil servants who have been allowed to run for election during the early years of the fledging Congress.

DISTANCES GREAT

Already they have had meetings with their colleagues in the districts * * * a necessary measure since several of the districts cover as much area as the largest of America's States. They have not visited with all their constituents, partly because of the trust territory's perennial lack of adequate funds and partly because some of the islands in Micronesia are so widely scattered that administration vessels only reach them once or twice a year.

Through their first session they will be experimenting. They will be seeking an answer to the question of whether the peoples of at least six different cultures, speaking at least nine different languages, can form a political entity which is viable in today's world.

For the avowed goal of the U.S. trusteeship over the isles of Micronesia is to prepare them for independence. The question is one which arises in every discussion of the trust territory at the United Nations.

Micronesians themselves have varying opinions about their political future, and they have had plenty of experience with different matters. They have been ruled by the Spanish, the Germans, the Japanese, and now the United States. Sometimes they chucklingly wonder who will be next. The Russians? The Chinese?

Whether it is because of the frequent changes of rulers or because of the tightness of island society itself, many Micronesians are doubtful about the possibilities of unity for the trust territory.

Popular party followers in Saipan heard their leaders campaign for the Congress of Micronesia on a platform which included withdrawing from the Congress if elected. The Populars, who comprise the majority of Saipan's nearly 10,000 people, want reintegration of the Marianas.

They claim that the rest of the trust territory is much less advanced than Saipan and that being linked with the less developed areas will slow down their own progress.

WANT TO JOIN GUAM

Instead they want to join Guam in a U.S. territory which would include all of the Mariana Islands.

Nor is Saipan the only place which has separatist tendencies. One of the Palau district's fledging political parties campaigned on an independence plank. An opposition party spokesman said that the independence promise did not reflect the thinking of Palauan leaders, but that it was a campaign device designed to attract the support of Palauan royalty. Hereditary chiefs in Palau have lost considerable authority in recent years, and they see the new Congress as a further threat.

Trust territory administrators seek to play down the separatist tendencies in some of the districts. High Commissioner M. W. Goding, the territory's top official, told members of the United Nations Trusteeship Council at the end of May that the Saipanese wish for reintegration had almost vanished.

But a trio of Mariana district legislators, visiting Guam to observe the Guam Legislature in action, were amazed when told of the High Commissioner's comments. They maintained that reintegration sentiment was as strong as ever and that if a plebiscite should be held, as was done some 2 years ago, the results would be strongly in favor of reintegration.

But several Micronesians who were candidates in the January election for the Congress of Micronesia were doubtful about separatism. They felt that at the district centers, where population is concentrated in several districts, the people were aware of the difficulties of going it alone.

Chief among them was Dwight Heine, a shrewd Micronesian politician who is a graduate of the University of Hawaii. Heine, who was elected to the Congress lower house without campaigning while he attended an educators' conference in Saipan, is now director of education for the Marshall Islands and is an immediate past president of the Council of Micronesia. The council was a strictly advisory group which formulated the plans for the Congress of Micronesia.

Heine, who is expected to be the first speaker of the house of assembly, is a gradualist who proclaims himself satisfied with the new Congress. He maintains that the Marshalls are the only isle in the trust territory which are still able to exist outside of a larger framework primarily because they are the largest copra producers in the trust territory and are relatively independent of store-bought goods.

Heine is well aware that the Congress does not possess the powers it might, but he believes that all things will come in the fullness of time. "We are very good listeners," Heine says of Micronesians' ability to wait for what they want. "When the time comes to talk, we will know what to say."

Heine is also illustrative of an interesting dilemma which regularly gives headaches to those who try to teach democratic methods to Micronesians.

For Heine is a commoner from an island group which has traditionally been governed by hereditary chiefs. The power of the chiefs has been much reduced from the days when they held absolute sway over the areas they commanded. They must conform with territory laws now, but those areas which the laws do not cover are still the sole property of the chiefs, and they are a definite force in the islands.

The Marshall Islands District Legislature takes special note of the situation by according seats for life to the chiefs. Voting is reserved for the elected members, but the chiefs can participate in debate and use their considerable influence as they see fit.

Similar divisions of power exist in Yap district, which is further complicated by the existence of a caste system, and in Palau.

These are only a few of the difficulties which the Micronesian congressmen will have to resolve if they are to bring genuine political unity to the Trust Territory isles. This week they are learning the way, and the days have been busy.

Their legislative workshop opened last Monday with remarks from High Commissioner Goding, who earned chuckles when he suggested that the congressmen would be as busy politicking for their favorites for speaker of the house and president of the house of delegates as with learning methods.

The High Commissioner commented that the new congress had been the center of discussion at the United Nations meeting (and indeed it was, for Goding was taken to task by the representative from Liberia because the new congress did not have more extensive powers over budgets).

Goding described the new congress as having broad legislative power and called for close cooperation between the legislative and executive branches.

GROUP DISCUSSIONS

The congressmen have been divided into three groups for discussion of topics of interest to them. They follow a schedule of an hour's discussion, followed by a report to the body as a whole.

Planning for the discussions is handled by a steering committee of one member from each of the territory's six districts. Committeemen are Olympio Borja, Marianas district; Amata Kabua, Marshall Islands district; Francis Nuuan, Yap district; Tosiwo Nakayama, Truk district; Roman Tmetuchl, Palau district and Eliuel Pretrick, Ponape district.

Lectures and question-and-answer periods with University of Hawaii political scientists and movies on legislative process round out the training program.

Chief topics of discussion through the first week of the meeting were congressional jurisdiction, congressional organization, membership qualifications, and rights and parliamentary procedure.

Micronesian Congressmen have also been trying to determine what sort of committee organization they wanted. Near the end of the first week they suggested alternatively a committee of the whole to handle all affairs or a group of five committees; political, appropriations, economic, rules, and social.

MICRONESIA SEAT DISTRIBUTION LISTED

Here is the apportionment of seats in the first Congress of Micronesia:

	House of Delegates	General Assembly
Mariana Islands	2	3
Marshall Islands	2	4
Palau	2	3
Ponape	2	4
Truk	2	5
Yap	2	2
	12	21

The delegate apportionment is fixed but assemblymen are to be reapportioned every 10 years with the first reapportionment in 1971. The reapportionment will be on a population basis but each district is to retain a minimum of two assemblymen.

Legislators must be at least 25 years old, resident of the trust territory for 5 years and of their districts for 1.

PROPOSED SUMMER VACATION FOR CONGRESS

Mr. McGEE. Mr. President, the lead editorial in the Washington Post today calls for a breather for Congress. It calls

for a summer vacation, as it were, and then for a vigorous fall and winter session.

As one who has for 4 years argued that Congress is a full-time job and that we should abandon our annual race with the calendar and our perennial guessing game as to when we shall adjourn, I want to second the Washington Post's position. Each time I have made my suggestion for year-round sessions of Congress, but with provisions for summer vacations, I was told to wait until next year. The current year is always an exception because of an election or because of this or that crisis. But I am convinced that this session, the last session and the session before that are all normal sessions and that our annual race for the wire as we move toward winter is a relic of the past. A look at recent adjournment dates of the Congress will readily bear out this contention.

Mr. President, the time has come for us to quit kidding ourselves. Let us face the fact that the world is fraught with crises for as far into the future as we can see. These crises defy calendar schedules and even the convenience of the Congress of the United States. And, too, the complexities and magnitude of our domestic legislative problems present us with year-round work. This is no 9-month job.

There are no better reasons for making this change than the honest hope that an orderly, year-round congressional calendar would lead to better legislation. But I believe it would also be a boon to the Members' physical and mental well-being. Another factor of real importance to many of us would be the time available to spend with growing families.

Indeed, those of us with schoolage children have a real problem. When the children have vacations, dad is hard at work. When dad has some time available, the kids are in school. And, at last count, about one-half of all Senators had children in school. Over in the House, I am told, the percentage is even higher. In addition, there are the families of our staff members—a total of more than 600 in the Senate—that are in the same fix.

Mr. President, I know the Joint Committee on the Reorganization of Congress is considering this proposal. But, with the Washington Post, I think the circumstances are right this year to anticipate the evolution of Congress into a year-round operation. I ask unanimous consent that the Washington Post editorial, "Breather for Congress," be printed in the RECORD.

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

BREATHER FOR CONGRESS

Talk of adjournment is in the air on Capitol Hill. Restive legislators feel an increasing urge to exchange yarns with their constituents and to note how the wind is blowing on the home front. At the same time, however, President Johnson is increasingly aware of the mountain of unpassed administration bills still awaiting final action in Congress. And so the annual struggle begins.

Most of the congressional leaders have been talking about winding up their formal lawmaking by Labor Day. But this is acknowledged to involve a substantial degree of wishful thinking. Even with the good start that Congress made this year and with the expeditious pace that has been continued, there is virtually no hope of really completing its legislative chores in the next 8 weeks. The idea of rushing through the unpleasant tasks in Washington so as to be able to spend a substantial part of the year at home is a throwback to a simpler era when the affairs of state were far less complicated than they are today.

Congress has completed action on a number of important bills. Various others, including medical care-social security, are close to enactment. The foreign aid bill is in conference. Conferees will soon be giving the voting rights bill its final form. What has been done is still rather meager, however, in comparison to what remains. Congress must pass nine additional appropriation bills. It still has to act on the omnibus housing bill, the regional medical centers, regional development, the proposed Department of Urban Affairs, higher education, the minimum wage, unemployment compensation, Taft-Hartley Act reforms, the proposed National Arts Foundation, and the farm program.

Other important bills include those designed to reform the immigration laws, create an Office of Population Problems, give home rule to the District of Columbia, create the Indiana Dunes Lakeshore and establish the Assateague National Seashore. To these many others must be added if Congress is to make any pretense of finishing its work. In other words, no adjournment by Labor Day is possible without the sacrifice of an enormous amount of legislation to which the administration and presumably the country are committed.

There is no easy escape in the assumption that the unfinished business can be safely carried over to the next session; 1966 will have its own problems. It will also be an election year, and an early adjournment will be necessary to permit campaigning. In these circumstances we think Congress should take a hot-weather break for a few weeks and return after Labor Day for a vigorous fall and winter session.

President Johnson is reported to have said that Congress should stay on the job until November. That has been the practice in many previous years. But it is much better to allow for a summer vacation and a return to Washington for the remainder of the year when no election is being held. This is one of the reforms that may come out of the current study of Congress by the Monroney Committee, but it could be properly anticipated this summer when all the circumstances are favorable for a hot-weather breather and a full autumn session.

JUDGE GEORGE EDWARDS

Mr. HART. Mr. President, Judge George Edwards, of the U.S. Sixth Circuit Court of Appeals, is a perceptive student of urban problems and a man who has many times proven his ability to deal with those problems.

He is a former member and president of the Detroit City Council, a justice of the Supreme Court of Michigan and, until he took his most recent post, police commissioner of Detroit.

At the recent national conference of mayors, Judge Edwards presented an interesting analysis of police problems in big cities together with a series of sound recommendations on how police departments can win respect and cooperation in even the most hostile neighborhoods.

I ask unanimous consent that the judge's thoughtful and constructive speech be printed at this point in my remarks.

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

ADDRESS BY GEORGE EDWARDS, JUDGE, U.S. COURT OF APPEALS, SIXTH CIRCUIT

It comes naturally to me to greet you with the respect which your high office warrants.

In 1939 I started my public career by appointment by Mayor Edward J. Jeffries as a department head in his first administration as mayor of the city of Detroit. In 8 subsequent years I served as a member of the City Council of the City of Detroit, 4 of them as council president and acting mayor. Once 16 years ago I even made the mistake of seeking to acquire the title of mayor myself, but the people of my community—who have exceptional wisdom—decided from their point of view that this was an undesirable idea. And while it took me some years to recognize it, I ultimately came to the conclusion that this was true from my point of view also.

During the 8 years I was on the City Council of Detroit, I had the experience of participating in the writing of police department budgets. As acting mayor from time to time I also had the experience (which I am sure all of you have had) of issuing directives to the police department in relation to various types of community crises and watching with concerned fascination to see how the directives were interpreted and carried out by the police department.

In a period of private practice after I had left city government, I represented the Detroit Police Officers Association as its general counsel.

In all of this past history I gained enormous respect for the importance of the office of mayor to the quality of life in these United States, and I likewise gained enormous respect for the importance of the office of police officer to the quality of life in the cities of these United States.

By 1961 I had spent 10 years in judicial office. I had spent several years as the juvenile court judge in Detroit, 2 years in a trial court, with general criminal jurisdiction, and was midway in a second term as justice of the Supreme Court of Michigan. For 6 years I had lived in Lansing, the capital of Michigan, where the Supreme Court was located, and it seemed likely that I would spend my life there and in that job.

One day I got a call from a close friend and confidant of the newly elected mayor of the city of Detroit, Jerry Cavanagh. He told me that Mayor Cavanagh wanted to meet me and talk to me about his desire to have me leave the Supreme Court of Michigan and become police commissioner in his administration which was to take office in January. I laughed and said I would be glad to meet the mayor, but thought it most unlikely that he could persuade me to follow any such incredible course.

In this regard I reckoned without giving due consideration to the very considerable persuasive powers of our mayor.

Detroit had a problem. Mayor Cavanagh knew it and he had a solution in mind. The problem was simply that the previous city administration and administration of the police department had in 1961 given a perfect demonstration of the occupation army-type of police approach to the problem of inner city crime. Widespread use of dragnet arrests during a police crackdown, with the arrests directly almost exclusively against Negro citizens, had inflamed the Negro community to a point where the executive secretary of the Detroit Board of Commerce said, "Detroit was sitting on a keg of dynamite."

I think it is fair to say that at the time my conversation with the mayor took place,

he and most people in the city considered Detroit the most likely candidate for a major race riot of any big city in the country.

Mayor Cavanagh's solution involved a program. Ultimately I took the job of police commissioner, with instructions from the mayor to seek to guarantee law enforcement which was equal as to all citizens while seeking to make it more effective also. For 2 fascinating years in 1962 and 1963 I sought with every means at my command to carry out this program. It would be nice to tell you that we solved all the problems. But it would also be untrue. What I think I can tell you is that we made law enforcement a bit more effective and we convinced most of the people of Detroit that we were moving toward making it more nearly equal in its application to all people, regardless of race or color.

In those 2 years Detroit did not have anything approaching a race riot, nor has it in the period which has followed.

This is a lengthy presentation of credentials to talk about the topic which has been assigned to me. But I am going to speak with frankness and suggest a sufficient number of ideas which are in areas of intense controversy, so that I need you to know that I have been where I have had to apply these ideas in practical day-by-day law enforcement. Otherwise, as the intensely practical men that mayors must inevitably be, you might be inclined to tune out my remarks. I have no stake in the results of this speech, other than an interest in the welfare of our country. But I urge you to listen with an open mind, because solutions to the problems I plan to deal with can prevent tragedy to your city and disaster to yourselves.

The last big city race riot of very deadly proportions occurred in 1943 in the city of Detroit. I was then a member of the Detroit City Council. I lived through the worst hours of my life in the course of that incredible experience.

Don't anyone ever think that race hatred is a one way street. If you do, you delude yourself. There are extremists with other names than the Ku Klux Klan. There are extremists who have black faces as well as there are extremists who have white faces, and the extremists of both varieties took over the streets of Detroit for 24 bloody hours. Thirty-six people died in that period. I am going to tell you about two of them.

One was a Dr. de Horatius, of Italian origin, I believe; certainly of white skin. Dr. de Horatius had served on the east side of the city of Detroit for many years, and among his patients he had many Negroes. Around 10 in the morning the riot broke out and he was called to respond to a patient on the east side of the city, and in pursuance of his duty, he responded. He was met on the streets by a mob full of anger and full of race hatred. They didn't know Dr. de Horatius from a bale of hay; all they knew about him was that they, the mob, had black faces and that he had a white one. And they stoned him to death with no more knowledge than that.

Later in that 24-hour period there was another death. A chief of the fire department told me the all-too-gory details. It was a Negro workman going home from his job, driving alone. He was stopped by a mob with anger and race hatred in their hearts. They didn't know any more about him than that the mob's faces were white and this man's face was black. They turned his car over, and when the gasoline spilled out of the car, they lit a match and set fire to it and burned up the man inside the car.

Edward J. Jeffries, my friend and mentor, was mayor of the city of Detroit at the time. He was a great mayor. But he had not known that this terror was coming or was even likely. Nor had many people in Detroit. And to say that Detroit was not ready for this possibility would be to put it mildly. It would be useful to every mayor in America to read a recent journalistic account of the events of those 48 hours. It is called "Detroit Race Riot" and was written by Shogan and Craig. These young men were not very kind in their judgment of my friend the mayor. Twenty-two years later it is easy to see the lack of preparation and the failures of performance which left 36 dead on the streets of Detroit and an army unit in command of our city.

But whatever may have been the circumstances of 1943, I don't need to tell you that in 1965 no one will make excuses for any present mayor's inability to foresee the possibility of racial trouble in any big city in any State in this country. The warnings from the summer of 1964 are too fresh at hand.

This speech is dedicated to trying to find answers—in advance of trouble. May I start by seeking to put the problem somewhat in context?

The police function is in trouble in every section of our land. This fact may be attributed to the impact of four historic trends.

1. The increasing urbanization of our country.

2. The increasing insistence of the U.S. Supreme Court on strict police compliance with the principles of the Bill of Rights.

3. The vast and continuing migration of millions of Negro citizens, principally from southern rural areas and principally to the great metropolitan areas of our country.

4. The civil rights revolution of the 1960's which is seeking in this decade full freedom and equality for all Negro citizens.

I do not decry any one of these trends, but each of them imposes problems of its own upon the metropolitan police function.

Let us look just briefly at the impact of urbanization on the police function.

Order has been the basic job of every organized government from the beginning of history. But our American Government, while plainly designed to preserve order, made the signal contribution to history of avowing as a Government objective the achieving of individual liberty for its citizens also. The policeman has the task of reconciling freedom and order. In the big city it is quite a task.

Freedom on the frontier was one thing. Freedom in a metropolis is another. In relation to the man of the frontier, liberty could almost be defined as the right to do without hindrance what one wished. In the big city, liberty might be more accurately referred to as the maximum freedom of choice consistent with the maintenance of similar freedom for the other members of society.

In the days of Daniel Boone, there would be little point to a traffic light at a crossing of foot trails. Today we accept the interference with our liberty represented by traffic signals because we know that without them all of us would be snarled in hopeless traffic jams.

When a generation ago a farmboy on a spring day yelled, ran, picked up a rock and threw it—who cared? He was a boy. But today—with perhaps no more basic motivation than the animal spirits which moved his rural grandfather—this same conduct would almost inevitably produce a police call and a police statistic.

In an earlier period few people would be bothered by the bitter and violent words uttered by a pioneer to a few companions around a campfire. In the hot city streets of last summer, words of equal violence addressed to a Ku Klux-minded crowd in St. Augustine or to a Muslim-minded crowd in Philadelphia could prove to be a major public hazard.

These examples are provided only to remind us that law enforcement in a rural society and law enforcement in our modern urban society are vastly different. Most of America today lives in metropolitan areas, where millions of people who do not know one another nonetheless live and work in close proximity, with greatly increased chances for conflict. At least partly out of necessity—and frequently without recognizing what we have done—we have turned over to the police officer of our big cities many functions which used to be among the most important duties of the individual and the family. Today the policeman's tour of duty is full of radio runs which require him to correct the conduct of children, which require him to mediate family quarrels, to determine the right-of-way between over-eager drivers, to care for the injured on the streets, to protect our homes at night and our persons in the daytime—all, hopefully, with the concern of a social worker, the wisdom of a Solomon, and the prompt courage of a combat soldier.

It is interesting to note that in our day when the parable of the Good Samaritan is reenacted on a city street, almost invariably the modern Good Samaritan wears a blue coat.

For the moment, let us leave the frontline defender of law—the police officer—and turn abruptly to another agency of our law—the Supreme Court of the United States. Having said something good about our police, I am not in the next breath going to attack the Supreme Court. In fact, I may be the only judge or lawyer you will ever hear praise the police function and that of the Supreme Court in the same speech, but I see no inconsistency in doing so.

For over a decade our Supreme Court has been engaged in leading this country toward making more effective the high ideals of our American Constitution. It has been setting even higher standards of law enforcement.

It has told us that equality before the law and the equal protection of the laws must be made realities of everyday life.

It has told us that deprivation of human liberty is essentially a decision for the judiciary.

It has told us that as far as the Constitution is concerned, absent probable cause or a judicial warrant, there is no such thing as a lawful arrest for investigation only.

It has told us that forced confessions are an anathema to American law and that a citizen has a right to counsel in all felony prosecutions.

Thus, it seems clear that the Constitution and the Supreme Court of the United States have clearly ruled out of our system of law such old-fashioned police measures as dragnet arrests, detention for investigation only, and third-degree procurement of confessions.

No matter how much we approve in general of the objectives just outlined, can anyone doubt that they demand higher police training and more police manpower?

Now, let me turn to the third tremendous change which has taken place in this Nation. To some degree this one is still taking place. An article by Charles Silberman (author of "Crisis in Black and White") says, speaking of the greatest problem of the cities in the midpart of the 20th century:

"It is not, as so many assume, to bring the wandering middle class back from the suburbs. The large city * * * cannot import a middle class; it must manufacture its own. * * * Bringing people from society's backwaters into the mainstream of American life has always been the principal business, and the principal glory, of the American city.

"It isn't any longer; the city is in trouble today because it isn't dealing successfully with its newcomers. They are still pouring in—not from County Cork, or Bavaria, or Sicily, or Galicia, but from Jackson, Miss., and Memphis, Tenn., and a host of

towns and hamlets with names like Sunflower, Rolling Fork, and Dyersburg. The new immigrants are distinguished from the older residents not by religion or national origin, but by color. Between 1950 and 1960 the 12 largest U.S. cities lost over 2 million white residents; they gained nearly 2 million Negro residents.

"It is the explosive growth of their Negro populations, in fact, that constitutes the large cities' principal problem and concern. When city officials talk about spreading slums, they are talking in the main about physical deterioration of the areas inhabited by Negroes. And when they talk about juvenile delinquency, or the burden of welfare payments, or any of a long list of city problems, officials are talking principally about the problems of Negro adjustment to city life. For the large city is not absorbing and 'urbanizing' its new Negro residents rapidly enough; its slums are no longer acting as the incubator of a new middle class."

Now, from the fact that I read that excerpt to you, some might deduce that I am identifying crime in the big cities as a race problem. On the contrary, I think crime is a problem which is produced by human degradation. If you subject any portion of a population, regardless of its national origin or color, to conditions of poverty, lack of education, lack of culture, lack of employment opportunities, that portion of the population will in relatively short order begin to produce a higher than average percentage of delinquents and criminals.

If it is true, and it is, that in most of our big cities a higher percentage of recorded crimes are committed by Negro citizens than by whites, it also is true that statistically a far higher percentage of Negro citizens reside in slums; they constitute a far higher percentage of employees, with the lowest paid jobs, a far higher percentage of the unemployed, a far higher percentage of school dropouts and a far higher percentage of people who have known degradation, poverty and discrimination through the past 300 years.

Now in every one of our big cities, two other facts are likewise patent and obvious to any who will look. The first fact is that the portion of our society with the greatest stake in effective and vigilant and vigorous law enforcement is the Negro portion of our population. As more crimes are committed by Negroes in the core areas of our cities, so more of the victims are Negroes than is true in relation to the whites.

An article in Look (June 4, 1963) dealing with Washington, D.C., points out that 84 percent of the assault victims in Washington are Negroes. This is an interesting statistic. A similar study of one of Detroit's precincts produced similar figures. That study of a precinct heavily populated with Negroes showed that 78 percent of the identified assault offenders were Negro while 76 percent of the victims were Negro likewise.

In Philadelphia, a 5-year study of homicides indicates that all but 6 percent were committed by offenders of the same race as the victim. Of the 6 percent of interracial homicides, 2.7 percent were committed by whites and 3.9 percent by Negroes.

In Dallas, a 1963 study of homicides indicates that where 68 percent of the homicide suspects were Negro, 69 percent of the victims were Negro likewise.

Contrary to general popular belief about the nature of crime in the United States, Negroes are much more likely to be victims of crimes of violence than is true of whites.

The other fact which is widely overlooked is that just as it is true that it is easy to police the better sections of the white occupied portions of any city, so it is also far easier to police the better sections which are occupied by Negro residents. We have a neighborhood in Detroit in which for 40 years Negro businessmen, lawyers, doctors, workers in the factory with long seniority have bought land and built homes and reared their youngsters. Conant Gardens is known as one of the quietest neighborhoods in one of the quietest precincts in the entire city of Detroit. It always has been.

These things lead me to conclude that the notion that crime is a race problem is a totally false one. They should not lead us to overlook the fact that wherever there has been discrimination, wherever there has been impoverishment, wherever there has been denial of rights, automatically we have built-in problems in relation to social order.

This leads me to the fourth major influence on law enforcement problems—the civil rights revolution of the 1960's.

Over and above all of what I have talked about, we are engaged as a nation in the historic task of seeking to raise 11 percent of our people from the effects of slavery, segregation and degradation in which they have lived for 300 years in the past. This is a stupendous challenge. No one of us can think that it is going to be easy to accomplish in any respect. But it certainly is obvious that the police role in this historic revolution is a crucial one. To date that role has all too often been entirely negative.

The use of local police, who should always be the representatives of the law, to defy the law, to defy the Constitution of the United States and the courts of the land is tragic. It requires condemnation of every law-abiding citizen of our country. Episodes like those of Birmingham and Selma, Ala., and Oxford and Neshoba County, Miss., add to the police problems in every section of the country.

And perhaps we should also say these episodes represent the most futile exhibitions of this century. There isn't any question about whether such fundamental rights as equal education and equal voting, which are guaranteeed by our Constitution, are going to be granted to all citizens in this country. It is only a question as to when and how. Even those who are engaged in leading this resistance know in their own hearts that they must make this change. It is required by the basic religious concepts of the people of this Nation. It is mandated by every bit of our constitutional law.

It is not enough, however, to reject use of local police to defeat implementation of constitutional rights for colored citizens. Positive steps are needed too. There is a deep-seated belief among our Negro citizens that equal law enforcement in police practices does not exist anywhere in our land.

And indeed the demand for equal law enforcement in police practice is increasingly one of the fundamental objectives of the civil rights revolution.

No matter how frequently this demand is stated in obviously exaggerated terms, there is still a fundamental problem here which needs to be faced. The local police forces of this Nation properly regard themselves as public servants in the maintenance of law and order. But they tend not to carry this public servant attitude into the areas of our big cities which are heavily populated with Negro citizens. There they tend to view each person on the streets as a potential criminal and a potential enemy. And all too often that attitude is reciprocated. Hostility between the Negro communities of our big cities and their police departments is the major problem which law enforcement deals with in this decade. Every recent race riot has had such hostility as a major cause. The elimination of this hostility will take attention and reason and great local and national effort.

Conflict between the police and the Negro people is deep rooted in our history and deep rooted in experience on both sides.

The Negro citizen sees the police officer in blue coat, with white face, as the representative of the white man's law who for nearly 300 years enforced the laws—first of slavery and next of legally sanctioned segregation.

His personal experience may have been like the following—or much worse. In the 1930's, if a teenage Negro boy met a white police officer in the late afternoon on the streets of an east Texas town near where I grew up, his first contact with law would probably be that of being told: "Nigger, don't let the sun set on you in this town." Thirty years later in a big northern city, just that memory can turn a Saturday night party that has gotten loud enough for a police call into a dangerous melee.

Let us turn to the other side of the conflict and examine the hostility there. Police officers have grown up in a tradition where part of their historic function assigned by the community had been "keeping the Negro in his place." This history produces current attitudes which are illustrated by the great number of present-day police officers who invariably use the hated term "nigger" in talking about (and sometimes to) Negro citizens.

But some police hostility is based on their own observations of their own job. A thoroughly unbiased police officer who made the run to the Saturday night party I referred to couldn't miss the hostility which greeted him—and he neither knows nor thinks about its source. Then, too, many white police officers work daily in core area precincts where they are constantly in contact with crime committed by Negroes. These same officers probably live in neighborhoods occupied by whites where they have little contact with crime. This fact alone makes them tend to identify Negroes with crime and whites with peace and order.

We have already indicated how erroneous this conclusion is. But nonetheless it is a part of the hostility problem with which we have to deal. It is the pressure from these hostilities which makes it so very important that top policymaking be in civilian hands and that mayors and civilian police commissioners exercise in fact the control which the law places in their hands.

This analysis of the problem leads me inevitably to two simple conclusions, each enormously difficult to achieve:

1. That we should greatly strengthen law enforcement.

2. That we should move in every way possible to guarantee equal law enforcement.

While I was police commissioner of Detroit in 1962 and 1963, we formulated a program for the Detroit Police Department. It read: "We seek: (1) More law enforcement and more vigorous law enforcement. (2) Equal protection of the law for all law-abiding citizens; equal enforcement of the law against all law violators. (3) The support of law-abiding citizens for law enforcement."

We posted this program at the precinct stations over the desk. I always thought that the mere statement of these very general principles was of real value as they were read by both the men on the force and by the general public.

But, of course, the real question is one of implementation. How do you guarantee equal and effective law enforcement? Answering this question is crucial to the task of ending hostility and fear and distrust which affect a major portion of the people in our American cities.

The first thing you do is to find facts and face them. Let's be frank about this matter. This has not always been the practice. "The police officer is always right" is a most familiar slogan in precinct station houses. And the temptation, regardless of the facts, to defend police conduct which violates the book of procedure and the law is a temptation to which many police officers are, by social pressure of their own ranks, quite inclined to yield.

This isn't to ignore the fact that facts can be misstated against the police as well as for them. This is the most common thing in the world. The criminal arrested on the street wants to find something on the police officer. The fact that he would lie should surprise nobody. Some suspicion is justified in relation to almost anything which such a person is likely to offer in mitigation or expiation of his situation. But there are ways of finding facts.

Most things that happen on big city streets have been seen by a lot of people. And if you ask, and you take down what is told you by those who were there on the scene and who saw, and if you look at what is there to be seen, the chances are you can come out with a pretty accurate picture as to what actually occurred.

There are, of course, some things which you can't figure out. You can't figure out, for example, in the arrest of a belligerent drunk who takes a pass at the arresting officer exactly how hard he should have been hit in return. And I am not ignoring for 1 minute the fact that there is of necessity a basic discretion vested in the police officer in dealing with this kind of situation. Afterward, no one can fairly judge whether the pounds of pressure exerted by his fist or by his billy were scientifically calculated to be the least amount of physical force needed to subdue this person. And also in dealing with violent crime, the police officer who knows that his own life is in jeopardy has legal discretion to take any reasonable means to protect it. And in such measures he deserves the support of the community which he serves.

But there are some situations which aren't in these categories. If the police have a prisoner with his arms handcuffed behind him and four officers on the scene, it ought to be possible to bring him into a precinct station intact. Furthermore, I have often tried to figure out exactly how you would go about it if you were deliberately undertaking to develop a 4-inch cut on the top of the head by "falling on the precinct steps." But in the early months of my administration as Police Commissioner, I saw some reports which literally described this somewhat fantastic feat as having been accomplished by a shackled prisoner.

This doesn't mean that every error made by a police officer is fatal or requires discharge. He deals with difficult and complicated problems. But if he deserves correction, he should have it, as in any other walk of life. As a matter of fact, any situation where the truth is allowed to be covered up by official reports is productive of the greatest amount of hostility toward and disregard for law. This is a major source of problems in the area in which we are speaking.

Direct investigation of important civilian complaints by the civilian head of the police is essential. The community relations bureau or complaint bureau should be manned by permanently assigned officers chosen for intelligence and courage enough to face hostility inside and outside of the department. Their reports should go directly to the civilian heads or heads of the department.

Secondly, the administration of the department should make it known that it will not tolerate the institution which is best known in police circles as "alley court." Our law never has allowed for alley courts. The Constitution does not allow for them. But it has been an institution. There are police officers who are sincerely convinced that unless they are allowed to bolster their authority in the street by administering punishment by fist or billy when they feel it is necessary, they cannot maintain peace and order.

The law prohibits this. Our total society prohibits this. Punishment is not the function of the police. It is the function of the courts. The function of the police is to detect and apprehend and to bring into court for punishment. "Alley court" is ordinarily used against a minority group. If it is used, it inflames the attitude of that group—in this case the Negro population. It produces the cries of "police brutality." And it deprives the police department of the most important ally that it can have—the support of the law-abiding populace residing in the core areas of the city for the police department's war against crime. There are relatively few police officers who believe in "alley court." They cannot be allowed to perpetuate an utterly indefensible institution.

Thirdly, the administration of the police department should open and maintain means of communication between the police department and all sections of the community it serves. Particularly in this decade, this must be done with the Negro community and its leaders. Be available to meet with them to exchange information and to try earnestly to resolve problems. If you are conscious of a problem, don't wait for someone else to call. Initiate the discussion yourself.

What else do you do to achieve equal law enforcement? Here is a checklist of specific measures designed to achieve equal law enforcement and more effective law enforcement:

1. Keep police-community communications open.
2. Provide for direct staff investigation of civilian complaints and final decision on them by the highest civilian authority in the police department.
3. End "alley court."
4. Identify police troublemakers on the force and transfer them to noncritical jobs.
5. Ban "trigger words" in police action.
6. Enforce politeness in the giving of traffic tickets.
7. End investigative arrests.
8. Increase law enforcement in high crime precincts.
9. Drive out organized crime—and pay particular attention to its manifestations in the core areas.
10. Actively seek cooperation of all citizens for law enforcement—particularly in high crime areas.
11. Make certain that equal opportunity exists for all in police department—recruitment, assignments and promotions.
12. Ban the use of police dogs in core area police work. A dog companion for a single patrolman on a lonely beat may be useful. That same dog at a racial demonstration is a symbol of race hatred.
13. Integrate police teams—particularly make certain of the integration of details employed at racial demonstrations and the careful selection and integration of "ready forces" employed to respond to street conflicts.
14. Seek more police officers.
15. Seek better training for police officers.
16. Seek better pay for police officers.

I make no suggestion that any of these items are ones which can be the subject of a simple order and then be forgotten about. Least of all do I suggest that by listing these items I would necessarily claim that any police department had completely accomplished them. I do suggest that if they are sincerely held objectives, if they are tenaciously sought, then significant progress can be made.

These are policies of the Police Department of the city of Detroit, as I have reviewed them recently with the present Police Commissioner. They have been since the beginning of Mayor Cavanagh's administration. While the inauguration of these policies brought many predictions of dire results from prophets of doom inside and outside the police department, the results have been quite different. During Mayor Cavanagh's administration Detroit has done significantly better than the national FBI crime trend index.

By what I have said it must be obvious that I believe wholeheartedly in civilian control of police forces. There are many proposals for achievement of this, including civilian review boards. The best mechanism in my view, by far, is that of a civilian police administration—dedicated to vigorous, effective, fair and equal law enforcement—which has both responsibility for law enforcement and control of police practice.

The great majority of police officers, I believe, want no part of any abusive practices. They want and will support higher standards of training, of pay, and of performance in their profession.

Federal assistance in relation to some of these local police needs should be sought—particularly, I believe, in relation to police training. Recently in Washington I proposed the founding of a National Police Training College, organized, staffed, and financed at a level to make it comparable in police work to a West Point or an Annapolis. Such an institution could do more to enhance the level of local law enforcement than any other single program I can think of.

And now, finally, a word about a slogan which seems to me to be tremendously important. I would like to see more public concern about police work—not less. I would like to see citizens feel that they have a tremendous stake in how their police department operates and feel a duty to support it in the proper discharge of its duties. I would like to see them willing to "get involved."

What about the woman murdered in Queens last year within sight or hearing of 38 people—not one of whom called the police? They didn't want to get involved.

What about the police officer engaged in a desperate struggle to prevent a would-be suicide from throwing himself off an expressway bridge recently in Detroit? When the officer asked for help in trying to lift the man to safety, one citizen gave it. Others passed by, not wanting to be involved.

What commentaries these are on our civilization.

The effort to involve citizen support for law enforcement is basic in a democratic society. Without it the police effort can degenerate into an occupation army attitude. With citizen support the police are the community's right arm in fighting the evils which make city living difficult.

Let me quote briefly from a speech I made to a national police-community relations conference in 1963:

"In precinct 10, our most difficult precinct, we had a community relations meeting just a month ago that was supposed to be a regular quarterly meeting, but it wasn't a very ordinary affair. There were 450 citizens (90 percent of them Negro) seated in the police garage—the only place we had that was big enough to accommodate them. They were seated on hard folding chairs, and they stayed there for 3 hours to talk in detail with the precinct inspector and the officers in the precinct about law enforcement in the precinct. During the course of this 3-hour meeting there was not one complaint about discrimination or brutality.

"The most popular man in the meeting was the precinct inspector who was bringing the most vigorous kind of law enforcement to the 10th precinct. What they were asking for was more enforcement in their particular block or neighborhood, rather than wanting to have the police removed. They were telling us where stills were, or where blind pigs were operating, or who was pushing people around in their neighborhood. This is the kind of information which makes the law enforcement job so much easier. We gave out 10 department citations for dramatic work of assistance to the police on the street.

For instance, two gunmen had gone into a bar, held it up. Three of the Negro citizens who were at that meeting, when the gunmen left with the swag, went out the door after them, chased them, caught them, and held them until the police got there. Now, we don't really recommend that with civilians in our town. But after it was done, we couldn't very well do anything but say that it was an act of considerable courage.

"What we do encourage is having people tell us when they see things going on. Most of the other nine citations were given to people who had done that. They had seen something suspicious that ended up being the commission of a crime. Through this we get help for law enforcement.

"The sort of communication that was represented by that precinct 10 meeting, magnified a thousandfold, is the essence of democratic participation in law enforcement. Such avenues of communication have to date served in this great industrial area to let us move toward further progress in human relations without the eruptions of violence which plagued other great cities this past summer. May this progress continue."

In general I think I can report that such progress still continues.

Basically, all good law is the codification of the wisdom and morality of past ages. It is never safe to deal long with practical problems without relating them to moral standards. Let me end with such a statement. In Romans, chapter 13, we find these lines:

"Owe no man anything, but to love another; for he that loveth another hath fulfilled the law.

"For this, Thou shalt not commit adultery, Thou shalt not kill, Thou shalt not steal, Thou shalt not bear false witness, Thou shalt not covet; and if there be any other commandment, it is briefly comprehended in this saying, namely, Thou shalt love thy neighbor as thyself.

"Love worketh no ill to his neighbor; therefore love is the fulfilling of the law.

"And that, knowing the time, that now it is high time to awake out of sleep: for now is our salvation nearer than when we believed.

"The night is far spent, the day is at hand; let us therefore take off the works of darkness, and let us put on the armour of light."

REMEMBERING ERNIE PYLE

Mr. HARTKE. Mr. President, there are many persons throughout the Nation who recall the warmth and the clarity of the war reporting of Ernie Pyle, whose vignettes of war from the level of the average GI were so unforgettable.

It was 20 years ago, on April 18, 1945, that Ernie Pyle died of a sniper's bullet on Ie Shima. Earlier this year I offered a bill, S. 1673, proposing a commemorative stamp. Ernie Pyle was a native of Dana, Ind., and a graduate of the Indiana University School of Journalism.

Today an article in the Washington Daily News, which Ernie Pyle once edited, recalls the circumstances surrounding his death. It also reveals the existence in the Scripps-Howard files of 15 unpublished Ernie Pyle columns which will appear in the papers of the chain in the days ahead. I shall look forward to reading those dispatches, so long after.

Mr. President, I ask unanimous consent that the article to which I refer may appear in the CONGRESSIONAL RECORD.

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

FIFTEEN UNPUBLISHED COLUMNS BY ERNIE PYLE RELEASED

(By Jim G. Lucas)

It was April 18, 1945.

In newspaper offices all over the world the bell on the wire service ticker jangled for an incoming bulletin. It read:

"At a command post in Shima, Ryukus Islands, April 18—Ernie Pyle, war correspondent, beloved by his coworkers, GI's and generals alike, was killed by a Japanese machinegun bullet through his left temple this morning.

"The famed war correspondent, who had reported the wars from Africa to Okinawa, met his death at 10:15 a.m., about a mile forward of this command post * * *."

ONLY YESTERDAY?

That was 20 years ago. To the men who knew and fought with Ernie at their side, to the millions who read him daily and felt they knew him because he made the war real, it hardly seems that long.

Millions of others know him only as a legend.

Ernie had landed on Ie Shima with the 77th Infantry Division just the day before. He had a hacking cold. On the way over, he put on a jacket for the sea breeze was brisk.

"I'm the old one-hoss shay," he told Bill McGaffin of the Chicago Daily News. He was a health-worrier—constantly fussing about his ailments.

The operation on Ie Shima was expected to be a snap. The island is only a dot off Okinawa. But later, when Ernie saw a GI get blown up by stepping on a mine, he remarked to Milton Chase of Radio Station WLW, Cincinnati:

"I wish I were in Albuquerque."

STRATEGY TALK

Ernie arose early on the morning of April 18, he chatted briefly with Maj. Gen. A. D. Bruce, commander of the 77th, at his command post on Ie Shima.

"I gave him the latest dope and our future plans," the general recalled later. "I was surprised and pleased that he came to the same conclusions I did."

That was Ernie. He knew war intimately.

About 10 a.m., he set out in a jeep with Lt. Col. Joseph B. Coolidge of Helena, Ark., commanding officer of the 305th Regiment, to look for a new command post site. Three others were with them: Maj. George Pratt of Eugene, Oreg., Dale Bassett of Baush, Colo., and the Jeep driver, John Barnes, of Petersburg, Va.

Except for an occasional mortar round, or a red flag indicating a mine, it was quiet, routine.

Another Jeep preceded them. Ahead were some trucks.

MACHINEGUN

As they neared a junction outside the little settlement of Ie, a Japanese machinegun opened up from the left, cutting up dust in a nearby field. It was too close for comfort. Why the gunner had let the other vehicles pass and zeroed in on Barnes' no one will ever know. Barnes braked sharply. The men piled out and took cover in a ditch. The gunner had a clear field of fire.

Pyle, Coolidge and Barnes were safe as long as they hugged the ground. Pratt and Bassett were a little forward. Ernie and Coolidge raised their heads. Pyle spotted Pratt and asked:

"Are you all right?"

Those were his last words.

ERNIE WAS DEAD

"The Jap let go again," Coolidge wrote later. "He had had time to adjust his sights. Some shots chewed up the road in front of me and ricocheted over my head. After ducking, I turned to ask Ernie how he was. He was lying face up, and at the time no blood showed, so for a second I could not tell what was wrong."

Ernie was dead. He had been hit in the left temple. Coolidge called to some soldiers nearby to ask for a medic. None was available, but it didn't matter.

Ernie was buried in Ie Shima. A few years ago, I watched a representative of the Japanese Government place a wreath on the site of that grave. Later, his body was removed to Hawaii.

UNPUBLISHED WORK

The Scripps-Howard Newspapers continued publishing a number of Ernie's columns after his death.

"We believe he would have wanted us to; as a great reporter, as a great newspaperman, and a great person, he would have wanted his stories to go through," his editors explained.

But 15 of Ernie's columns were never published, and have remained in our files for the past 20 years. Now we are publishing them for the first time starting next Monday in the Washington Daily News and other Scripps-Howard newspapers.

We want them to serve as a memorial. But, more than that, we would share the Pyle magic with those younger Americans who never had the privilege of knowing him.

FOLLOW-UP

In these last 15 stories, Ernie writes about 42 Americans. We have tried to locate as many as we could to find out what has happened to them over the years. We have been surprisingly successful, all things considered.

These were among the last men Ernie talked with. They still speak of him with warmth and affection; the shock of his death still lingers. Some recall he had a premonition of death; he felt his string had run out. They have mementos of him; a cigaret lighter, a short-snorter, or some GI joke they will never forget.

Not surprising, many feel they were the last he talked to, the last to see him alive. They sometimes feel they were his best and closest friends. This is not surprising either. Ernie was that kind.

Ernie Pyle has been dead for 20 years. But he is still very much alive, as the stories we have dusted off, and the memories of his GI friends, will show.

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

LEGISLATIVE BRANCH APPROPRIATIONS, 1966

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be laid before the Senate.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill—H.R. 8775—making appropriations for the legislative branch for the fiscal year ending June 30, 1966, and for other purposes.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the bill.

The Senate resumed the consideration of the bill.

VIETNAM

Mr. MANSFIELD. Mr. President, in the Saturday Evening Post of July 17, there appears an article with Washington dateline by the distinguished journalist Stewart Alsop. And in the Washington Post of July 11, there appears a

feature with a Saigon dateline by John Maffre, a reporter who is in the tradition of courage and straightforwardness and dedication which the American press corps in Saigon has built in recent years.

Both articles deal with the critical Vietnamese situation. Both shed additional light on the complexity of the problems which confront us there. It is not and has never been, as is now becoming all to apparent, an open and shut affair, a simple do or do not proposition and these articles are most useful in stimulating the kind of thought which is essential if we are to deal with the situation effectively. For that reason, I commend them to the attention of the Senate and ask that they be included at this point in the RECORD.

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

[From the Saturday Evening Post, July 17, 1965]

A TIME OF TROUBLE

(By Stewart Alsop)

WASHINGTON.—The mood of this city has changed sharply in the last 6 months.

Last January, in the wake of Lyndon Johnson's massive triumph at the polls, there was a confident feeling that, with this remarkable man running things, nothing could go really wrong. Now the confidence has been replaced by an uneasy, foreboding sense that the President and the rest of us may be in for a time of great trouble.

On the domestic front, the uneasiness is like "a cloud no larger than a man's hand." Its chief source is a single speech, delivered in early June by William McChesney Martin, Chairman of the Federal Reserve Board. Martin listed a series of 12 "menacing likenesses" between the present economic situation and the situation in 1929, before the great depression.

Martin was careful to point out differences too, but the "menacing likenesses" were much more striking. The President's economic seers, like Treasury Secretary Henry Fowler and Economic Adviser Gardner Ackley, remain guardedly confident. But the Martin speech was followed by a sharp, nervous drop in stock prices. And the uneasy feeling persists that the present boom, the longest since the 1929's, cannot last forever, and that some sort of economic trouble surely lies ahead.

On the foreign front, the clouds are visible—they seem to be bigger and blacker and uglier every day. The Dominican affair has raised the old specter of Yanqui imperialism in Latin America, and elsewhere in the world America-hating is becoming an international pastime. Charles de Gaulle's France, which used to be known as "America's oldest ally," is acting more and more like a hostile power. NATO seems to be coming apart. But the real source of the dark sense of foreboding that has been eroding Washington's self-confidence is Vietnam.

There is a tendency nowadays, especially abroad, to suppose that President Johnson is an impulsive fellow. In fact, he made his decision last February to bomb North Vietname only after long delay and much agonizing. All his advisers told him the same thing—that otherwise the Vietnam war would be lost. Thus the President had no real choice.

All his advisers hoped, and some certainly believed, that American air power alone would be enough to bring the Communists to the conference table in a mood to negotiate. As noted in this space about a year ago, it is a favorite American illusion "to suppose that air power is an adequate substitute for what the British call the PBI, or Poor Bloody Infantry." It is clear by now that, as in Korea and again and again in the Second World War, the job the Air Force started will have to be finished, if it can be finished, by the PBI.

What has happened is what a minority of the President's advisers feared might happen. When we resorted to our most available instrument of military pressure—air power—the North Vietnamese Communists resorted to theirs: human bodies. But they have done so in a clever way. An overt, full-scale, conventional invasion of South Vietnam, like North Korea's invasion of South Korea, would have had a shock effect, which might have produced a really massive reaction.

Instead, the invasion of South Vietnam has been by slow stages, and thus largely invisible. The North Vietnamese have simply increased, very steadily, their commitment of organized units to the Vietcong. The process has now reached a point where it is "academic," as a U.S. military spokesman in Saigon has said, to distinguish between indigenous Vietcong guerrilla forces and organized units from the north, because there as so many of the latter. But this invasion has produced no shocked reaction, here or abroad.

This covert invasion has in turn forced the President to commit American ground troops to combat. The process is sure to go further. Behind closed doors, Secretary of Defense Robert McNamara has talked of the possible necessity of committing to South Vietnam as many as 300,000 U.S. troops. He has said flatly that a war on the scale of the Korean war "may have to be accepted."

Consider the differences between the Korean war and what "may have to be accepted" in Vietnam. The Korean war was a response to overt aggression, a war officially sanctioned by the United Nations, supported by this country's allies and fought when this country had a virtual atomic monopoly. A Korean-scale war in Vietnam, if that is in store, will be a very lonely war. We will have no United Nations sanction, no support worth mentioning from any ally, and the passionate opposition of France and the entire uncommitted world. But that is not all.

Certain Republicans disgracefully exploited Truman's war for political gain. But all responsible opinion recognized that President Truman had no real choice but to oppose the overt aggression in Korea. President Johnson has no real choice but to oppose the covert aggression in Vietnam. But partly because the aggression is covert the Vietnamese war is widely unpopular and very little understood.

According to a recent Gallup poll, 54 percent of the voters want to "stop military action," or "withdraw completely," or "stop fighting, start negotiations." If Korean-scale casualties now ensue—33,000 American dead, as against a few hundred so far in the Vietnamese war—the war could become the most divisive in a hundred years.

Partly this is because a lot of people—not only the intellectuals—feel an obscure sense of guilt about the Vietnamese war. Senator JOHN SHERMAN COOPER recently cited one reason why: "What do the South Vietnamese people want to do? Stay independent? Join the North? Keep the Americans there? Unless we ask the South Vietnamese what they want to do, our presence there looks like an occupation."

The Communists are highly unlikely to accept a cease-fire or the other obvious preconditions necessary to "ask the South Vietnamese people what they want to do." But the gesture of offering to ask them ought to be made, if only to erase that sense of guilt.

Above all, the present policy on informing the American people about the Vietnamese war ought to be radically changed. Under that policy, a State Department public-relations underling lets slip the fact that American ground troops are to start fighting in Asia, as though that were a matter of no importance. If a Korean-scale war is really in prospect, then a time of very great trouble surely lies ahead, and a combination of obsessive secrecy and rosy pressagentry is no way to prepare the country for that time.

[From the Washington (D.C.) Post, July 11, 1965]

A YEAR OF ESCALATION FOR TAYLOR—VIETCONG, HOWEVER, STEPPED UP ITS TEMPO A BIT FASTER THAN WE DID

(By John Maffre)

SAIGON.—Just a year ago last Wednesday, Maxwell D. Taylor stepped from a presidential jet at the airport here, a proconsul with authority rare in American diplomatic history.

President Johnson had taken the almost unprecedented step of assigning a senior career diplomat, U. Alexis Johnson, as Taylor's deputy, and Johnson was waiting as Taylor stepped from the plane wearing a white suit, a radical switch from his four-star uniform as former Chairman of the Joint Chiefs of Staff.

Also at the airport was then Lt. Gen. William C. Westmoreland, head of the Military Assistance Command, Vietnam, who would be getting his fourth star as a full general within 3 weeks.

Taylor read a brief statement including the protocol sentence, "I have the greatest respect for General Khanh and his colleagues in the government who carry the responsibilities of leaders." Then he drove in a black Lincoln limousine to the cramped Embassy near the waterfront to begin work.

A week earlier, Henry Cabot Lodge had vacated that Embassy. Last Thursday, a year and a day after Taylor's arrival, it was announced that the general was quitting the place—in favor of Henry Cabot Lodge.

Taylor inherited an unusually large Embassy staff when he took possession a year ago, a staff whose internecine quarrels over the fall of President Ngo Dinh Diem were not yet completely stilled. He also took over a U.S. Operations (AID) Mission and a U.S. Information Service staff totaling nearly 1,000 civilians, and a force of more than 16,000 servicemen who were advising South Vietnam's warriors in their fight against the Vietcong.

The day Taylor arrived, the Pentagon revealed that 146 Americans had died in action in South Vietnam since January 1, 1961. The day before, almost prophetically, the first Australian military adviser had died when the Vietcong attacked a remote Special Forces camp in the highlands named Namdong.

A FRANTIC TWELVEMONTH

In the year since then, the military, political, and economic picture has changed drastically. Lt. Gen. Nguyen Khanh lives in polite banishment in New York, a bewildering series of civilian successors and uniformed aspirants has come and gone and today another military junta is in power.

Some 300 more Americans have died as the pace of war has increased. There are now nearly 60,000 American troops in South Vietnam, including 9 combat battalions that have gone on the offensive, and at least 6 more battalions are on the way.

U.S. 7th Fleet aircraft have pounded North Vietnam for 5 months as well as launching incountry strikes against the Vietcong, sweeping South China Sea avenues of infiltration and sending cruisers and destroyers to bombard shore positions.

The U.S. Air Force, using almost its full range of Century jet strike aircraft, has hammered the enemy in both the north and the south and at least 15 Army helicopter com-

panies are providing rapid air mobility which partly offsets the Vietnamese troop shortage, frequently carrying recently introduced U.S. Marine Corps and airborne combat units.

Other American units have pitched in to help an Australian infantry battalion that was getting its first taste of combat; the Philippines have provided a surgical team; South Korean engineers are supporting the South Vietnamese; a New Zealand artillery battery is expected, and soon there may be the largest "third country" contribution of all: a complete South Korean combat division.

ENEMY BOLSTERED, TOO

In brief, what was once a counterinsurgency effort is moving toward full-scale war. Unfortunately, however, this war is still going in favor of the Vietcong.

Massively reinforced by North Vietnamese cadres and equipped with a new family of Communist-bloc weapons, largely from Red Chinese, the Vietcong's regular and paramilitary strength is now well in excess of 100,000. They dominate a far larger share of the South Vietnamese countryside than they did a year ago, particularly in the highlands, and they have regularly overwhelmed government forces in regiment-size attacks, sometimes even using motorized transport.

There have been some pluses on the American side. For one thing, the United States has backed a positive policy of full commitment to aid South Vietnam in preserving independence, notably by striking north and serving notice that there is no longer such a thing as an inviolate sanctuary.

Other U.S. pluses are less striking. The official thinking of the American mission here is that despite the merry-go-round of governments, at least none has been unfriendly to the United States.

Militarily, the United States has provided the logistics for an increase of 100,000 in the government's paramilitary forces and has helped double the once feeble national police to at least 42,000. Economically, in addition to herculean efforts to expand and diversify the productive base, the United States so far has been able to stave off the threat of runaway inflation.

NO HINT OF TALKS

The minuses are ominous. There is still no strong, stable government demonstrably responsible to the people. The downward military trend since early May persists and despite an increase in recruiting, the strength of the Vietcong relative to that of the government grows steadily larger.

Most important, efforts here and elsewhere have not convinced Hanoi—or Peiping—that it would be best for its leaders to send a delegation to a conference table.

It was sometime last autumn that the conclusion was reached that South Vietnam by itself could not generate sufficient energy to get the war effort off dead center. Attacks on the 7th Fleet in August had demonstrated that the "Democratic Republic of Vietnam"—Hanoi—was prepared to act in a big way.

Within a few months, a startling increase in infiltration from the North had forced South Vietnam and the United States to a more realistic appraisal of the odds against them. This increase in the odds was confirmed in February by the discovery of an enormous cache of Chinese Communist weapons which has been ferried into Vungro harbor on the central Vietnamese coast.

The relatively modest plans for an increase in American support were revised upward. Other plans were made to help the Vietnamese boost their total of men under arms—now fewer than 600,000—by 160,000. The serious American military assessment, however, is that this level will not be approached before the middle of 1966 and that it may be 1967 before it is realized.

In the interim, it was concluded that a large infusion of U.S. combat units was vitally necessary. Marine and Army troops have poured into such strategic areas as Danang and Chulai, a harbor is being prepared farther south at Camranh Bay and airfields are being guarded at Bienhoa and Vungtao, closer to Saigon.

In the opinion of one senior officer, the Vietcong strategy aimed at full victory in 1965 has been blunted but has not lost its thrust. Their success is becoming more and more evident in this capital.

Power blackouts caused by sabotage are becoming more frequent. Prices of foodstuffs from the Mekong Delta in the south and the highlands around Dalat are rising because of shortages. The increasing threat of terrorism was evidenced last week by the evacuation of the largest American officers' billet—in the Rex Hotel—because of a bomb scare.

As far as the American mission is concerned, it has achieved greater cohesiveness despite its proliferating numbers. The point has been made repeatedly that no recommendation was made to Washington by Taylor unless it was approved by all mission heads.

Taylor made it a practice to defer to the judgment of General Westmoreland and his staff on military matters. A source close to Taylor observed recently that in addition to his confidence in Westmoreland, whom he recommended for a second star 10 years ago and whose fourth star he pinned on last August, Taylor had enough problems on his hands without wanting to dabble in military waters again.

OLIN D. JOHNSTON MEMORIAL FUND

Mr. MONRONEY. Mr. President, I am honored to advise the Senate that the friends of our late colleague, Olin D. Johnston, have initiated the establishment of an endowed professorship of political science and memorial student scholarship fund in his honor at the University of South Carolina. I can think of no more fitting tribute.

If there was anything more dear to Olin Johnston's heart than the welfare of the Federal employee, it was the education of the American people. In the truest American tradition, Olin Johnston pulled himself up by his bootstraps. Born in the cotton mill town of Honea Path, S.C., he worked in the mills from the age of 10 until he was grown. At certain times in his young life, he held down two full-time jobs and also attended school. His efforts were rewarded. He earned his bachelor's degree at Wofford College, and later a master's degree and a law degree from the University of South Carolina. Throughout his public career he helped young people in their efforts to earn a college education. There are literally hundreds of men and women today who owe their opportunity for education to Olin Johnston. They will not forget him. Through the fine efforts of his many friends, particularly Federal employees who knew and loved him, the establishment of endowed chair and a student scholarship fund at the University of South Carolina will serve as a living tribute to his life and career.

I ask unanimous consent to insert in the RECORD at this point a statement regarding the establishment of the Olin D. Johnston Memorial Fund, and letters to Mrs. Olin D. Johnston from the President and Vice President of the United States, the Postmaster General, John A. Gronouski, and the Chairman of the U.S. Civil Service Commission, John W. Macy, Jr.

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

COLUMBIA, S.C.—President Lyndon B. Johnson writes that memorials to the late Senator Olin D. Johnston which are being established at the University of South Carolina will be "a fitting tribute to the late Senator and a monument to his public career."

In a letter to Mrs. Johnston, the President also wrote:

"Olin Johnston's death was a great loss to the United States. He was a man with deep feeling for people and a man who worked tirelessly to help others.

"He was a great believer in the value of education, and I am pleased to learn that a fund has been established to honor his memory.

"It is my understanding that this fund will provide for endowment of the Olin D. Johnston professorship in political science, an appropriate memorial, and for scholarships in his name at the University of South Carolina where he earned two degrees."

Mrs. Johnston has given the large and valuable collection of the late Senator's papers, representing 40 years of public service, to the University of South Carolina.

The Olin D. Johnston Memorial Fund established by the University of South Carolina Educational Foundation is receiving wide support. C. Wallace Martin, executive director of the foundation, said the fund has "the full endorsement" of national and State leaders including the Senator's former colleagues in Washington, many of whom have paid tribute to his memory on the floor of the Senate and the House of Representatives.

Gifts are expected to come from throughout the United States because Senator Johnston's efforts in behalf of postal employees, Federal workers generally and other groups are well known and greatly appreciated. The individuals he helped and befriended are countless.

The postal supervisors of the Carolinas recently endorsed the Olin D. Johnston Memorial Fund as an appropriate tribute to the late Senator.

Every 1 of the 15 postal employees of Westminster in Oconee County, S.C., have contributed to the fund, Postmaster Martin D. Watkins noted in forwarding contributions to the University of South Carolina Educational Foundation. They became the first group to participate 100 percent in the support of the fund.

A permanent record of contributions will be maintained, although donors may be anonymous if they wish. Gifts to the fund are tax deductible. Checks should be made payable to the fund and sent to Olin D. Johnston Memorial Fund, University of South Carolina Educational Foundation, Columbia, S.C.

THE OLIN D. JOHNSTON MEMORIAL FUND

Preamble: The late Olin D. Johnston earned the eternal gratitude of the people of his native State and of postal and other Federal workers for his constant and courageous efforts in their behalf. In South Carolina he served in the legislature and was twice elected Governor. As U.S. Senator, Olin Johnston served on important committees most diligently and capably, and supported legislation worthy of merit. He walked with Presidents and other men of distinction; yet he never lost the common touch. In recognition of his life of service, friends of the Senator have established the Olin D. Johnston Memorial Fund through the University of South Carolina Educational Foundation.

Purpose: To receive funds to endow the Olin D. Johnston Professorship in Political Science and to provide for an appropriate memorial at the University of South Carolina where he earned two degrees. All funds received over and above the amount necessary for these purposes will be set aside to provide scholarships in his name for deserving students from low-income families who might otherwise be unable to continue their education.

Sources: Funds are to be solicited from friends of the late Senator Johnston in South Carolina and throughout the Nation.

Publicity: The University of South Carolina Educational Foundation will prepare publicity releases for the press, radio, and television. Cooperating organizations are asked to include information concerning the memorial fund in newsletters and other internal publications of the groups being solicited.

Gifts: All gifts to this fund are tax deductible and gifts in any amount will be welcomed. Gifts should be made payable to the Olin D. Johnston Memorial Fund, and should be forwarded to the Olin D. Johnston Memorial Fund, care of University of South Carolina Educational Foundation, Columbia, S.C.

A permanent record of contributors will be maintained except in those cases where a person wishes that his or her name be withheld.

Headquarters: The campaign is being operated from the campus of the University of South Carolina. It is under the direction of C. Wallace Martin, executive director of the University of South Carolina Educational Foundation. The telephone number is (area code 803) 765-4111.

THE WHITE HOUSE,
Washington, May 29, 1965.

Mrs. OLIN D. JOHNSTON,
Columbia, S.C.

DEAR MRS. JOHNSTON: Olin Johnston's death was a great loss to the United States. He was a man with a deep feeling for people and a man who worked tirelessly to help others.

He was a great believer in the value of education and I am pleased to learn that a fund has been established to honor his memory. It is my understanding that this fund will provide for endowment of the Olin D. Johnston professorship in political science, an appropriate memorial, and for scholarships in his name at the University of South Carolina where he earned two degrees.

This is a fitting tribute to the late Senator and a monument to his public career.

Sincerely,

LYNDON B. JOHNSON.

WASHINGTON, D.C.
May 26, 1965.

Mrs. OLIN D. JOHNSTON,
Columbia, S.C.

DEAR GLADYS: Your late and beloved husband, Olin D. Johnston, as you know, was one of my dearest and kindest friends. More importantly, he was the friend of South Carolina, of the whole South, and of all America.

It is a pleasure to learn that a fund to honor the memory of my close friend has been established at the University of South Carolina.

The Olin D. Johnston professorship in political science, a memorial on the campus, is an honor in keeping with the man who worked hard for better education, for better civil service, and for better living standards.

The scholarships, given in his name for deserving young people who might otherwise find it impossible to continue their education, will serve as a symbol of the humanitarian philosophy of the man.

I sincerely hope and expect that this effort will be generously supported. America has been greatly enriched by the life of my colleague and companion, Olin D. Johnston.

Sincerely,

HUBERT H. HUMPHREY.

WASHINGTON, D.C.,
June 7, 1965.

Mrs. OLIN D. JOHNSTON,
Columbia, S.C.

DEAR MRS. JOHNSTON: I sincerely appreciate the opportunity to assist in every way possible in providing an appropriate memorial and scholarship, which will be established at the University of South Carolina, in the name of the beloved gentleman from South Carolina, Senator Olin D. Johnston.

Throughout the years, the employees of the Federal Government and, in particular, the employees of this Post Office Department have paid many tributes to the late Senator. I know it will be their desire to participate in the establishment of the proposed memorial.

I join all postal employees in paying this lasting tribute to a great man.

Most sincerely,

JOHN A. GRONOUSKI,
Postmaster General.

U.S. CIVIL SERVICE COMMISSION,
Washington, D.C., June 21, 1965.

Mrs. OLIN D. JOHNSTON,
Columbia, S.C.

DEAR MRS. JOHNSTON: A high privilege of my Government service has been the close association I have enjoyed with Senator Olin Johnston in the continuing improvement of our country's civil service. His vast contribution to this objective will be an everlasting memorial in the hearts and minds of hundreds of thousands of people who serve the United States.

I am tremendously pleased to learn that a fund is being raised to honor the memory of the Senator at the University of South Carolina. The proposed professorship in political science will be a continuing memorial in the form of an educational example on the South Carolina campus. Appropriate, too, will be the scholarships bearing his name which will provide educational opportunities throughout the years for deserving students from the State he represented so effectively.

It is my sincere hope that Americans everywhere will join in the generous support of this appropriate program. I am honored to serve in any capacity whatsoever to assist you in the advancement of this important work.

With warm regards and best wishes,

Sincerely yours,

JOHN W. MACY, Jr.,
Chairman.

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

Mr. MONRONEY. I am glad to yield to the distinguished Senator from Kansas, ranking minority member of the Committee on Post Office and Civil Service.

Mr. CARLSON. Mr. President, I rise to express my deep appreciation to the chairman of the Committee on Post Office and Civil Service for his statement on the Olin D. Johnston memorial fund. Like the present chairman, I served with Olin Johnston on the Post Office and Civil Service Committee from the time I came to the Senate. For 12 years, my dear friend Olin and I were the ranking members of our respective parties on this committee. His leadership was always characterized by wisdom, integrity, and cooperation. I must emphasize cooperation, for it is a lasting tribute to him that our committee worked together as effectively as any committee I have ever known. He was equally effective in gaining the support of his colleagues on this floor. His name will always be associated with landmark legislation. It is my privilege to have worked with him to make the Federal service the fine service it is today.

I join the senior Senator from Oklahoma in commending Olin Johnston's many friends for establishing this memorial scholarship fund and endowed professorship.

I wish, and ask unanimous consent, to insert in the RECORD a resolution adopted by the Associated Third-Class Mail Users expressing its deep affection and respect for Senator Johnston, and announcing that the college scholarship fund which it has established for the sons and daughters of letter carriers has been designated "The Olin D. Johnston Scholarship."

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

Whereas the death of Senator Olin D. Johnston is a great loss to the citizens of South Carolina and to the American Republic, and

Whereas he was held in deep affection by all postal employees and postal patrons, including the 800 members of this association, and

Whereas history will note his constant efforts on behalf of the small businessman, preserving the important role of the merchant in our free enterprise system, and

Whereas he will be remembered as the coauthor of the Postal Policy Act of 1958 which established guidelines for the creation of a modern postal system: Therefore be it highly

Resolved, That this association go on record expressing its deep sympathy on the passing of our friend, Senator Olin D. Johnston; and be it further

Resolved, That, as a living memorial to our departed friend, the annual college scholarship for the sons and daughters of letter carriers financed by this association hereinafter be designated as "The Olin D. Johnston Scholarship"; be it also

Resolved, That this resolution be forwarded to his widow, Gladys Johnston, and his family with our heartfelt sympathy on their great personal loss.

HARRY J. MAGINNIS,
President,
Associated Third-Class Mail Users.

Mr. YARBOROUGH. Mr. President, I join my colleagues from the Post Office and Civil Service Committee in expressing deep gratitude to Olin Johnston's friends for their plans to establish both a memorial scholarship fund for students and an endowed professorship of political science at the University of South Carolina.

There are many ways to honor a man's life. We can build a statue, or a public building, or a bridge, or name a lake for him. We can set aside his birthday as a day of celebration. But no amount of public designation can equal the feeling which individual Americans hold in their heart for the man. I am sure this is true of Olin Johnston. The memory of Olin Johnston was made great by the lines of people who stood outside the capitol building in Columbia, S.C., to pay their final respects to him; by the thousands of people who lined the streets and highways with their hats in their hands

to honor him as he made that final journey from his hometown of Spartanburg to his boyhood home—and final resting place—at Honea Path, S.C. He will be honored by the students of the future who will have the opportunity to go to college because his friends today have taken this first step to establish a scholarship fund. He will be honored by the professors of political science who will teach the youth of South Carolina the meaning of government in our world today. And, of course, his memory will be carried always in the hearts and minds of the young people of the past who have gone to college because he found them a summer job or a part-time job so that they could attend school at all.

I know in my heart that nothing could mean more to my good friend, Olin Johnston.

Mr. MONRONEY. Mr. President, I yield to the Senator from Idaho [Mr. CHURCH].

TOWARD A MORE PERFECT UNION

Mr. CHURCH. Mr. President, today, those who make our foreign policy are confronted with challenge and hostility on many fronts. Our increasing military involvement in Vietnam poses problems for our policy in Asia. Revolution in the Caribbean, and the consequent intervention of U.S. troops, has complicated U.S. foreign policy in Latin America. Much of Africa is in a state of flux, including the volatile Congo. Ferment unsettles the Middle East.

In the midst of this turbulence, like a solid rock against a seething sea, stands a concert of genuinely free countries, whose stability is certain. I am speaking, of course, about the nations of the North Atlantic.

The formation of the alliance between the United States and the countries of Western Europe is the great success story in American foreign relations since the Second World War. We gave massively through the Marshall plan to rebuild the war-torn economies of the Western European nations. We knew that as long as they remained weak, the United States could never be assured of staying strong and free.

Since the Second World War, statesmen on both sides of the Atlantic have worked to create greater unity in the Western World. They have sought to overcome the divisive nationalism which ripped the Western World asunder in the bloody struggles of the previous decades.

We Americans have pointed to our own Federal Union as the best goal for the Europeans. And their progress toward a better integrated Europe has indeed been striking. Beginning with the coal and steel community, elaborated in the Schuman plan of 1950, and proceeding through the various steps creating the Common Market, the countries of Western Europe have been moving into increasingly more productive cooperation, despite the bitter enmities of the past. We Americans have looked on these developments with great favor. We have regarded a more cohesive Western Europe as an essential step toward the ultimate realization of a true Atlantic union.

Complementary to these efforts toward closer economic and political ties, we have established a formidable military organization in NATO. The United States has committed its nuclear arsenal to Europe's defense. We have stationed 400,000 members of the Armed Forces of the United States in Western Europe, both to help defend the area and to act as a guarantee that our full power will be used in case of attack on our European allies.

Because this military alliance has endured, and because Western Europe has staged a remarkable general recovery under its umbrella, we Americans sometimes take the future of NATO for granted. I think we assume that, when it falls open for NATO countries to leave the alliance in 1969, none will do so.

I do not think NATO will survive so easily, unless we move to strengthen and broaden the Atlantic partnership. Already the leader of the great French nation complains that his country has not been given an adequate voice in the affairs of NATO. And President de Gaulle has many sympathizers in Europe outside his own country. If one examines the current literature on NATO by our own American writers, one finds titles such as "Tensions Within the Alliance," "Strains in the Alliance," and even more severely—"The End of Alliance" and "NATO Is Dead."

I am not this pessimistic about the future of NATO. But even the finest mansion becomes outdated, and falls into disrepair. Unless we of the NATO entente begin to mend the widening cracks in our alliance, unless we seek out new ways to strengthen its institutional walls, we may come to find ourselves with no common shelter at all.

Some say that NATO is disintegrating because of the diminishing Soviet threat, because, that is, of NATO's own success in holding Europe secure from further Russian encroachment. It is a natural tendency for military alliances to unravel when danger diminishes, but we would be shortsighted indeed to let this tendency prevail. The distinguished chairman of the Foreign Relations Committee, Senator FULBRIGHT, has ably refuted those who believe that the spirit of detente vis-a-vis the Soviet Union has lessened the need for NATO:

> This is rather like arguing that because there has not been a flood in many years it is obvious that the dam is no longer needed and can safely be dismantled. I believe that the alliance has been and remains one of the conditions for improved relations with the Soviet Union. As long as the alliance is strong, the opportunity for Communist expansion is foreclosed, leaving the Soviet Union with no rational alternative to a policy of peaceful accommodation with the West.

It seems to me that in the past few years we have been sidetracked in our pursuit of greater Atlantic unity. In his well-remembered speech of July 4, 1962, President Kennedy reasserted our determination to reach out for a maturing Atlantic partnership. There, at Independence Hall in Philadelphia, President Kennedy defined goals worthy of the men who fashioned the great American political experiment. Let us recall his words:

> Building the Atlantic partnership will not be cheaply or easily finished.
>
> But I will say here and now on this day of independence that the United States will be ready for a declaration of interdependence—that we will be prepared to discuss with a united Europe the ways and means of forming a concrete Atlantic partnership. * * *
>
> All this will not be completed in a year, but let the world know it is our goal. * * *
>
> Acting on our own by ourselves, we cannot establish justice throughout the world. We cannot insure its domestic tranquillity, or provide for its common defense, or promote its general welfare, or secure the blessings of liberty to ourselves and our posterity. But joined with other free nations, we can do all this and more. We can assist the developing nations to throw off the yoke of poverty. We can balance our worldwide trade and payments at the highest possible level of growth. We can mount a deterrent powerful enough to deter any aggression and ultimately we can help achieve a world of law and free choice, banishing the world of war and coercion.

Little more than 6 months after Kennedy delivered this speech, French President de Gaulle vetoed Britain's application for membership in the Common Market, the first serious setback for the developing unity in the economy of Western Europe.

During the past year, a major American effort to improve nuclear coordination within NATO—the proposal to create a multilateral force of ships equipped with nuclear missiles and manned by personnel from several of the NATO countries—has been shelved. There was much opposition to this plan, and the administration seems to have wisely decided that if such a force is to come into being, it must evolve from true multilateral concern, not from a unilateral initiative.

To me, the difficulties over the MLF illustrate a long-held belief—that we cannot solve basic political and psychological problems by military contrivance. We must reach behind the military problems, and deal with more fundamental questions. If NATO remains nothing more than a military alliance, its future is a fragile and uncertain one. This is the reason we should begin to give meaning to Article 2 of the NATO treaty which sanctions efforts to achieve closer political bonds.

It is obvious that President Johnson has long favored a strengthened Atlantic Community. Last year, on the 15th anniversary of the NATO alliance, the President said:

> We welcome the new strength of our trans-Atlantic allies. We find no contradiction between national self-respect and interdependent mutual reliance. We are eager to share with the new Europe at every level of responsibility. We aim to share the lead in the search for new and stronger patterns of cooperation.

A few weeks ago, on the 20th anniversary of the end of the war in Europe, President Johnson reaffirmed the American commitment to seek a closer Atlantic partnership in the fine address he delivered to citizens on both sides of the Atlantic via the Early Bird satellite.

I, myself, have long been associated with efforts in the U.S. Senate to advance Atlantic unity, in company with such men as the now Vice President of the United States, HUBERT HUMPHREY, and Senators DODD, COOPER, CARLSON, CASE, and the late Senator Kefauver. In 1960, I was one of the sponsors of a resolution—Senate Joint Resolution 170—to establish a U.S. Citizens Commission on NATO. This resolution was favorably reported by the Senate Foreign Relations Committee. It was supported on the floor of the Senate by men who went on to national leadership, including the then Senator from Massachusetts, John F. Kennedy, the then Senator from Texas, Lyndon B. Johnson, and the then Senator from Minnesota, HUBERT HUMPHREY. The resolution was passed in June of 1960.

After approval, a U.S. Citizens Commission on NATO was formed, and a U.S. delegation was sent to the NATO Citizens Convention in Paris in January 1962. Gov. Christian Herter, formerly Secretary of State for President Eisenhower and currently President Johnson's Special Representative for Trade Negotiations, was the Chairman.

The convention passed several resolutions; the most important called for the governments of the NATO nations to appoint a special governmental commission, charged with the responsibility of drawing up plans for the creation of a true Atlantic Community. In an article published in the January 1963 issue of the American quarterly Foreign Affairs, Governor Herter convincingly argued the case for the resolutions passed by the NATO Citizens Convention, including the establishment of such a governmental commission.

In 1964, the Republican convention adopted a platform which contained a pledge to establish such a commission:

> It is a keystone of Republican foreign policy to revitalize the Alliance.
>
> To hasten its restoration, Republican leadership will move immediately to establish an international commission, comprised of individuals of high competence in NATO affairs, whether in or out of government, to explore and recommend effective new ways to strengthen alliance participation and fulfillment.

But as I have indicated, support for the idea of greater Atlantic partnership is not confined to either party. A comparable plank in the 1964 Democratic platform read:

> We believe in increased partnership with our friends and associates in the community which spans the North Atlantic. In every possible way we will work to strengthen our ties and increase our cooperation, building always more firmly on the sure foundation of the NATO treaty.

The resolution I am introducing today calls for the President to establish a Special Governmental Commission to work for a closer Atlantic Community.

The time to pass such a resolution is now, despite the present disarray within the European Common Market, and the many unresolved problems which beset the NATO Alliance, as it is now constituted. There will always be major forthcoming elections in one or another of the countries concerned; there will always be points of dispute which make a grander design difficult to achieve.

We need a Special Governmental Commission to draw up plans for a broadened Atlantic Community, because the incumbent officials of the concerned governments are too absorbed with immediate problems within the existing order to give prolonged thought to the creation of new international institutions. They cannot be expected to work outside their own governmental structures.

There are those who argue that the Atlantic Community is too restricted a group of nations, and that the United States should look, rather, to the United Nations Organization in our pursuit of peace. I, for one, have always been a strong supporter of the United Nations. I serve as chairman of the International Organizational Affairs Subcommittee of the Senate Foreign Relations Committee, an assignment which gives me great satisfaction, since it brings me into closer contact with the work of the United Nations. A few weeks ago it was my privilege to sponsor Senate Concurrent Resolution 36, in which Congress reaffirmed its support of the United Nations, in the light of the 20th anniversary of that organization, which was recently observed in San Francisco. It was my privilege, along with the distinguished senior Senator from Kansas, to accompany the President of the United States to San Francisco, where he made a notable address.

However, I find no conflict between the quest for greater Atlantic unity and our support for the United Nations. Indeed, this quest is perfectly compatible with both the spirit and the letter of the United Nations Charter.

Moreover, I would be the last man to promote an international grouping that would constitute an exclusive "white man's club." The kind of Atlantic Community I wish is envisioned in the third objective of the resolution, which states:

> Such a Community to be conceived and developed in the interest not only of its own peoples, but of all free peoples and to be open to the admission of others as and when their governments become willing and able to assume the benefits and responsibilities of membership.

I agree with Governor Herter's statement:

> The formation of an Atlantic Community should in no way preclude a closer political affiliation of all the free nations and indeed should open the way toward it. It should not take on the aspect of an exclusive society of rich industrial nations, but should be so framed as to be of maximum benefit for nations in Asia, Africa, and South and Central America which desire to see a more closely knit international society based on common principles.

We must begin our quest for a stronger world order by building on the firm base of the Atlantic Community. The Atlantic countries are not merely a geographic entity, they provide a logical basis for closer cooperation because they share common political principles. In the postwar period, Americans have tended to use language loosely in speaking about our international relations. We have tended to use the term "the free world" for all countries which are not Communist. But even though non-Communist, most of these countries do not yet share the beliefs or practices we regard as basic to genuine political freedom. The countries of the Atlantic Community do share them both in theory and in practice.

Most citizens of the Atlantic countries firmly believe in the principles of individual freedom and popular self-government. By long historical and personal experience, they have learned that democracy can work, and that it is the most beneficial form of government. Non-Atlantic countries which subscribe to these principles and which are able to make them work in practice should be welcomed as valuable additions to any Atlantic community which is created. Such a community would be founded upon an established philosophic base on which it can continue to grow.

The U.S. Government generally, and the Senate specifically, is often accused of failing to furnish creative initiatives for U.S. foreign policy. We can remain true to our long-stated ambition for closer Atlantic cooperation, and renew the movement toward it, by acting to establish the special governmental commission for which this resolution calls. Let us not permit the vision of a union of the free to fade away by our own default. The time for further action is now.

Mr. President, on behalf of myself and the Senator from Kansas [Mr. CARLSON], the Senator from New Jersey [Mr. CASE], the Senator from Pennsylvania [Mr. CLARK], the Senator from Kentucky [Mr. COOPER], and the Senator from Connecticut [Mr. DODD], I now send the resolution to the desk, and ask unanimous consent that the text of the resolution may appear in the RECORD at this point.

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

Mr. McCARTHY. Mr. President, I ask unanimous consent that my name may be added to the list of sponsors.

Mr. CHURCH. I am very pleased to have the Senator join as a cosponsor.

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

The resolution will be received and appropriately referred.

The resolution (S. Res. 128) was referred to the Committee on Foreign Relations, as follows:

> Whereas, freedom, enduring peace with justice, and enhanced prosperity require the progressive development of greater unity in the free world; and
>
> Whereas, the interests of the United States require the development of greater unity of other free nations with it: Therefore be it
>
> *Resolved*, That it is the sense of the Senate that the policy of the United States should be to achieve such unity with other nations as will best serve to safeguard the individual freedom and national values of our various peoples, and, at the same time, enable us to deal effectively with those problems with which no nation, today, can deal effectively alone, and that the President be advised of the sense of the Senate that this Government, by constitutional means, should particularly pursue the following objectives:
>
> 1. Development, by exploration and agreement with our allies, of an Atlantic Community adequate to meet the political, military, and economic challenges of this era.
>
> 2. Such a Community to be composed of nations which share our basic ideals of free-

dom, democracy, individual liberty and the rule of law and as are willing to accept the benefits and responsibilities of close political, military and economic ties.

3. Such a Community to be conceived and developed in the interest not only of its own peoples but of all free peoples and to be open to the admission of others as and when their governments become willing and able to assume the benefits and responsibilities of membership.

To this end it is the sense of the Senate that the President should promptly seek to establish a Special Governmental Commission composed, in the first instance, of representatives of NATO nations to study and recommend concrete steps toward the attainment of the foregoing objectives.

Mr. CARLSON. Mr. President, I wish to associate myself with the timely remarks made by the distinguished Senator from Idaho with regard to the need for strengthening the North Atlantic Alliance. It occurs to me that here is one area of the globe in which we must be strong and united. This is an area which, at the present time, seems to be in some disarray. It appears to me that the resolution should receive prompt consideration by Congress, in order that we may get about the business of forming a stronger and more united area in this part of the world, so that we may feel more secure in our freedom. I appreciate the excellent statement made by the Senator from Idaho.

Mr. CHURCH. I thank the Senator. He has always been a sturdy friend of the Atlantic Alliance and farseeing in his efforts to strength the bonds of unity among the Atlantic nations which are genuinely free.

Mr. President, I ask unanimous consent that the resolution which I have sent to the desk may lie on the desk for 1 week, so that other Senators may join as cosponsors if they wish to do so.

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

THE ECONOMIC GROWTH OF THE UNITED STATES

Mr. McCARTHY. Mr. President, everyone who is concerned with the economic growth of the United States and the free world, the related problems of cooperation and liquidity, and the more limited problem of the balance of payments from the standpoint of the United States will be encouraged by two actions that were taken by the Secretary of the Treasury and the administration within recent weeks.

The first was the appointment of a special committee, including the former Secretary of the Treasury, Douglas Dillon, Robert Roosa, and Laurance Rockefeller, to deal with this general problem; the second was the announcement made over the weekend by the Secretary of the Treasury of his intention to call a conference to deal with monetary problems.

I ask unanimous consent that at this point in the RECORD there may be printed an article, written by Gerd Wilcke and published in the New York Times, on the question of the effect of some of our actions with respect to the balance of payments, actions which I believe were ill advised, and the effect of them on American exports.

The second article was published in the Journal of Commerce and quotes liberally from the speech delivered by Mr. Thomas S. Gates, chairman of the board of the Morgan Guaranty Trust Co., in which he spoke about the problem of the balance of payments and what appears to be the basic cures that would be effective.

Third, there is the speech delivered by Mr. Ray R. Eppert, president of the Burroughs Corp., entitled "Passport For World Markets." It is a thorough and realistic analysis of international markets and the response which the United States and American industry and American finance must make if we are to make our contribution to the economic growth of the free world.

Finally, I ask unanimous consent to have printed in the RECORD at this point an article entitled "British Gold Loss Widens in Month," published in the New York Times of July 3.

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

[From the New York Times, July 7, 1965]

FOREIGN-TAX EXPERT ATTRIBUTES EXPORTS CUT TO PAYMENTS PLAN

(By Gerd Wilcke)

A specialist on foreign taxes and investments asserted here yesterday that the backlash created by President Johnson's payments program was largely responsible for an estimated 4-percent drop in U.S. commercial exports during the first half of 1965.

Walter H. Diamond, director of the International tax division of the accounting firm Touche, Ross, Bailey & Smart, told a panel meeting of the Foreign Credit Interchange Bureau that practically all exports delayed by the long shipping strike earlier this year had been made up.

About 2 percent, or approximately $250 million, he asserted, was lost permanently to foreign competitors or from canceled orders.

CANCELED PROJECTS

"The bulk of the remaining $500-million decline in first-half exports principally is the result of the action of some 60 U.S. companies that deferred or canceled investment projects in developed countries" in response to President Johnson's request to curb foreign investment outlays, Mr. Diamond maintained.

In the absence of official Government figures on exports in the first 6 months of 1965, Mr. Diamond's data seemed to have been based on private estimates. The investment expert, who spoke to the foreign division of the National Association of Credit Management, could not be reached for an elaboration.

The Department of Commerce so far only has released figures for the first quarter. These showed that exports dropped $585 million, to $5.59 billion, compared with the first quarter of 1964, while imports rose $245 million, to $4.6 billion, in the comparable span.

Mr. Diamond asserted that the "heavy withdrawal" of U.S. capital from overseas combined with the "shut-off of foreign security buying by U.S. mutual funds because of the interest equalization tax" had a sharp downward impact on the European and Japanese stock markets.

There is strong evidence, he continued, that the shortage of U.S. dollars abroad is behind recent financial difficulties, including bank failures, in Uruguay, Switzerland, Hong Kong and Japan.

Mr. Diamond stated that American exporters would have to press hard to equal last year's record foreign sales of $25.6 billion. Although the exporters will "probably" reach that level, chances are slim now that a 5 percent gain to $27 billion can be accomplished. This had been predicted prior to the long dock strike.

Mr. Diamond held that the loss in exports from foreign investments, substantially decreased sales of wheat and other agricultural products and the waterfront strike would be offset by the sharp increase this year in purchases by the Agency for International Development from U.S. exporters.

He said a record 94 percent of every dollar now spent on foreign-aid products goes to U.S. firms, compared with 87 percent last year, and 41 percent in 1960.

On the other hand he predicted that the "unexpected 10 percent jump in imports" will reduce the $6.9 billion trade surplus in 1964 to about $5.5 billion this year.

[From the Journal of Commerce, June 25, 1965]

BASIC PAYMENTS CURES URGED BY MORGAN GUARANTY CHAIRMAN

BRUSSELS, June 24.—The chairman of the board of Morgan Guaranty Trust Co. urged here today that the administration pay more attention to basic cures in dealing with the U.S. balance-of-payments problem and rely less heavily on voluntary restraints on foreign investment.

Addressing a luncheon meeting of the Belgian-American Association, Thomas S. Gates conceded that the voluntary restraint program had brought meaningful results. But, he suggested, American bankers and businessmen will continue to cooperate only if there is evidence of a more fundamental monetary approach to the problem.

WILL HOLD FIRM

Should such an approach appear, he asserted, voluntary cooperation will hold firm long enough to let fundamental measures take hold.

Mr. Gates observed that American companies had brought home some of the dollars they previously kept abroad and have tended to curb their overseas outlays of new dollars. More American banks with international operations, moreover, have stopped increasing their loans.

There is good reason to believe that the U.S. balance of payments actually has been running in surplus through much of the second quarter.

This does not mean our problem is solved, the banker cautioned. Perhaps a good deal of the improvement has come from one-shot repatriations. Some of it is deferment of payments that will have to be made later on to fulfill earlier commitments.

LOOKING AHEAD

Looking ahead to the time when the U.S. payments deficit will be under dependable control, Mr. Gates noted that a number of problems will be created.

Other countries, he said, seeing our deficit reduced may be less willing to ease trade barriers that discriminate against American goods. He expressed disappointment at the slowness of the progress in the Kennedy round of the General Agreement on Tariffs and Trade negotiations and the Common Market's high protective wall against farm products.

Commenting on the sense of expectation with which Americans approached the Geneva talks, Mr. Gates warned that if some substantial two-way liberalization of trade, including agriculture, does not result, it will be a long time before Americans come to the bargaining table again prepared to offer such generous concessions.

Correction of the U.S. payments deficit, Mr. Gates continued, will focus attention on

another friction point within the Atlantic Alliance, namely the extent of direct investments by American firms in Europe.

The uneasiness of some Europeans about American business in their midst suggests a turn back toward narrow nationalism in the economic sphere, he asserted.

Mr. Gates expressed confidence of that participation of American business will emerge in perspective.

American direct investment in Europe as a whole, he observed, represents only 2 to 3 percent of the total. But in certain industries and locations, its visibility is much higher. The buildup, moreover, had been rapid but any talk of Europe being Americanized is a gross exaggeration.

Even before the present restraint program, the flow of investment to Europe had been tapering off naturally. Many American companies were already in Europe, there were labor shortages, increased costs, and a slackening of growth to take the edge off many companies' enthusiasm.

INCREASED INTEREST

In conclusion, Mr. Gates told the Belgian audience that he saw a time in the future when Europeans would be looking with increased interest in investment possibilities in the United States.

He urged them not to be discouraged by myths current in Europe about the American market. It is not true, he said, that only giant companies succeed in the United States, that competition is excessive, and that doing business in America is so different that an outsider is hopelessly lost.

The administration is now urging the passage of a law to improve the tax treatment of foreign owners of American securities, he added. This may be prompted by balance of payments considerations but, he said, America's open door to foreign investment is not a short-term emergency measure.

PASSPORT FOR WORLD MARKETS

(An address by Ray R. Eppert, president, Burroughs Corp., before the Machinery & Allied Products Institute Seminar on Foreign Trade, Washington, D.C., June 21, 1965)

Economic growth at home and abroad is not just a matter of pride. It is a survival issue. It is my conviction that U.S. success in continuing to lead the way toward free world economic growth must be contingent on American business becoming much more international minded.

It becomes increasingly clear that we cannot fully expand our economy at home without meeting competition abroad. We cannot achieve the minimum unemployment in this country unless we employ in other countries. To secure a higher tide of prosperity here, we must be willing to develop trade with those whose prosperity is still at low ebb. We cannot ignore the economic and political significance of realistic East-West trade. If we are really determined to balance our international payment books, we must fill more order books abroad. And finally, we must recognize that we are engaged in an economic world series which requires playing many of the games in foreign parks as well as our own backyard. In summary, the strength of the U.S. economy and our world leadership position will largely be determined by the worldwide competitive effectiveness of American business.

The economic assistance given by the United States since World War II, which sparked the western nations, has generated a trading potential far greater than ever before existed. It has also created new and very aggressive competition for the United States in the distribution of its growing production.

Some assistance programs are still necessary in many of the emerging, developing countries, but the industrialized western nations, with their own rapidly rising standards of living, can now look us in the eye and say, "Let us compete." A tremendous new story is being written about free competitive enterprise and the central theme concerns the world market.

What are some of the problems facing U.S. business in achieving success in world markets? First and foremost we must continue to achieve new competitive breakthroughs. Innovation has long been a principal American weapon for meeting competition. In the United States we have not feared innovation because we have always been a society moving forward. A society in retreat rejects innovation. The all-out research and development brand of innovation hasn't been with us too long, but its accomplishments have been spectacular.

Today, research and development is probably the fastest growing industry or activity in the Nation, affecting virtually every enterprise. Total national expenditures for research and development are presently well in excess of $17 billion, including Government-sponsored military and space research. The United States is not allocating these vast material and human resources just for the thrill of discovery. Research and development can provide the margin for success on multiple fronts, including the commercial one. The magnitude of this effort can be more fully appreciated if we realize that the current expenditure level of $17 billion is 40 percent of the 1964 gross national product of Canada. It is 22 percent of the gross national product of the United Kingdom, 22 percent of the gross national product of France, and 7 percent of the total gross national product of the entire European Common Market.

The question is not are we spending enough on research and development, but rather, are we exploiting our research and development activity to the fullest in our quest for world markets? I think we could do a lot better.

Certainly the most effective way to meet foreign competition and achieve maximum trading success is to export what might be called model 2 products stemming from research and development, while the importing countries are in a model 1 phase. And when they move to model 2, which they will, we had better be ready with model 3.

We do not have to abdicate our market here for older conventional products to foreign companies. If we reach the point that we can no longer build a product in the United States and sell it competitively overseas, then we should do one of two things—either forget the product, or move it overseas where we can be competitive. And then, by importing that product from ourselves, we can protect the American market. Unless we do it that way it is only a question of when, not if, that product will not be sold by us either overseas or in the United States.

American industry and labor would be shortsighted indeed if we decreased future jobs for our expanding population by clinging to a doomed product and temporary employment situation. The result of doing so would be failure to create the maximum new jobs and also to lose those we now have.

The magnitude of our research and development is not a complete panacea for all problems of foreign competition. Flexibility in international operations is absolutely vital. International business is an eminently interrelated mixture of direct investment across national frontiers, export and import of goods and services, and licensing of property rights. The relationship of these factors is often not readily apparent to those not directly engaged in the world market. Americans who urge the direct selling of more goods overseas often fail to recognize that this usually requires overseas sales and service organizations, distribution facilities, and often manufacturing in whole, or in part. These very necessary activities require direct investment. I will have more to say about that later.

If we are to succeed in replacing aid with trade, business must extend and expand its efforts, and Washington must also assist in the planning for greater success in the world market. The Government has a prime responsibility to encourage American business to venture abroad in search of new markets and its actions should be promotional, not punitive. I will be very specific on this point.

The foreign tax provisions of the Revenue Act of 1962 definitely created a deterrent to American business entering the world market. This legislation imposed many new and unique rules on American companies operating overseas and decreased our competitive effectiveness at the very time it desperately needed to be increased.

The mildest criticism I can make is that the action represented a violent, negative psychology against participation in the world market by American companies, at the precise moment that priority national objectives made mandatory an encouraging attitude.

Why was this done? Because of false concern and great misunderstanding in the Congress of the claim that so-called tax haven corporations were enjoying so-called tax deferral privileges. These sections of the 1962 Revenue Act involves the myth and the implication that all overseas business operations are undertaken for the purpose of tax avoidance. Nothing could be further from the truth.

The phrase was used to describe an American corporation that organized its overseas operations to minimize foreign taxes paid; not U.S. taxes. What did this do? It created some additional temporary working capital for the overseas operation—working capital which earned dividends for the parent company in the United States. When dividends were paid to the United States parent shareholder they carried the minimum foreign income tax credit which, of course, maximized the United States tax due. Was that a tax haven? If the answer is yes, then we must assume that it was a tax haven for the U.S. Treasury and not for business.

The other phrase used with the Congress, "tax deferral privilege," meant that a U.S. parent company—the stockholder of the foreign enterprise—was privileged because it was not taxed currently in the United States on the earnings of an overseas subsidiary unless a dividend was currently received. That was no privilege. Stockholders have never been taxed on earnings not actually received and which may never be received. No competition we face in the world market has such punitive tax rules imposed on it.

The 1962 legislation as enacted and implemented reflects a basic misunderstanding of the purpose and functon of American direct investment abroad. These investments are necessary to capitalize on potential demand and to develop markets that cannot be served entirely by U.S. exports.

It was difficult to understand why we would discourage investment in Western Europe when our dwindling gold supply was causing national and international worry and concern. Aren't those the hard currency countries with whom we must have maximum trade if we are to succeed in replenishing our gold reserves? Aren't those the countries who through advanced industrialization offer us the stiffest trade competition? Aren't those the countries that hold the bulk of our external short-term liabilities and who could turn thumbs down on the dollar? Aren't those the countries where, above all, American companies need the understanding and support of our Government? I want to emphasize that American labor as well as American business suf-

fered a very real blow and unemployment was promoted by the passage of the 1962 legislation.

It is not yet possible to determine the amount of damage that the foreign earnings provisions of the 1962 Revenue Act will create. My concern is not for those companies, including my own, who have been involved in international business for many, many years. With the network of international operations they have developed, they can roll with almost any punch. The important point is that American corporations now overseas cannot by themselves develop and maintain the kind of export balance we must achieve. The United States urgently needs thousands more American companies in the world market. We are gambling dangerously if we discourage them from spreading their wings, and we are running out of time.

Today, the tyranny of distance in world trade has largely been eliminated. Days and weeks have become hours. There is no substitute for a firsthand knowledge of the territories involved. Many more top executives should get out of their domestic chairs and occupy seats on planes bound for overseas. We should not think of other countries as foreign but as areas which permit an expansion of our present territory.

Operating in the world market can assume many different forms. It can be on the basis of direct exports. It may recognize a need to establish subsidiary marketing organizations, or branches, or distributors and dealers, or a combination of the same. It can involve overseas production to achieve the most effective result. This production effort may take the form of assembly, or complete manufacturing, or a combination. This may be just for overseas markets or it might also involve exporting to the United States to protect the domestic market.

Activity in the world market should not be merely a foreign sales or export department of domestic marketing. For maximum results the activity must be organized as a complete international division. It is also essential to tailor product specifications to the particular marketing area. The fact that a feature is popular here in the United States does not mean that it will be accepted with the same enthusiasm over there.

More and more qualified advice and assistance in connection with the world marketing problem is becoming available to American business. Our schools of business administration, graduate schools, specialized consulting, association seminars, and the Government itself, primarily through the Department of Commerce programs, are helping to orient the American businessman for the job ahead.

Special financial knowledge and competence is involved. Financial elements, such as different currencies and exchange rates, foreign taxes, U.S. taxes, invested capital, dividends, financing of current accounts, export credits, the management of cash flow and retained earnings to develop a capital base for expansion, and many others are all involved.

In my remarks I have tried to point out the essentiality of American business entering the world market and utilizing the format of operation which is best suited for the particular enterprise. I have been critical of many of the laws, rules, and regulations presently governing the overseas operation of American business and have indicated that these negatives militate against our achieving maximum competitive success.

Criticism of elements involved in the vital subject we are discussing automatically imposes on the speaker a responsibility to offer suggestions and alternatives. In the time remaining before the question period, I want to present a number of important recommendations. Let me make it clear that these are not just a product of my own thinking. They represent the views I have collected from many expert business executives, lawyers, accountants, bankers, economists, Government officials, and educators.

Greater consistency and coordination is needed within Government, and an integrated policy with respect to the competitive position of American business should be developed and maintained. Our Nation wisely attempts to maintain an integrated foreign policy. It is equally important that we develop an across-the-board international business policy. It is important that this policy be continually checked to insure that it is meeting new and changing conditions.

Diplomatic, political, and national security interests may at times temporarily override economic considerations. But it is clear that the Government cannot do justice to, or protect the U.S. international competitive position, without the development and maintenance of a strong integrated business policy. Various departments are not organized or coordinated for this purpose, and not enough "focal point" leadership has been given to this vital objective.

Maintaining our international competitive posture has become so necessary for the economic well-being of the United States that we should insure that consideration of contemplated governmental actions includes the following important question: If this proposed action is taken, will its impact on the worldwide competitive effectiveness of American business be favorable or unfavorable? If the answer is negative, then the contemplated action should be studied in depth to determine if there are possible alternatives.

Overseas operations must be conducted within the framework of laws and customs in the foreign areas concerned, and especial care should be taken in the application of U.S. antitrust laws to transactions and business arrangements within foreign countries. Attempts to export American law to other countries have provoked sovereign resentment and objections to what many foreigners consider to be a new form of "imperialism" and interference by the United States. Increasingly, foreign countries have developed their own antitrust standards and do not relish or welcome attempts by our Government to apply U.S. law to regulate conduct within their borders.

Such applications of U.S. law have not only worsened the business climate for American companies doing business in foreign countries, but have fundamentally disregarded the varying standards, customs, and practices of other nations. In many countries, custom, necessity, or local law, may require American companies to agree to terms which would be objectionable within the United States. When the doctrinaire application of the U.S. antitrust law abroad handicaps American concerns, the result is to give foreign competitors the advantage and to lose business for the United States.

In the licensing field, where know-how or trade secrets are involved, it must be recognized that greater contractual protection may be required abroad than in the United States because of the failure of many countries to recognize this type of industrial property. Today, in the light of existing confusion as to the view of our Government, American firms, particularly of small and medium size, hesitate to enter into license arrangements abroad. To remove this obstacle to productive international business for the United States, the Government should recognize that limitations placed upon a licensee with respect to the territories to which he can export products made under a license, are valid as ancillary to the grant of industrial property, so long as the licensee could not manufacture and sell the products without the license.

Our Government should reject any antitrust policy that would discriminate in favor of exports as against foreign investment as a mode of American business abroad or would attempt to restrict normal commercial relations between parent and subsidiary. American firms should be free to choose that form of business operation abroad which maximizes their opportunity to compete in foreign markets.

Overseas investment by American business is not a process of transferring jobs and production from the United States to new plants abroad; it is required to develop the maximum direct exports from the United States and to create the greatest number of jobs here. Private direct foreign investment, rather than harming our balance of payments, is building the strongest support for the stability of the dollar.

Sales made abroad from United States owned plants operating overseas are today more than twice as great as the total nonagricultural exports from the United States. In recognition of this fact, our private foreign investment must be viewed as an important basic component of our national economic strength.

Any attempt by the government to apply discriminatory treatment for investment in one foreign region as against another cannot take into account the increasing extent to which simultaneous investments in various parts of the world are now frequently but facets of a single economic venture. United States private overseas investments should not be viewed as a nozzle which can be turned on and off or sprayed in various directions by administrative decision because of particular, current foreign policy objectives. Any sustained interference with the investment flows which provide the base both for our foreign production and sales and for the development of direct exports from the United States would be disastrous to our competitive effectiveness.

A policy of conferring respectability primarily on particular types of U.S. foreign investments further encourages other governments to adopt policies of exclusion and discrimination against American investments. For example, a U.S. policy of extending preferential treatment to joint ventures with local investors is likely to encourage foreign governments to impose rigid participation requirements which prevent the implementation of productive private projects where joint ventures are not an appropriate vehicle for investment and management.

Now for a few minutes lets discuss taxes on overseas earninngs of American business. No other nation imposes on its overseas businessses a burden of corporate income tax levies and complexities comparable to that insisted upon by the United States. The philosophy of our system was developed about a half century ago in the early days of the Federal income tax and it has sought to ensure that the income of U.S. corporations from foreign operations is subjected to income tax either here or abroad, in amounts at least as great as the income from domestic business.

Credit on the U.S. tax is permitted only for foreign income taxes paid and not for other types of foreign taxes and government charges. Most other countries rely more heavily than we do upon other forms of tax or assessments on business operations. A law dealing with income taxes alone cannot properly equate the burdens. Since our tax law does not take account of other types of foreign taxes and governmentally imposed charges, we do not adequately alleviate the double governmental burden involved in foreign business operations and are thus impeding the competitive effectiveness of American business abroad.

I previously mentioned some of the errors which were made by enactment of the foreign earnings provisions of the 1962 Revenue Act. Among the controversial new provisions was one to tax currently to a U.S.

parent corporation the income of a foreign subsidiary incorporated in one country which conducts transactions with another subsidiary organized in another country. This provision was designed to penalize the use of foreign corporate structures operated in such manner as to reduce the foreign income tax otherwise payable to foreign countries, even though such transactions accomplish no reduction whatsoever in U.S. tax and conserve our oversea resources.

The effect of our present law is to restrict this freedom of action for foreign subsidiaries of American companies operating abroad, without any possibility of restricting the actions of our competitors. We are using the American tax system in an effort to force American companies to cause their foreign subsidiaries to pay foreign taxes in the countries in which they are struggling to compete, or to pay even higher American taxes currently as a penalty for reducing those foreign taxes.

Unnecessary overpayment of foreign taxes is a fruitless waste of American resources. Moreover, it is harmful to our balance of payments.

The best method by which the United States could simply and effectively shape its Federal tax laws so that they will not impair but will promote the competitive position of American business abroad, would be to adopt a territorial policy of Federal income taxation of corporate foreign business income to replace the present system of dual taxation with credit for foreign income taxes paid.

This would mean that American corporations would continue to pay whatever foreign taxes are levied on their overseas business income by the country of operations but would not pay U.S. corporate tax on that income. This should be true whether the foreign business is conducted through branches, divisions, or domestic or foreign subsidiaries, both at the time the foreign income is earned and at the time it is brought home to the United States. The foreign income remaining after payment of foreign taxes would, however, be fully taxable to shareholders of the parent company in the United States when distributed to them as dividends.

Remember that it is not just income tax that is involved overseas. The treatment of foreign earnings on a territorial basis by the United States does not mean that the American company in a foreign country has paid less governmental levies than its competitor in that territory. Both are exactly the same. I believe such a change in our U.S. tax policy would furnish an immense phychological stimulant to our efforts in foreign trade.

If this ideal approach is not acceptable to our Government, then a plan should be implemented which would recognize that dual taxation is involved in our present system of allowing foreign credit only on the income tax paid overseas. Experience indicates that the bulk of the overseas earnings of American business is derived by companies which pay a worldwide effective foreign income tax rate of more than three-quarters of our own and this, of course, is in addition to the variety of other foreign taxes which I have mentioned. This could be compensated for by establishing a U.S. corporate income tax rate on foreign income at three-quarters of our domestic Federal income tax rate. For example, the 1965 rate would be 36 percent which represents three-fourths of the 48-percent rate on income above $25,000. If some companies so operated abroad that they paid a worldwide effective foreign income tax rate of less than 36 percent, the income would be subject to a U.S. tax of 36 percent less credit for foreign income taxes paid.

To prevent any undue accumulation of untaxed funds abroad, and as an aid to our balance of payments, an American parent company would be deemed to have received as a dividend any income accumulated abroad by its foreign subsidiaries beyond the reasonable needs of the business. These latter suggestions would improve the competitive posture of American business, but I want to repeat that the ideal answer would be a territorial policy of Federal income taxation of corporate foreign business income.

The law governing U.S. taxes on foreign earnings should also permit corporations organized under the laws of the United States for the primary purposes of engaging in foreign operations to elect to be subject to the tax rules applicable to foreign corporations. There is nothing to be gained in requiring companies to be incorporated abroad to attain any particular tax status under our law. Permitting incorporation here would greatly simplify foreign operational procedures, reduce operating expenses, facilitate recordkeeping and governmental auditing, and eliminate sovereign rights of the foreign government which would otherwise charter the company. There is a precedent for this in the Western Hemisphere Trading Corporation regulations which stipulate a tax 14 points lower than the domestic corporate rate. If, as suggested a moment ago, a 36-percent U.S. tax rate was established on overseas earnings, the overseas trading company incorporated here under the laws of the United States would pay its income tax at that rate.

This would create a more competitive position on direct exports from the United States. Business taxes are operating costs and are virtually the only product cost which the Government has the power to reduce by its own action. This simply means that an overseas trading corporation would have a greater ability to price direct exports on a competitive basis which, because of a lower landed cost, would reduce tariff charges at the point of import. This is not a rebate of tax and therefore there is no conflict with GATT. Actually, no one knows just how much tax is paid to the United States on exports for the simple reason that there is supplier content of varying degree in most exports, and each supplier, of course, has paid tax on the profit realized from his particular transaction in addition to the exporter's tax on the total.

The right to organize a domestic subsidiary to engage in foreign operations as outlined would unquestionably assist in generating the maximum direct exports from the United States and the creation of the greatest number of jobs in the United States.

And now I want to touch on our international balance of payments. I am sure that all of us understand the problem and present situation, but it might be well for us to refresh our memories on how we got to this present position.

When World War II ended, Europe found her productive capacity greatly depleted at a very time that she needed everything; soft goods, industrial products, capital goods, food, etc. The only source of supply was from the United States and since dollar exchange was largely nonexistent, strenuous measures were indicated. It was then that the Marshall plan was born as the first chapter of what has become the greatest assistance program ever undertaken by any nation. What was the cost? Twenty-four billion dollars were involved in Britain and in Europe. Since World War II, $38 billion have been given or loaned to the new emerging and developing nations of Latin America, Asia, and Africa. On the overseas military front, the United States has provided approximately $33 billion of defense aid.

Concurrently, American corporations started to invest their money. In total, U.S. enterprises have invested $55 billion since World War II. Of this amount, $35 billion was private direct investment and $20 billion went into portfolio.

When we consider the economic role which the United States assumed following World War II, and review these figures, then the great strength of the U.S. economy, our dedication to freedom, and our determination to be a good neighbor becomes crystal clear.

An important underwriter for this whole magnificent project has been the performance of American business both here and overseas. Remitted earnings on overseas investments have been growing each year, and in 1964 amounted to $4½ billion. This element is one of the largest inputs on the credit side of our balance-of-payments account. Also, and this should lay to rest once and for all the idea that increased investment overseas negatively affects exports; in 1950 we had a favorable balance of trade of $1 billion. In 1964 it was $6.6 billion. This is tangible evidence that only by making investments overseas can we maximize our direct international activity from the United States. It also demonstrates the fact that American business operations overseas are captive customers for a large percentage of our direct exports from the United States.

The net result of all these actions has been a deficit in our international balance of payments every year since 1951 with the exception of one, 1957. In the last 8 years the deficit has averaged $3.5 billion and the cumulative total is approximately $31 billion. Our gold supply reached a peak of $23 billion in 1957 and is now about $14 billion. American business, through direct investments and exports, has indeed done a most creditable job but the surplus created has not been sufficient to offset governmental aid and military expenditures overseas. Also, the large capital outflows involved in the flotation of foreign securities in the United States cannot be overlooked in the balance-of-payments position. The free world has to a large extent depended upon the United States for capital formation and this has created an additional dollar drain which the Government attempted to minimize by the interest equalization tax.

When we consider all that America has done since World War II, and also contemplate what the free world might have been if the United States had not done it, the wonder is how we were able to do so much for so many and still achieve a dramatic increase in our domestic economy and standard of living. And then after all this, have the strength to attack our balance-of-payments problem effectively and quickly on a voluntary basis.

This brings me to my concluding remarks about the voluntary industry program as implemented by the President in February through the Department of Commerce. It is important to recognize that the dissipation of our own resources has largely been responsible for the economic revitalization of the free world. Our international deficits created free world liquidity and permitted international trade to assume its proper role. There is no reason to apologize for our payments deficit. We should be thanked and applauded for it.

In the very short time since implementation, the voluntary program has been sufficiently effective to cause a reevaluation of the dollar position all over the world and particularly in Europe. Suddenly there seems to be a realization that the dollar is still the respectable world reserve currency and fear is now being expressed that we may overcorrect our deficit position.

I think we must recognize that to make the maximum voluntary current contribution to our balance of payments problem,

American business will do some things which in a normal course would not be considered best for growth and future success. For example, there undoubtedly will be a substantial increase of borrowing overseas if obtainable, and more than desirable remittance of earnings to the United States. The net effect of this action is to weaken a subsidiary balance sheet and also to incur a high interest cost against future earnings rather than utilizing funds generated internally from operations.

Investments which are needed because of competitive situations or opportunities to expand may be delayed and the opportunities lost. These, and many other voluntary actions and decisions will be most effective in the very short term, and I want to emphasize that this can continue only for a limited period without weakening the economic strength of the United States overseas and the future contributions to our international balance of payments.

It would indeed be tragic if we won a battle and lost the war.

The administration is to be complimented on taking a voluntary approach to the problem, but it is vitally important that we proceed as quickly as possible with specific forward planning for improving the worldwide competitive effectiveness of American business. That action plan must be complete and ready for use before the voluntary program loses momentum and before we weaken ourselves irrevocably in the world market.

It is for this reason that I have taken so much time and covered so many facets of the important Government role which is involved in the overseas operations of U.S. companies. There is no acceptable alternative to American business success in world markets and I think it is time for us to forget the speed limits and get moving.

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

Mr. McCARTHY. I yield.

Mr. SALTONSTALL. Has the Senator from Minnesota included the Fowler statement in his request?

Mr. McCARTHY. I did not include it.

Mr. SALTONSTALL. Mr. President, with the approval of the Senator from Minnesota I ask unanimous consent that there may be included the statement by Mr. Fowler, in addition to the material inserted in the RECORD by the Senator from Minnesota.

Mr. McCARTHY. The Senator refers to the New York Times article, containing the full text?

Mr. SALTONSTALL. Yes.

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

[From the New York Times, July 11, 1965]

FOWLER PROPOSES A GLOBAL PARLEY ON MONEY SYSTEM—SAYS PRESIDENT AUTHORIZES CALL FOR TALKS TO IMPROVE BRETTON WOODS SETUP—LAG IN LIQUIDITY IS SEEN—STEPS ARE HELD NECESSARY TO SPUR GROWTH OF RESERVES USED FOR WORLD TRADE

(By Edwin L. Dale, Jr.)

WASHINGTON, July 10.—The United States, in a major initiative, proposed today a world conference aimed at substantial improvements in the 20-year-old International Monetary System.

The proposal was made by Secretary of the Treasury Henry H. Fowler, who said President Johnson had authorized it.

The last such world conference was at Bretton Woods, N.H., in 1944. The system then evolved has worked well and has been a major factor in the spectacular prosperity of the industrial world.

But the system has recently come under strain, first because of the persistent deficits in the U.S. balance of international payments and now, prospectively, because of the ending of those deficits. The dollar is a keystone of the system.

Mr. Fowler disclosed the U.S. initiative in a speech to the Virginia State Bar Association in Hot Springs, Va. The text of his remarks was made available here. Mr. Fowler conferred about the speech with the President 2 days ago.

The Secretary said that a world conference, if it was to succeeed, must be preceded by careful preparation and international consultation.

ASKS ASSURANCE OF PROGRESS

"Before any conference takes place, there should be reasonable certainty of measurable progress through prior agreement on basic points," he declared.

"Our suggestion," he continued, "is that the work of preparation be undertaken by a preparatory committee which could be given its terms of reference at the time of the annual meeting of the International Monetary Fund this September."

Mr. Fowler said the happy concurrence of three crucial facts made the time appropriate to act on reform of the system. The crucial facts, he said, are these:

The U.S. balance of payments is approaching an equilibrium.

There is a "rising tide of opinion" that the world system "can and should be substantially improved," building on the present system.

The necessary technical studies have been completed, chiefly by the leading financial nations known as the Group of Ten.

As Mr. Fowler explained today, world financial reserves, called international liquidity, have grown in the last 15 years, largely because of deficits in the U.S. balance of payments. These deficits have pumped both dollars and gold into the reserves of other nations. The United States was spending more abroad than it earned abroad, even though exports regularly exceeded imports.

As foreign dollar holdings grew and the U.S. gold stock declined, it became necessary to end these deficits to keep the dollar "as good as gold" and assure other nations that their dollar holdings could always be converted into gold at $35 an ounce.

After long and frequently frustrating efforts by the Government, the deficits now appear to be ending. In any event, the Government, as Mr. Fowler said, is determined to end them.

But this will automatically stop the growth in world reserves that is needed to finance international transactions, a condition that Mr. Fowler called the "paradox" of the present system. Hence, the need for all innovation, which may well take the form of some new kind of reserve asset in addition to gold and dollars.

Nations use their reserves to settle deficits in their international transactions. While reserves do not have to grow exactly in line with world trade, there is agreement that they must grow over a period of time so that nations can handle temporarily deficits without clamping restrictions on imports or imposing deflationary domestic policies.

Mr. Fowler quoted today a sentence from President Johnson's balance-of-payments message to Congress last February 10:

"Unless we can make timely progress, international monetary difficulties will exercise a stubborn and increasingly frustrating drag on our policies for prosperity and progress at home and throughout the world."

Mr. Fowler gave no hint today of what the United States would advocate at the world conference and in the preparatory stage. But he said the Government was now moving into a stage of intensive internal preparation to determine those proposals which will be acceptable to the United States, those which are entirely unacceptable, and those which may well be appropriate for negotiation.

FRANCE OPPOSES EXPANSION

In discussions on reform that have been underway for nearly 2 years among the Group of Ten countries, serious differences of opinion have emerged. Essentially the continental European countries, above all France, have opposed reforms designed to expand world liquidity, contending there is already too much. Britain, the United States and Japan have been more expansionary.

The end of the U.S. payment deficit, assuming that the recent improvements continue, could sharply alter the negotiating situation. It would improve the U.S. bargaining power and might persuade many Europeans that a method of adding to world liquidity was needed.

Mr. Fowler disclosed in his speech that he planned to meet later this year with the "ranking financial officials of other Group of Ten countries, to ascertain firsthand their views on the most practical and promising ways of furthering progress toward improved international monetary arrangements." He has already seen the British Chancellor of the Exchequer, James Callaghan, and will confer next week with the Japanese Finance Minister, Takeo Fukuda.

OTHER MEMBER NATIONS

Other members of the Group of Ten are France, West Germany, Italy, Belgium, the Netherlands, Sweden, and Canada. Switzerland sits with the group as an observer.

Mr. Fowler made it clear that the United States had no intention of trying to impose its own ideas.

"We must be prepared," he said, "not only to advance our own proposals but to carefully consider and fairly weigh the merits of other proposals."

The idea of a world monetary conference can be said to have originated not with the administration but with congressional Republicans.

Senator JACOB K. JAVITS, of New York has long advocated it. Senator BOURKE B. HICKENLOOPER, of Iowa, speaking for the Senate Republican leadership, endorsed the idea last week.

ELLSWORTH SPEECH CITED

Also last week, Representative ROBERT F. ELLSWORTH, of Kansas, speaking on behalf of an informal group of House Republican liberals and moderates, made the proposal in a major House speech. Mr. ELLSWORTH has been in touch with leading world financial figures, such as Jean Monnet of France, seeking their advice on how to go about such a conference.

Mr. Fowler quoted today from the Ellsworth speech.

A plan for improving the monetary system that has considerable backing, though there is much disagreement on detail, calls for creating a new composite or collective reserve unit, labeled CRU for short. The reserve would be made up of the 10 or 11 leading currencies in fixed proportions, held in nations' reserves along with gold and dollars. It could be used to settle international accounts.

The idea is supported in varying degrees in Europe, in Japan, and Canada. Britain is known to be sympathetic, provided the new unit could be firmly linked to the existing International Monetary Fund.

The United States has long resisted the idea, mainly because some versions of it would seek to diminish or abolish the role of the dollar as a world reserve currency and a

"working" currency for a host of private international transactions.

But if the plan could be worked out in such a way as to leave the role of the dollar intact, and if it could be linked to the Monetary Fund, the United States is understood to be willing to consider it.

A new version of a CRU-type of plan will be published next month by Robert V. Roosa, former Under Secretary of the Treasury, who was the leading U.S. international monetary official for the first 4 years of the Kennedy-Johnson administration. This could indicate a move in the U.S. position toward more sympathy for the basic idea.

Mr. Roosa is a member of a committee, headed by former Secretary of the Treasury Douglas Dillon, that was named to advise Mr. Fowler on international monetary reform. Mr. Fowler disclosed today that the group would have its first meeting Friday.

[From the New York Times, July 11, 1965]

TEXT OF FOWLER'S REMARKS ON INTERNATIONAL MONETARY SYSTEM

It is imperative not simply to reach balance in our payments for a quarter or two, or even for a year, but to sustain equilibrium over time. The reasons are clear.

Our 14 years of deficits have resulted in a large outflow of dollars to the rest of the world. Because there is worldwide confidence in the stability of those dollars and because they are convertible into gold at the fixed price of $35 an ounce, those dollars are widely used to finance international transactions, and other countries hold them alongside gold in their official reserves.

Today, those dollars—some $27 billion—account for a major share of the international liquidity that sustains the growing free-world economy. Some $12 billion of those dollars are in official reserves, while the remainder serve to support growing world trade and investment.

Thus, it is essential to the viability of the international monetary system as it exists today that the usefulness and value of those dollars remain unquestioned throughout the world. And, whatever changes might be introduced into that system, the dollar will have to continue to carry a heavy burden as a reserve currency.

If we allowed our deficits to continue, or if we lapsed back into prolonged deficit after a brief period of surplus, we would undermine world confidence in the dollar and impair its usefulness as a world reserve and leading currency. Dollars would return to our shores as claims on our gold, thus depleting, instead of supplementing, world financial resources.

WOULD SUSTAIN ADVANCE

To prevent such a contraction in world liquidity and the widening circles of deflation and restriction that would surely follow, we must research and maintain equilibrium in our payments as a matter of the highest national priority, along with sustaining the economic advance that has marked the last 53 months.

The paradox is, therefore, that the very increase in official foreign dollar holdings that has fueled so much of the growth in world liquidity in the past—and has thus helped support the growth in world trade—can no longer be allowed to continue if current international liquidity is to be protected. Yet without additions to the reserve dollars that our deficits have so long supplied, the world will need a new and assured source of growing liquidity to support increasing world trade and investment.

This, in a nutshell, is what the issue of world monetary reform is all about. It is to assure ample world liquidity for the years ahead that the United States, in cooperation with other leading financial powers, is seeking workable ways of strengthening and improving international financial arrangements.

For several years now the essential laying of the technical groundwork has been underway as the United States has joined with other major countries in comprehensive studies of the international monetary system—its recent evolution, its present effectiveness and its future. An early conclusion was that there are two elements in international liquidity; on the one hand, the more conventional reserves of gold and reserve currencies and, on the other hand, the ready availability of credit facilities for countries in need of temporary assistance.

As long ago as 1961, the 10 major industrial nations, now known as the Group of Ten, negotiated with the International Monetary Fund a so-called general arrangement to borrow whereby the 10 nations agreed to lend to the IMF up to $6 billion should this be necessary "to forestall or cope with an impairment of the international monetary system." That arrangement was activated last December and again this May in order to provide a part of a $2.40 billion drawing from the IMF on the part of the United Kingdom.

BACK 25 PERCENT RISE

On the credit side, also, the members of the International Monetary Fund have now agreed to support a 25 percent general increase in IMF quotas. This 25 percent increase, plus special increases for some 16 countries, will raise total aggregate quotas from $15 billion to around $21 billion. The Congress last month approved a $1,035 million increase in the U.S. quota.

Meanwhile, the Group of Ten and the International Monetary Fund have been continuing their studies of the future course of world liquidity. Deputies of the group submitted a comprehensive report on the problems involved last August.

In their ministerial statement last August the Group of Ten stated that, while supplies of gold and reserve currencies are fully adequate for the present and are likely to be for the immediate future, the continuing growth of world trade and payments is likely to require larger international liquidity. While they said that this need might be met by an expansion of credit facilities, they added that it may possibly call for some new form of reserve asset.

A study group was set up "to examine various proposals regarding the creation of reserve assets either through the IMF or otherwise." The efforts of that group have culminated in the so-called Ossola report, submitted to the deputies of the Group of Ten on June 1 of this year, which exhaustively examines, with all their promises and pitfalls, the possible paths to the creation of reserve assets.

Now for the first time in 4 years we are confronted by the happy concurrence of three crucial facts:

I

The U.S. balance of payments is approaching an equilibrium and the executive branch, the Congress and the private sector, including industry, banking, and labor, have mounted a program that makes unmistakably manifest our determination to keep it that way.

II

Evidence is accumulating of a rising tide of opinion in many knowledgeable and influential quarters in the free world, private and public, that our international monetary arrangements can and should be substantially improved, building on the basis of the International Monetary Fund and the network of more informal international monetary cooperation that has marked recent years.

III

The completion of technical studies is necessary to give a thorough understanding of the problem and various alternative approaches to solution on the part of those at the highest levels of government who must ultimately make these decisions.

We have now reached the moment which President Johnson had in mind when, in speaking of new international monetary steps, he said:

"We must press forward with our studies and beyond, to action * * * evolving arrangements which will continue to meet the needs of a fast-growing world economy. Unless we can make timely progress, international monetary difficulties will exercise a stubborn and increasingly frustrating drag on our policies for prosperity and progress at home and throughout the world."

In taking office, I described this as "the major task facing our Treasury and the financial authorities of the rest of the free world in the next few years."

In recent weeks we have moved beyond the plane of hope and technical studies toward the prospect of more conclusive negotiations from which alone solution can emerge.

I met last week with the British Chancellor of the Exchequer, James Callaghan, and we exchanged preliminary and tentative views on the subject of international liquidity.

Next week I hope to have the pleasure of informal discussions with the Japanese Minister of Finance, Takeo Fukuda, in connection with the joint Cabinet sessions of the United States-Japan Committee on Trade and Economic Affairs.

ADVISORY PANEL NAMED

Both before and after the scheduled meeting of the International Monetary Fund and World Bank in late September, I expect to visit ranking financial officials of other Group of Ten countries, to ascertain firsthand their views on the most practical and promising ways of furthering progress toward improved international monetary arrangements. We must not only be prepared to advance our own proposals, but to carefully consider and fairly weigh the merits of other proposals. As Congressman ROBERT ELLSWORTH, of Kansas, in discussing this subject, recently remarked:

"We must appreciate that if we wish a strong Europe it must be a Europe strong enough to look upon an American proposal as merely one among many possible solutions—all of which will be reviewed together. If we wish their partnership, we must treat them as partners."

Already your Government is engaged in an intensive internal preparation for these bilateral meetings and multilateral negotiations that should follow.

In addition, so that the Government may have the benefit of some of the expertise and experience outside the Government in this highly technical area, President Johnson has accepted my recommendation and announced creation of an advisory committee on international monetary arrangements which includes as its chairman the former Secretary of the Treasury, Douglas Dillon, and a distinguished group of experts including Robert Roosa, former Under Secretary of the Treasury for Monetary Affairs; Kermit Gordon, former director of the Bureau of the Budget; Edward Bernstein, economic consultant specializing in international monetary policy; André Meyer, of the investment banking firm of Lazard Frères; David Rockefeller, president of the Chase Manhattan Bank, and Charles Kindleberger, professor of economics at Massachusetts Institute of Technology.

With their help and that of many others who will be consulted, including, particularly, many well-informed members of the appropriate committees of Congress, we shall con-

stantly seek a comprehensive U.S. position and negotiating strategy designed to achieve substantial improvement in international monetary arrangements thoroughly compatible with our national interests.

In the various proposals which have and will be made, we must determine those which will be acceptable to the United States, those which are entirely unacceptable, and those which may well be appropriate for negotiation.

There will be an initial meeting of the advisory commitee on international arrangements on July 16. Hearings are planned before the International Finance Subcommittee of the House Banking and Currency Committee under the chairmanship of Congressman HENRY REUSS of Wisconsin to obtain various private and organizational points of view. These hearings and the reports of the committee will be of great value, together with those of the Joint Economic Committee of Congress and the International Finance Subcommittee of the Senate Banking and Currency Committee under the chairmanship of Senator EDMUND MUSKIE of Maine.

READY TO JOIN TALKS

I am privileged to tell you this evening that the President has authorized me to announce that the United States now stands prepared to attend and participate in an international monetary conference that would consider what steps we might jointly take to secure substantial improvements in international monetary arrangements. Needless to say, if such a conference is to lead to a fruitful and creative resolution of some of the free world's monetary problems, it must be preceded by careful preparation and international consultation.

To meet and not succeed would be worse than not meeting at all. Before any conference takes place, there should be a reasonable certainty of measurable progress through prior agreement on basic points.

Our suggestion is that the work of preparation be undertaken by a preparatory committee which could be given its terms of reference at the time of the annual meeting of the International Monetary Fund this September.

The United States is not wedded to this procedure nor to any rigid timetable. I shall exchange views with my colleagues in Europe and elsewhere, as well as the senior officials of the International Monetary Fund, on how best to proceed. The point I wish to emphasize here is that the United States is determined to move ahead—carefully, deliberately—but without delay. Not, to act when the time is ripe can be as unwise as to act too soon or too hastily.

We are, therefore moving ahead—and we are making progress. But we must be aware that the issues involved are complex, and they raise basic questions of national interest.

PATIENT EXPLORATION NEEDED

It is not, therefore, easy to arrive at the degree of international consensus we must have for any workable reform of the international monetary system. We can expect no overnight solution—but only patient exploration of the alternatives with our trading partners in a spirit of mutual cooperation. This is the course we are now pursuing.

As we move ahead, we will do well to remember that the existing international financial system has successfully financed an unparalleled expansion in world trade and payments. We have also done much in recent years to strengthen that system. The need now is not to start all over again, to move in a completely new direction. Rather, we must move once more to strengthen and improve the existing arrangements.

And while we proceed solidly and surely toward international agreement on the problems of world liquidity, we in this country must keep ever before us the present and pressing need to protect the existing international payments system by maintaining a strong, sound, and stable dollar. First things must come first.

We are bringing our own payments into equilibrium and we must keep them in equilibrium. By resolutely shouldering that responsibility we will preserve the foundation upon which must rest all efforts to assure free-world growth in the years ahead—the monetary system that has served the free world so well in the past.

REPORT ON "CANADA AND THE UNITED STATES—PRINCIPLES FOR PARTNERSHIP"

Mr. AIKEN. Mr. President, at noon today there was released in Washington and Ottawa by President Johnson and Prime Minister Pearson a report on "Canada and the United States—Principles for Partnership."

This report was prepared by Livingston Merchant for the United States and Arnold D. P. Heeney for Canada.

These men are both conscientious and competent, a fact which lends importance to their findings and recommendations on a subject of paramount importance to both countries.

I shall not attempt to analyze the report at this time other than to say that it is a concise and understanding statement of the relationship which exists between us and contains conclusions and recommendations so patently vital and apparent that they should be found readily acceptable by thinking people on both sides of the border.

Despite the disparity between our two countries in population and in other ways, there is no more striking example of interdependency to be found in the world today.

The report of Messrs. Heeney and Merchant should further our already outstanding example of international cooperation and strengthen still more the understanding which exists between us.

I wish to commend President Johnson and Prime Minister Pearson for their foresight in arranging for this United States-Canadian group study.

I wish also to commend Arnold Heeney and Livingston Merchant for a job well done. Their findings and recommended guidelines for future cooperative effort should prove invaluable to both countries.

LEGISLATIVE BRANCH APPROPRIATIONS, 1966

The Senate resumed the consideration of the bill (H.R. 8775) making appropriations for the legislative branch for the fiscal year ending June 30, 1966, and for other purposes.

Mr. MONRONEY. Mr. President, the legislative branch appropriation bill for fiscal year 1966, H.R. 8775, which is the pending business of the Senate, recommends appropriations in the amount of $190,840,167. This is an increase of $40,251,060 over the House-approved bill, $15,717,949 over the appropriations for fiscal year 1965, but $52,421,450 under the total amount of the estimates presented to the Congress.

As the Senators know, this large increase over the House version of the bill represents appropriations recommended for the operation and administration of the Senate, and for the maintenance and operation of the Senate Office Buildings and the Senate garage. The amounts recommended for these items are $36,379,790 for financing the Senate's operations, including funds for Senators' staffs and committee staffs, $2,458,700 for the Senate Office Buildings, and $53,800 for the Senate garage. The budget estimates for these items were not considered by the House of Representatives in accordance with longstanding practice, as, similarly, the Senate committee did not review nor amend those items pertaining strictly to the House.

The committee in its report, which is before the Senate, has made several increases in senatorial allowances, including an innovation in the provision of additional telephone service, which will be of interest and which will be discussed more fully later.

The committee was pleased to concur in the suggestion in the House report that the Capitol be kept open for tourists until 10 o'clock in the evening, 7 days a week, from approximately Easter through Labor Day. Attention has been given to the necessity of providing adequate policing in the building and in the adjacent parking areas—and under several appropriation items, hereafter set out, Senators will find funds provided for the additional police and building attendants investigation indicated would be required.

For the Office of the Architect of the Capitol, the committee recommends an appropriation of $570,070. This is a reduction of $17,530 under the House bill, brought about by the disallowance by the committee of one attorney for this office, which the House had approved. The committee concurred in the House allowance of $5,000 for the additional accounting clerk required for the compilation of records and preparation of the semiannual reports of all expenditures made from funds appropriated to the Architect of the Capitol, as provided in the Legislative Branch Appropriation Act for fiscal year 1965.

Under Capitol buildings, the committee approved the House recommendation of $1,640,000, which includes approximately $15,000 estimated by the Architect to be necessary under this head incident to the proposed evening opening of the Capitol.

We come now to the addition of $700,000 to the House version of the bill recommended by the committee for the restoration of the Old Senate and Old Supreme Court Chambers. In fiscal 1964, funds were appropriated for the preparation of working drawings, specifications, and estimates of cost for this proposal which, upon completion, would restore these rooms to the condition in which they existed and were furnished when last occupied in 1859 and 1860,

respectively, by the Senate and the Supreme Court. This initial work, including extensive research into the architectural history of the rooms and their furnishings, has been accomplished and, according to testimony presented before the committee, the restoration could be completed within the $700,000 requested and by the end of the fiscal year. It is estimated that between 5 to 7 million people a year visit the Capitol Building. Many of them are school-age children. It is the conviction of the committee that this restoration would greatly enhance for these visitors the tradition and significance of the building and, perhaps, contribute to a larger knowledge and deeper insight into the development of our Government. The Senate hearings go into considerable detail, both as to the history of these rooms and the justification for the work, which will be of interest to the Members, I believe.

For the maintenance and operation of the Senate Office Buildings, the committee recommends a total of $2,458,700, which is $5,800 under the appropriation for 1965 and $10,000 under the budget estimate. The $10,000 withdrawn represents the sum originally requested for replacement of deficient compressors in connection with the air conditioning and refrigeration systems. It was later determined these compressors could be repaired and replacements were not necessary. In its hearings, the unsatisfactory elevator service in both buildings, as well as inadequate parking facilities for tourists and guests to Members' offices, were given attention by the committee, as also indicated on page 11 of the report.

The appropriation recommended for the operations of the Library of Congress totals $26,151,100, which is $2,069,300 over the 1965 appropriation, $648,800 over the House allowance, but $493,700 under the budget estimates. Briefly, the committee recommends as follows for the various activities of the Library:

For salaries and expenses, the sum of $11,772,000. The increase of $109,000 over the House allowance includes $65,000 for an additional 10 employees, $19,000 increase for the proposed automation project, and $25,000 to reimburse the Metropolitan Police Department for 2 man-dog teams to patrol the Library and adjacent Capitol grounds during the evening hours. The Library's reading rooms are open to 10 o'clock every night and, in addition, from early October to early June musical and literary programs are scheduled for as many as 4 or 5 nights a week. The committee believes that the funds provided for additional police services on the Library grounds, and in connection with the evening opening of the Capitol, will assure adequate coverage for the Capitol Hill area and will help to eliminate completely the commission of criminal offenses thereabout.

For the Copyright Office, the committee concurs with the House allowance of $2,021,000, the budget estimate. These funds will permit the employment of 13 additional people to handle the increased workload. The operations of this office result in cash receipts to the Government, although recovery from fee receipts is diminishing from year to year. For fiscal 1964, the latest full-year figures available, $1,133,546 was returned to the U.S. Treasury. This was $58,356 over the return for the previous fiscal year. The committee in its report urges the appropriate legislative committees to give priority consideration to the pending bills providing for an increase in registration fees. The estimated percentage of fees as applied to costs for fiscal year 1966 is 62 percent as compared to 103 percent in 1949. Fees have remained the same since 1948 and costs have increased considerably since that time.

The committee recommends an appropriation of $2,492,000 for the Legislative Reference Service, $32,000 under the House allowance. The committee has disallowed two of the four positions approved by the House to staff the recently established Science Policy Research Division, since it was felt that it would not be possible to find qualified individuals for all of these positions. In its report—on page 12—the Legislative Reference Service is called upon to circulate to Members' offices lists of major reports prepared on legislative issues of general interest, with the reservation that these reports are not to be available for general distribution—that is, so-called constituent requests—and that reports tailored to the specific use of individual Members would not be included in these lists.

For the item, "Distribution of catalog cards," the committee concurs in the action of the House in recommending $4,035,000, which is a reduction of $68,000 from the budget estimate. Of this reduction, $50,000 represents a decrease from the request of $250,000 for the operation of a contingency fund to handle unexpected workload increases, and $18,000 to support full financing of printing costs in connection with the production of the Monthly Index of Russian Accessions, which is an activity partially financed under the head, "Salaries and expenses," above. This appropriation, the Distribution of Catalog Cards, is one of the revenue-producing activities financed in this bill. There was $3,679,781 returned to the Treasury in fiscal year 1964 as compared to $2,959,771 in fiscal 1963. For the first 11 months of fiscal 1965, $4,286,000 has been reimbursed to the U.S. Treasury.

The committee recommends $080,000 for books for the general collection, which is a restoration of $40,000 over the House allowance. This will provide the full amount estimated to be necessary to enable the Library to continue its policy of obtaining important materials currently as they are published, to establish a so-called unique materials fund—which is explained in the hearings—to strengthen its program of replacing by microfilming or other photocopying techniques otherwise irreplaceable reference materials, and to inaugurate a program for the preservation of its collection of badly deteriorated nitrate photographic negatives and filmstrips.

For books for the Law Library, the committee recommends the restoration of $5,000 to the House allowance of $120,000. This will enable the Law Library to augment its present collection and to help maintain this as one of the largest and most comprehensive collections of law books in the world.

For collection and distribution of Lirary materials, which is a program for the acquisition of library materials in certain excess foreign currency countries, the committee recommends the sum of $2,068,300. This will provide funds necessary for the continuation of this previously authorized activity in the countries of India, Pakistan, the United Arab Republic, Indonesia, and Israel, and the initiation of the program in Poland and Yugoslavia. Of this $2,698,300, $1,900,000 is in foreign currencies which the Treasury shall determine to be excess to the normal requirements of the United States. As is indicated in the table on page 4 of the committee report, $27,500 was returned to the Treasury by virtue of receipts from participating libraries. It is estimated that in fiscal 1965, this return will be increased to $31,700.

The overall appropriation recommended for the operations of the Government Printing Office total $26,329,000, which is the same as the House allowance, but $49,640,000 under the budget estimates. This reduction relates solely to the funds requested for the proposed construction of a new Government Printing Office building, which has been denied by the committee at this time. Since its earlier submission, the estimate has been reduced to $46,663,000 when it was proposed that the building be located at the site of the National Training School for Boys. Inasmuch as the Joint Committee on Printing has not approved any site location for the new building—a necessary prerequisite as provided in the 1965 Appropriation Act—the committee has denied without prejudice the funds requested for the construction of this new building.

For the printing and binding operations of the Government Printing Office, the committee concurs in the House allowance of $20,500,000, which is $2.5 million over the 1965 allowance. This increase is necessary to absorb a $4 million carryover deficit from prior years and to provide $16.5 million estimated for congressional requirements for 1966. As Senators will note from the report, the committee requests that the Public Printer explore possibilities of instituting accounting procedures so that all printing ordered by the committees of Congress, and the costs thereof, may be recorded and reported. It has been brought to the attention of the committee that some of the committees of the Congress are extremely wasteful in their printing habits. It has been reported that in some instances voluminous texts, or documents, submitted by witnesses—which are related to the subject but which are not vital—will be accepted and printed in full in the record, pyramiding costs way beyond any reasonable amount and stuffing the record with junk that would not ordinarily be read by anyone except perhaps a researcher bent on getting the last single fact out of a mass of statistics. I have been furnished by the

Public Printer with a form which the Printing Office proposes to use in its breakdown of congressional charges by originating sources. I ask unanimous consent to have this form printed in the RECORD at this point.

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

Proposed breakdown of congressional charges by originating sources

Classification	Breakdown	How accomplished
1. CONGRESSIONAL RECORD	House and Senate	Actual pages chargeable to House and Senate determined from daily RECORD. Overall charges for daily, index, biweekly, and bound prorated on basis of number of pages.
2. Miscellaneous publications	Committee	When committee is carried on order or title page.
	Architect	When Architect is carried on order or title page.
	Clerk of House	When originating source cannot be identified.
	Secretary of Senate	Do.
3. Miscellaneous printing and binding	Committee	When committee is carried on order or printed matter.
	Architect	When Architect is carried on order or title page.
	Members (Senate or House)	Personal stationery for members.
	Clerk of House	When originating source cannot be identified.
	Secretary of Senate	Do.
4. International exchanges	No breakdown	
5. Franked envelopes and document franks	Committee	When committee is carried on order or printed matter.
	Members (Senate or House)	When order is for individual Member.
	Clerk of House	When originating source cannot be identified.
	Secretary of Senate	Do.
6. Calendars	Committee	Individual committee calendars.
	House	House business calendars.
	Senate	Senate business calendars and Senate executive calendars.
7. Bills, resolutions, amend	Members (Senate or House)	Regular bills introduced by Members.
	House	House resolutions.
	Senate	Senate resolutions.
8. Committee reports	Committee	Committee making report.
	House	Conference reports.
9. Documents	House	When order originates in House.
	Senate	When order originates in Senate.
10. Hearings	Committee	Committee holding hearing.
11. Federal Register	No breakdown	
12. Code of Federal Regulations	do	

The totals of the above breakdowns will equal the total amount billed for each fiscal year. Obligations for unfinished work will be estimated, as far as possible, by these same breakdowns.

Joint Committee on Printing orders for additional copies will be charged under appropriate breakdown.

Certain miscellaneous work provided for "By-Law" that cannot be assigned to either House will be carried under a "By-Law" breakdown.

It is not intended that a breakdown be provided for individual Members. This breakdown will show only that the order originated with a Member of the House or Senate.

Mr. MONRONEY. It has been suggested that the Government Printing Office—after this procedure has been installed and is operating—advise each committee of the Senate and House of Representatives and each joint committee monthly of their printing charges for the previous month. Annually, the committees on Appropriations of the Senate and House, and the Joint Committee on Printing will be furnished a breakdown of committees and other ordering sources in the House and Senate, and the Architect of the Capitol. I believe the form prepared by the Government Printing Office to accomplish our objective is adequate, and I believe the monthly reports to the various committees will be informative and conducive to greater care in the ordering of printing. In the report which is before the Senate, the Joint Committee on Printing is requested to consider the feasibility of placing the committees of the Senate and House on an annual allowance for such printing, based, of course, upon the report of the Public Printer.

For the Office of the Superintendent of Documents, the committee recommends an appropriation of $5,829,000, the House allowance and the amount of the budget estimate. As indicated in the tabulation on page 4 of the report, earnings realized from the sale of documents for return to the U.S. Treasury were $6,703,282 in fiscal year 1964, which was an increase of $971,491 over the previous fiscal year. It was testified that sales for the current fiscal year are approximately 15 percent ahead of fiscal year 1964.

With respect to the items relating to the operation and administration of the U.S. Senate, exclusive of the Senate Office Buildings and the Senate Garage, a total appropriation of $36,379,790 is recommended. This appropriation was not considered by the House, as I mentioned earlier in this statement, but the amount is $1,545,220 over the 1965 appropriation and $512,895 over the amount requested in the budget. The table at the conclusion of the report details the allocation of these funds to the particular account, but I will highlight for the convenience of the Senate a few of the items.

There have been mandatory pay increases throughout this bill as Senators will appreciate, based either on the Pay Act of 1964 or on general wage-rate increases authorized in earlier legislation which requires that compensation of certain employees shall be adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates.

For the Office of the Sergeant at Arms, the committee recommends an appropriation of $3,051,230. In connection with the evening opening of the Capitol Building, language and funds have been inserted in the bill providing for six additional attendants under this account—three for the men's rooms and three for the ladies' rooms in the Capitol.

The committee has approved the employment of one additional stenographer for the Office of the Legislative Counsel, for a total appropriation of $308,000.

Miscellaneous items is a multipurpose general appropriation under the head, "Contingent expenses of the Senate." Authorizations to make payments from the contingent fund not chargeable to the specific appropriations are paid from this appropriation. On page 6 of the committee's report is a tabulation which reflects the amounts carried in this bill under miscellaneous items.

One of these is office expenses. For office expenses in the home State of each Senator, the committee recommends that the allowance be increased from $150 per quarter for each Member to $300 per quarter, or $1,200 per year.

With reference to travel allowances, the present law permits each Senator two round trips, exclusive of mileage at the beginning and end of each session. The committee has inserted language in the bill increasing these round trips to six round trips per annum.

The present law authorizes four round trips per year for staff members to the home State of the Senator, with a mileage allowance of 10 cents a mile. For the staff members in the offices of Senators from States with a population of 10 million or more inhabitants—California, New York, Pennsylvania, Ohio, Texas, and Illinois—the number of these trips has been increased to 6 round trips a year.

LONG-DISTANCE TELEPHONE ALLOWANCES

I invite the Senate's attention to page 6 of the report, which outlines in some detail the proposal of the committee relative to the long-distance telephone allowances. Briefly, the allowance has been increased from 160 calls and 800 minutes per month to 200 calls and 1,000 minutes per month for each Senator, with the addition that Senators from the six largest States, recited above, will receive 50-percent additional, or 300 calls and 1,500 minutes per month. Further, all calls are cumulative from month to month, but not to exceed one-half may be used in the first 6 months.

The long-distance telephone allowance of $1,800 a year per Member, in addition

to the allowance based upon number of calls and number of minutes, has been increased to $2,200 a year per Member. This will afford to each Member an additional $400 per annum in telephone allowance.

In addition to the foregoing, the committee has also approved the optional telephone service—wide area telephone service—as explained in the report on page 7. I shall be pleased to answer any inquiries regarding this plan but, first, let me say that it will be necessary for the Sergeant at Arms to compute for each Senator the amount of his telephone allowance which will be available for the service should he elect to contract for it. Basically and simply stated, this is a leased-line service, based on rates supplied by the telephone company. Each Senator would surrender funds from his above-cited telephone allowances in order to subscribe to the service. It would, in essence, be a shared-line system, with at least two Senators joining in the contract. In other instances, three or even four Senators may find it feasible to surrender part of their allowances in order to participate in this plan. As the rates now stand, it would be prohibitive for one Senator to finance such an arrangement from his present allowances. I make the above statements simply to point out that this system will be a reasonable solution to a difficult problem in some areas of the country and not in others—mainly because of the locally controlled rates, tariffs, and allowances which apply in the particular areas. Under the WATS system, any two or more Senators, exclusive of those from Alaska and Hawaii, because such a system has not yet been extended to those States, may elect to participate. Calls can be made only on a one-way basis to any State in that WATS zone from the Washington office of the Senator participating. The use of the line shall be controlled by the two or more Senators contracting for such a line. When the line is in use from one office, it automatically will be dead in the other offices. Under the committee language, it is purely a voluntary plan for Senators and if they avail themselves of it the charge will be made against their existing allowances.

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

Mr. MONRONEY. I yield.

Mr. SALTONSTALL. I have prepared, in conjunction with the remarks of the Senator from Oklahoma, a statement in explanation of the telephone allowances. If the Senator would not object, I should like to make the statement at this point in the RECORD.

Mr. MONRONEY. I would welcome its appearance in the RECORD at this point as a further explanation of the arrangement.

Mr. SALTONSTALL. I thank the Senator.

Mr. President, the committee has increased the long-distance telephone allowance for Senators from 160 calls per month or 800 minutes to 200 calls or 1,000 minutes. It is to be noted that the calls are allocated on an annual basis rather than on a monthly basis with the stipulation that they may not exceed one-half of the total allowance during the first 6 months of the fiscal year.

As written, the new language will provide for a carryover from month to month of unused allowances. In addition, six States with a population of 10 million inhabitants or more will have an increased allowance for long-distance telephone service, 50 percent above the allowances for the other States. These six States are California, New York, Pennsylvania, Ohio, Texas, and Illinois. They will receive total allowances providing for 300 calls or 1,500 minutes a month with a carryover on a monthly basis.

The long-distance telephone allowance which is in addition to that based upon number of calls and number of minutes, now set at $1,800 per year per member, has been changed to $2,200 per year per member. This will provide an additional $400 per annum in telephone allowances.

The committee inserted language in the bill which would make it possible to have the Sergeant at Arms compute the maximum long-distance telephone allowance for any Senator. The allowance would be computed on a formula at the maximum rate with all calls considered as being person-to-person from Washington, D.C., and terminating in the Senator's State. Under this plan, a Senator may then request the Sergeant at Arms to contract for flat rate long-distance telephone service such as wide area telephone service. The contract costs under this plan would be charged against the Senator's telephone allowance and in no event would the total cost of any contract service exceed the allowance of the Senator or group of Senators sharing the service. Excess costs would be billed to the Senator.

The committee made an overall survey of possible additional long-distance telephone service and found that wide area telephone service would be the most practical at the present time. Only those who indicate a desire to come under the service will be affected.

Mr. ELLENDER. Mr. President, will the Senator from Oklahoma yield?

Mr. MONRONEY. I yield.

Mr. ELLENDER. As I understand, this would not constitute additional service, but would mean that the amount allowed for long-distance calls may be used for this purpose.

Mr. MONRONEY. That is correct. But the bill in another section would increase the allowance for telephone calls. In the computing of these charges in connection with WATS the maximum would be allowed and a Senator might at his option, go along with another Senator, or with two or more Senators, and lease one of the lines for their joint use, and he would be billed on his account.

Mr. ELLENDER. It would not constitute an extra charge to the Government?

Mr. MONRONEY. No; it would be the same as if the money were used for the regular, conventional service.

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

Mr. MONRONEY. I yield.

Mr. SALTONSTALL. There is an additional explanation, which I hope will be helpful. For every call a Senator uses on the new service, a deduction will be made from the regular telephone allowance.

Mr. MONRONEY. The bill provides an increase from 160 calls and 800 minutes a month, to 200 calls and 1,000 minutes a month, and also from $1,800 a year per Member to $2,200 a year per Member. This includes both the conventional and the new service.

Mr. ELLENDER. As I understand, if Senators use the number of calls that the Senator from Oklahoma indicates, whatever the cost, he could use a part of that amount in order to use the new service?

Mr. MONRONEY. That is correct.

Mr. ELLENDER. Is it correct that, allowances for telegrams and telephone calls that are not used are not charged to the Government?

Mr. MONRONEY. That is correct.

Mr. ELLENDER. Such amounts revert to the Treasury?

Mr. MONRONEY. That is correct.

Mr. ELLENDER. Do I correctly understand that the unused allowances for stationery are the only amounts that do not revert to the Treasury?

Mr. MONRONEY. That is my understanding.

Mr. ELLENDER. A Senator may keep that unused allowance, if he so desires?

Mr. MONRONEY. Yes; or apply it to other expenses, such as telephone or telegraph expenses.

Mr. ELLENDER. What does that mean? Must he use it strictly for that purpose?

Mr. MONRONEY. For official business.

Mr. ELLENDER. Must he certify to it?

Mr. MONRONEY. He must certify to it.

Mr. ELLENDER. Where is there the provision for the obligation on his part to do that?

Mr. MONRONEY. It comes in the statement when he receives it.

Mr. ELLENDER. I understand that all that a Senator need do when he gets notice from the disbursing officer that not all of his $2,400 allowance has been used, is to apply for and receive the difference in cash.

Mr. MONRONEY. Yes; or he may apply it to other expenses.

Mr. ELLENDER. In my case, I do not use the entire $2,400. However, through a letter I wrote to the disbursing officer of the Senate, he returned to the Treasury approximately $1,400. As a matter of fact, the exact amount was $1,462.29. I could have used that in any way that I saw fit, as I understand it.

Mr. MONRONEY. The Senator would find that it required that the allowance be used on official business.

Mr. ELLENDER. Is any additional money provided for other than the one item that the Senator just mentioned for the legislative counsel?

Mr. MONRONEY. The extra stenographer for the legislative counsel?

Mr. ELLENDER. That is correct.

Mr. MONRONEY. We added that.

Mr. ELLENDER. The Senator has also added such employees as may be necessary to permit the use of the Capitol by visitors after hours.

Mr. MONRONEY. I am glad that the Senator raised that point. That provision would allow us to hire these men from the Metropolitan Police Force, only during the period of time that the Capitol would be open. I believe that there would be 14 privates and 1 sergeant, to furnish the additional protection that would be needed within and outside the building to maintain order during the evening hours.

Mr. ELLENDER. I presume they would be used during the tourist season.

Mr. MONRONEY. The season would start at approximately Easter and close on Labor Day.

Mr. ELLENDER. I notice on page 4 of the report that the Secretary of the Senate is empowered to employ one chief reporter of debates at $24,024.40 gross per annum and seven reporters of debates. That would not mean additional reporters, would it?

Mr. MONRONEY. It would not. All of the reporters affected by that language are today serving the Senate. It would merely remove the confusing situation in which we had two heads of the office instead of one. This provision would authorize the selection of one principal reporter of debates, who would be the one to be held accountable by the Senate for the coverage of these debates.

Mr. ELLENDER. That office would be placed under the authority of the Secretary of the Senate?

Mr. MONRONEY. That is correct.

Mr. ELLENDER. The Secretary of the Senate would have jurisdiction over them.

Mr. MONRONEY. He would have jurisdiction to designate the official reporters.

Mr. ELLENDER. Who had jurisdiction before?

Mr. MONRONEY. Both of the Official Reporters were coequal. That led to some confusion in authority. We had been asked by several groups, the majority and minority leaders, and the Senate members of the Joint Committee on Printing, to provide language to resolve this continuing difficulty which was occasioned by having more than one man responsible.

Mr. ELLENDER. Are we to understand then that this would not constitute an increase in personnel?

Mr. MONRONEY. The Senator is correct. It would not.

Mr. ELLENDER. The only increase in personnel would be as to those employees necessary to furnish services for tourists during a certain period of the year, and the secretary for the legislative counsel?

Mr. MONRONEY. The Senator is correct. There might be additional charwomen or service employees such as elevator operators.

Mr. ELLENDER. I understand. I noticed that the report mentioned that there would be an increase in salary for three laborers.

Mr. MONRONEY. The Senator is correct. Those laborers are on the payroll at the present time. However, it is proposed that they be given a very slight increase.

Mr. ELLENDER. Would the Senator find any objection to language to the effect that any Senator who does not completely use his allowance for stationery must return the unused portion to the Treasury, as is the case for long distance calls, telegrams, and other items?

Mr. MONRONEY. I should be very happy to accept the amendment.

Mr. ELLENDER. I thought that should have been done a long time ago. I understand that an amendment will be proposed.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. WILLIAMS of Delaware. Mr. President, I intend to offer such an amendment at a later time which I hope that the Senator in charge of the bill will accept.

I feel that it is our responsibility to provide funds by which each Senator can finance the expenses necessary in order to conduct the official duties of his office; however, I believe that we should make it very clear that in no event can any of these funds which are not used, revert to Senators.

It is my understanding that the Senator from Oklahoma confirms that opinion. In the case of postage stamps I notice that under the existing law the amount provided for is $610, and the bill would increase that amount to $800, with an additional $200 increase for those Senators who serve from west of the Mississippi.

Mr. MONRONEY. The Senator is correct.

Mr. WILLIAMS of Delaware. No portion of that amount would be available except for official business.

Mr. MONRONEY. The Senator is correct.

Mr. WILLIAMS of Delaware. No portion of that amount could revert to the use of a Senator unless it were used for conduct of the official business of his office.

Mr. MONRONEY. The Senator is correct.

Mr. WILLIAMS of Delaware. I understand that six trips back home would be allowed for the employees of each office representing the larger States.

Mr. MONRONEY. Six trips would be allowed staff for the States which have a population of over 10 million.

Mr. WILLIAMS of Delaware. That is correct.

Mr. MONRONEY. Six staff trips would not be allowed for Senators from small States.

Mr. WILLIAMS of Delaware. That is correct, and I agree. I happen to be from a small State which is so close that we do not even need the provision for four trips. However, I recognize that many from the larger States need that provision. I shall support that provision; however, to keep the record straight, this would not be a provision for six trips for each employee?

Mr. MONRONEY. It would be the total for the office.

Mr. WILLIAMS of Delaware. During the fiscal year?

Mr. MONRONEY. During the fiscal year, the office of each Senator from States with a population in excess of 10 million would be allowed 6 trips.

Mr. WILLIAMS of Delaware. That would be for those Senators representing a State which has a population of over 10 million.

Mr. MONRONEY. The Senator is correct.

Mr. WILLIAMS of Delaware. In each instance the employee who returned to the home State must be on official business and in the discharge of his official duties.

Mr. MONRONEY. The Senator is correct. That must be vouchered on a regular voucher.

Mr. WILLIAMS of Delaware. The same thing would be true in the case of telephone calls, as the senior Senator from Louisiana has pointed out. Telephone calls would be paid for by the Government out of the allowance only to the extent that such calls were made in the course of official business.

Mr. MONRONEY. The Senator is correct. If the allowance is not completely used, it would revert to the Treasury.

Mr. WILLIAMS of Delaware. It would automatically revert.

Mr. MONRONEY. The Senator is correct. The provision for these telephone calls would be continuing, from 1 month to another.

Mr. WILLIAMS of Delaware. I understand.

Mr. MONRONEY. So if a small amount were used in 1 month and a much larger amount in the next month, it would balance out.

Mr. WILLIAMS of Delaware. I understand that, but during the fiscal year they balance out.

Mr. MONRONEY. The Senator is correct.

Mr. WILLIAMS of Delaware. But in all instances payment is available to Senators for official calls made by the Senator or his staff. All personal calls would have to be paid for by the parties making them.

Mr. MONRONEY. The Senator is correct.

Mr. WILLIAMS of Delaware. If a man were to make a personal call he must reimburse the Sergeant at Arms for such call. This is the law.

Mr. MONRONEY. That is correct.

Mr. WILLIAMS of Delaware. Then the stationery fund is the only fund provided for in the bill under which the funds might revert to the Members of Congress.

Mr. MONRONEY. The cash refund is supposed to go for official business.

Mr. WILLIAMS of Delaware. Supposed to, that is. I have an amendment which I shall offer soon that I hope the Senator in charge of the bill will accept. I believe that we should spell out very clearly that this fund would be in the same category as the other funds.

My amendment reads:

Provided, That hereafter any amounts not utilized by Senators for the purchase of stationery for strictly official business from

the Senate Stationery Room at the expiration of the fiscal year for which provided shall revert to the Treasury by withdrawal from the stationery revolving fund.

I shall send this amendment to the desk at the appropriate time. I hope the Senate will accept it. It will make sure that all these funds are used only for the purpose spelled out as being the intention in the bill.

Mr. MONRONEY. I have said that I would accept the amendment.

May I complete my statement first?

The PRESIDING OFFICER. The Chair will advise Senators that the committee amendments must be disposed of before the amendment of the Senator from Delaware can be offered.

Mr. MONRONEY. I will yield as soon as I complete my statement.

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

Mr. MONRONEY. I yield.

Mr. HOLLAND. I am a little concerned by what I have heard. While I am willing to limit the stationery account in the way the Senator has suggested, my understanding has been that such matters as subscriptions to papers to keep one advised and to know what is going on in one's State, in order to properly represent his State, was as much covered as buying the paper on which a Senator corresponded with individuals who approached him from his State, and that applies to trade journals from particular trade organizations in one's State. In particular, I have in mind agricultural journals because they keep a Senator advised about what his people want and what are necessary activities in his State.

I am seeking to have the RECORD reflect what the able chairman thinks about the inclusion within the scope of the stationery allowance of such items as I have mentioned.

Mr. MONRONEY. It would require an amendment to the amendment to do that, because it would be strictly prohibited under the amendment to be offered by the distinguished senior Senator from Delaware, which both the Senator from Massachusetts [Mr. SALTONSTALL] and I have agreed to accept. It could be voted on as an amendment, but under the amendment before us it would not be possible to subscribe—the way I read the language—to newspapers or other publications as a result of this language.

Mr. HOLLAND. May I ask the Senator a further question? I believe the practice I have commented upon has been a rather general practice under existing law. What is the difference between existing law and the amendment that is proposed? I know of no better way in which a Senator can keep in touch with the people of his own State, or a more comparable way of actual correspondence with individuals and organizations, than the course which I have referred to and which I understand has been generally followed by Members of the Senate.

I have no objection to the amendment. I have no objection to the continuation of the present practice. But I would like to have the Senator differentiate between what is provided under existing law and what would happen under the proposed amendment relating to the stationery allowance.

Mr. MONRONEY. This language would refer to stationery which must be purchased for official business and purchased at the Senate stationery room. At the end of the fiscal year, whatever funds were unused would revert to the Treasury.

Mr. HOLLAND. That is what the amendment provides.

Mr. MONRONEY. That is what the amendment provides.

Mr. HOLLAND. What does the present law provide?

Mr. MONRONEY. It must be used by a Senator for official business, for such matters as the Senator mentioned, or other accounts or other charges.

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

Mr. MONRONEY. I yield.

Mr. SALTONSTALL. I have just talked with Mr. Brenkworth, the financial clerk, and he says there is nothing in the law on this subject. If a Senator does not choose to use all of his stationery allowance, and it is not used for newspapers, it is up to the Senator to decide how he uses it. That is what the law on the fund is at the present time.

Mr. HOLLAND. May I ask the Senator if that is not just as logical a way for a Senator to keep up with matters in his State as correspondence with individuals or organizations, which is certainly covered by the stationery fund?

Mr. SALTONSTALL. I agree with the Senator. All I am trying to point out is that there is nothing in the law at the present time, pro or con. If the Senator wants to revise the amendment of the Senator from Delaware to state that the fund may be used for that purpose, I am sure, as one Senator, I would have no objection, but I do not think it would be a good amendment of the law.

Mr. HOLLAND. If the Senator will yield further, very obviously the amendment would strike everything except actual purchases of stationery at one place; namely, the Senate stationery room. Of course, we all have home offices in our own States and have occasion to buy supplies there from time to time, and I suppose most of us have regarded this fund as available to be used for subscriptions to newspapers and trade papers, which certainly could be regarded as much business as correspondence with individuals and organizations.

I have no formula to propose, but I was asking the distinguished chairman of the subcommittee and the acting minority leader if they would agree that the amendment would amend existing law as regards its application to the matters I have mentioned.

Mr. MONRONEY. From the colloquy the Senator has just had with the senior Senator from Massachusetts [Mr. SALTONSTALL], who quoted from the financial clerk of the Senate, Mr. Brenkworth, these funds have not been limited in the past to stationery. I would say the proposed amendment does change existing law. I had always thought it was up to the Senator to expend it as he thought best.

Mr. HOLLAND. If a Senator regarded furnishing information to himself and his staff, through papers which he felt representative of the various activities in his State, to which papers he subscribed, if there was a balance left in the funds after paying for supplies in the stationery room, would he regard it as something to which the balance could be so applied?

Mr. MONRONEY. Under the law, the Senator said it could be so applied.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. WILLIAMS of Delaware. I recognize the validity of what the Senator has argued. I am not raising that point, but under existing law the Senator will find that a Senator must pay for such periodicals out of his own funds. It is not provided for by law. If the Senator wants to do what he says he wants to do the law should be amended. My amendment does not change the existing law one iota as to what can be done. It does provide that stationery funds are to be spent for stationery supplies and not for other items not considered as office supplies. Sometimes we provide funds for various agencies to buy periodicals or newspapers, but we set it out as such in the law. So it would require an amendment of the law to do what the Senator from Florida is advocating.

All I am saying is that this fund, which is the stationery fund for the purpose of paying for office supplies, used in the discharge of the duties of our office, should be confined to the purpose for which it was intended; namely, stationery. If we apply it for additional uses, let us do so by law. That is all I was trying to say.

No Member of the Senate should be allowed to make a profit out of one of these office allowances.

This amendment makes no changes in existing law at all. It may change the practice, but I do not believe it will change the law.

Mr. MONRONEY. Let me say to the Senator from Delaware that if it is the will of the Senate that we provide for the publications necessary in Senators' offices, a line item in the appropriation bill could be added for that purpose The way the Senator's amendment now reads, I believe that it would not fall within the purview of the amendment.

Mr. WILLIAMS of Delaware. That is the point I am making. I recognize that if Senators wish to they can do it as another item in the bill. However, such authorization has not theretofore been given in any prior year, nor is it in the appropriation bill. There has never been such an authorization for the Senate. This amendment may be changing the practice, but not the law.

The law never intended that we get a kickback on our stationery allowance.

I believe that the amendment should be accepted as is, and then if the Senate wishes to go further it can put in a line item. If it is put in as new authority it should be spelled out with cer-

tain limitations. At present, there is no limitation.

Mr. GRUENING. Mr. President, will the Senator from Oklahoma yield?

Mr. MONRONEY. I yield.

Mr. GRUENING. I should like to express my great appreciation for the changes which the committee has recommended.

Last year, I made six trips to Alaska, and I paid for four of them myself. Also, we have to use airmail exclusively because Alaska is so distant.

There is one question I should like to ask the Senator from Oklahoma. Why have staff trips been increased only in the larger States? It seems to me it is as important for smaller States to have their staff members get back home as for the larger States. I can understand why there would be a distinction in certain other categories, but in the matter of staff trips it does not seem to me there should be any differentiation between large and small States.

Mr. MONRONEY. The reason is that the workload in the larger States is much greater than in the smaller States. We allow four round trips for staff members to all Senators. There was a request for increases in this amount by many Senators, most of whom fell within the larger State category, and it was felt that we could help to alleviate the difficulty within the larger States by granting two additional trips to staff members.

Mr. GRUENING. If the Senator will yield further, there is a geographical factor which comes home to those of us who live in the distant States. If the Senator from Colorado returns home, he satisfies the requirements by going to the metropolis, the capital of Colorado, which is Denver; and the same would be true of the Senator from Utah who would be satisfying the requirements by going to Salt Lake City. It might also be true in the case of the Senator from Oklahoma. But when we travel to Alaska, we are only half way there, at Denver, Salt Lake City, or Oklahoma City. We still have that much more distance to travel, after leaving Washington, to reach the first point, Ketchikan, to Nome, to Anchorage, to Fairbanks. It would seem to me that the geographical factor might well be considered, in addition to the population factor. I am hopeful that, if Senators would not object, we might accept an amendment which would increase the total number of staff trips for all Senators.

Mr. MONRONEY. This point was discussed carefully and at length. Let me say to the Senator from Alaska, there was reluctance even to increase the staff trips at all. We wished to hold it to four, as it was in the past. However, because of the conditions which seem to be strongly pressing in the larger States, those States having difficulty in assembling a staff to deal with the many problems confronting them, we did vote for 6 trips for States over 10 million population.

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

The PRESIDING OFFICER (Mr. COOPER in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MONRONEY. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

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

Mr. COTTON. Mr. President, there is one point in connection with this colloquy that will come up when the amendment offered by the Senator from Delaware is considered.

I believe a clarifying statement should appear in the RECORD at this time. The general public, in reading the colloquy which has just taken place on the floor of the Senate, may be led to assume that a large number of Senators—there may be some, at least—are drawing an excess from their stationery allowance and using it for such purposes as they deem proper. I believe that certain facts should be made plain at this point.

As a Member of the House 16 years ago, I started to make regular biweekly reports to my constituents. At that time there probably were not more than a dozen Members of the House—and I doubt if there were a half dozen Members of the Senate—who sent out these reports.

That custom has grown, until now I am quite sure a very large number—probably more than a majority—of the Members of the Senate, and perhaps also of the House, make a practice of sending regular newsletters or reports, or whatever they choose to call them, informing their constituents of what is taking place in Congress, and other information of general interest.

These reports, it should be noted, are scrutinized by the Sergeant at Arms of the Senate—and I believe this is true also of the Sergeant at Arms of the House—before they are permitted to go through the folding rooms, to be folded and sent out. If any personal political appeals are contained in the reports, or matters that can be construed to be a personal political appeal—I am not talking about issues between the parties—they are returned to the Senator. The Senator cannot send them out unless he chooses to make the statement in the form of a speech on the floor and then sends it out as a matter appearing in the CONGRESSIONAL RECORD.

In my opinion, this is a very necessary and beneficial custom indulged in by the Members of Congress, to keep their constituents informed, other than by a set speech appearing in the CONGRESSIONAL RECORD.

Up until World War II, in addition to the stationery allowance, a Member of Congress could be supplied with offset printing paper and envelopes without limit, so long as he used the supply for certain frankable material. For purposes of economy and conserving the use of the mails, and for other purposes, at the time of World War II that allowance was very much limited, or entirely ended.

After World War II we were allowed 10,000 sheets of offset printing paper and 10,000 envelopes each month. I send out almost 100,000 every 2 weeks, or about 180,000 a month. Everything over that allowance we must buy and pay for, and we must produce the money for it out of our own pockets.

Through the very generous efforts of the distinguished chairman of the Appropriations Committee, the Senator from Arizona [Mr. HAYDEN], and I believe with the cooperation of the distinguished majority and minority leaders, some time ago that was increased to 15,000 sheets and 15,000 envelopes a month. That still is a drop in the bucket for those of us who are sending out these reports. We are allowed 15,000 a month. In my case I send out over 180,000 a month. Other Senators from large States undoubtedly send out more. Not only have I never drawn any money from the stationery account, or used any of it to subscribe to newspapers or periodicals, or to pay for television tapes or radio tapes, but my stationery allowance is exhausted in the third month of each session. After that I pay personally for all the stationery that I use.

I am not complaining about that. I would be delighted to see an amendment adopted to make it impossible for any Senator—and I cannot imagine that many would wish to do it—to withdraw cash from the stationery account. I would like to see the limits of the stationery allowance raised in order that such stationery as Senators need, and is actually used for legitimate and legal purposes, may be made available for their use.

The only reason I bring this up, to explain it at this time, and to have it appear in the colloquy, is so that the public reading this colloquy will not get the idea that in general Senators are using their stationery allowance for purposes for which it was not designed, but are using it so as to enable them to have the necessary paper and envelopes to deal with their official business and to deal with the legitimate and proper needs of their constituents.

Mr. YARBOROUGH. Mr. President, I associate myself with the remarks of the distinguished Senator from New Hampshire. My paper allowance is used up months before the end of the fiscal year. I must dig down for hundreds of dollars, out of my pocket, or raise the money or borrow it or take it out of my salary, in order to pay for the stationery. I have reduced my communications with my constituents. The allowance is totally inadequate for a Senator who represents a State with 10½ million inhabitants. I have never had a surplus. I have always had to raise the money to meet the very necessary paper requirements in order to communicate with my constituents.

Mr. HOLLAND. Mr. President, I wish to read the definition of the word "stationery" from Webster's New International Dictionary, the Merriam Webster Dictionary, which is found in the anteroom of the Senate, to make clear

what is involved in the mere use of the word "stationery."

The word "stationery," as a noun, is defined in this dictionary—and I believe this is a sound definition—as follows:

The articles usually sold by stationers, as paper, pens, ink, pencils, blank books.

So it is not merely a paper allowance about which we are talking; it is the allowance for all correspondence. I recognize it as such. If the distinguished chairman of the subcommittee recognizes it otherwise, I hope that he will correct me, or at least will indicate his own views.

Second. It seems to me that ordinary correspondence is no more necessary for keeping of a Senator and his staff advised about what goes on in his State than other matters which I have mentioned earlier in the debate. I am thinking particularly about the daily newspapers of a State, the more important weekly newspapers of a State, and the trade papers in the agricultural industry and in other industries of a State.

I mention also the fact, as stated in the amendment, that the stationery allowance would be applicable only to stationery purchased from the Senate stationery office. My own custom—and I do not know what the custom of other Senators has been—was to purchase as supplies are needed. When I am at home for an ordinary vacation in the office which the Government furnishes me there, I do not write up to Washington to buy a typewriter ribbon or to get carbon sheets or to get seconds or thirds.

The PRESIDING OFFICER (Mr. BASS in the chair). Will the Senator suspend? There are too many conferences going on around the walls of the Chamber. Every staff member and employee of the Senate who is not now actively working with a Senator on the proposed legislation will retire from the Chamber.

Mr. HOLLAND. I thank the Presiding Officer.

The PRESIDING OFFICER. The Chair would like to hear what is going on occasionally. The Sergeant at Arms will carry out the instructions of the Chair to see that the Chamber is cleared of unnecessary staff members who are holding conferences in the Senate Chamber.

Mr. HOLLAND. I have not tried to keep up with how much I pay out when I am at home, for typewriter ribbons, pens, ink, and postage.

The PRESIDING OFFICER. The Senator will suspend. The staff member to whom I am pointing in the middle of the wall will leave the Senate Chamber. When the Chair asks for order, he means to have it.

Mr. HOLLAND. I do not think it is necessary or advisable to put any such duty upon a Senator.

I do not believe the Senator will say that a Senator's time is well spent in keeping up with such minor expenditures as those of the type which I have mentioned. Neither do I believe it is advisable or necessary for a Senator to have to keep up with his payments for subscriptions to daily newspapers and other publications, such as trade papers, to which he subscribes, not at one time, but along during the year as bills reach him and as he pays them.

I would not like to come to the stage at which small minute bookkeeping of that kind was expected to be taken out of a Senator's time, which I believe is a good deal more valuable than to justify such a course.

Third. Frankly, I have had a small margin each year out of my stationery allowance which has been charged only at the Stationery Office of the Senate. I have known when I received the allowance that it would not nearly compensate me for what I had paid out, either at home on similar expenditures, or for expenditures such as subscriptions to newspaper and trade journals. If it is necessary for us to do a thing of that kind, perhaps we could assign someone in our office—though I call attention to the fact that a person of that type in a Senate office would not be apt to be one of those at home with the Senator in his home office when he is there.

It seems to me that we are talking about a great deal of minute material which should not take the time of the Senate on the floor of the Senate, much less the time of Senators in accounting.

I wish to say for the RECORD that such small balances as I have drawn out of my stationery account each year customarily have not begun to compensate me for what I paid out in subscriptions of the type I have mentioned and for items of the type I have mentioned at home.

When I reach the point where I feel like I must be governed by such minute directions as that which would be given here, if the amendment is adopted, so far as I am concerned, I shall follow the amendment and pay all the rest out of my own pocket. That is all right. But it is not fair, and it is particularly unfair to Senators who represent large States, like the Senator from Texas [Mr. YARBOROUGH], who has just spoken. He has made it very clear, if I correctly understood him, that his complete allowance is insufficient to cover his purchase of paper and other stationery supplies at the Senate Stationery Office.

Mr. YARBOROUGH. The Senator is correct.

Mr. HOLLAND. I am sure there is a vast difference between that sort of matter and that which affects our distinguished friend, whose honesty I always recognize, and whose good judgment I nearly always recognize, my distinguished friend the Senator from Delaware [Mr. WILLIAMS], who represents a State smaller in size than my home county, 1 of the 67 counties in Florida, and smaller in population than about 10 of the Florida counties, 1 at a time.

One cannot liken the expense to which Senators go, either in taking care of ordinary correspondence, which would not be involved in this question at all, or in taking care of other questions which I think are more necessary for Senators to keep advised about, and to keep their staff advised about, in the case of Senators representing sizable States. My own State is not one of the largest, but it has 6 million people. I do not believe that the one yardstick, either as to what will be covered or as to the amount, is a reasonable measure to prescribe here.

Mr. President, I shall not suggest any amendment because I think the question involved is too small to justify that kind of action. But I am calling attention to what I believe is a manifest lack of wisdom in the pending amendment.

I believe I state with complete good confidence that it is as much the duty of a Senator to be kept advised, either through editorial comment or newspaper report comment, of what is going on in the various sections of his State, as it is for him to answer his correspondence, which generally comes from single individuals or sometimes from organized groups.

I call attention to the fact that a great many of us are not merely a few miles from our home State, as is the case of the distinguished Senator from Delaware. Undoubtedly he can go back and forth to his State every weekend, and perhaps more often. But most of us live at great distances from our States.

I am particularly in sympathy with the statement made by the distinguished junior Senator from Alaska a few minutes ago about the problems which confront Senators from that State. In that instance, they are problems of travel. I hope that we shall not make the mistake of adding to the bill an amendment which would either subject us to petty bookkeeping or question the judgment and integrity of Senators who have customarily, as I am sure others have done, drawn small expenses remaining to them out of the stationery fund with complete knowledge that they were not being really compensated therefor in connection with their efforts to keep in touch with their people back home.

I hope that the Senate will not adopt such an amendment.

Mr. SALTONSTALL. Mr. President, the Senator from Oklahoma has the floor.

Mr. MONRONEY. I do not know whether the Senator from Florida has completed his statement.

Mr. HOLLAND. I am through; I would be glad to yield to any Senator whom the Senator from Oklahoma might designate.

Mr. MONRONEY. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. Mr. President, in reply to the Senator from Florida, I should like to say, first, that the appropriation for stationery is $255,600, which is the same as last year. Our subcommittee, of which the Senator from Oklahoma is the chairman and of which I am the senior minority member, has not studied the subject. So far as I know, it did not come before us until we reached the floor of the Senate today. At the present time I would call one more fact to the attention of the Senate. This question will not arise again until next July 1, 1966. We are already through with fiscal year 1965. The question will not come up until the last of June 1966. So we have really a year before the question will come up for full action.

Of 100 Members of the Senate, and the Vice President, 28 reported no expenses at all; 73 reported balances totaling $66,389.01.

It amounts to an average of $909.43 a person.

As I see it, we can do one of three things today, because this is a matter which concerns the internal affairs of the Senate. We can adopt the amendment of the Senator from Delaware or reject it. The Senator from Oklahoma and I, as senior members of the subcommittee, have agreed to accept the amendment, so we would vote in favor of the amendment.

Second, we can vote for the Williams amendment and then insert a new line item of whatever amount the Senate judges is proper—$200, $250, $300, or more. I would hesitate to provide more, because the additional appropriation would be approximately $25,000, if we provided $250 for each Senator.

Third, we could provide language in the report to direct the financial clerk of the Senate, Mr. Brenkworth, and members of the committee and its staff to examine into the subject and include an amount in the supplemental appropriation bill next January. I wish to emphasize as strongly as I can that this question will not come up again until July 1, 1966.

My personal judgment is that we should adopt language, either in a separate resolution or in a part of the committee report—the latter, in my opinion, would be the better way—asking that Mr. Brenkworth or the committee, through Mr. Brenkworth, submit a recommendation next January, when the supplemental budget will be before us.

So we can either adopt the Williams amendment or reject it; we can insert a new line item after adopting the Williams amendment; or we can provide language in the bill to require the subcommittee to study the question and make a report next January.

Our committee, to the best of my knowledge, had not considered the subject until the bill came to the floor of the Senate this year.

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

Mr. SALTONSTALL. I yield first to the Senator from Florida.

Mr. HOLLAND. I much prefer the course suggested by the Senator from Massachusetts. I am perfectly willing to have the subject studied. I am perfectly willing to abide by any informed, deliberate expression of the Senate on this question.

I do not believe the proposed amendment has been subjected to any study, as the Senator from Massachusetts has indicated. It seems to me that since this is legislation, the appropriate action would be to make a point of order which I shall be ready to do after there has been full discussion. A resolution could then be offered or wording provided in the report, with the language agreed upon, that would require a study of this subject, both by Mr. Brenkworth and by the committee.

I invite attention to the fact that this language would not be applicable to the fiscal year that is being financed by this appropriation bill, if I correctly interpret the language. Is that the understanding of the Senator from Massachusetts?

Mr. SALTONSTALL. It is my understanding that the stationery allowances for 1965 are exhausted. That budget ended on July 1 of this year. So the question will not arise on that item. The question would arise, of course, if Senator WILLIAMS of Delaware's amendment were placed in the bill and took effect next June, when the present fiscal year ended. That is why I believe the question should be studied and a report made in January. But I emphasize that the Senator from Oklahoma and I have agreed to accept the Williams amendment, if it is put to a vote.

Mr. HOLLAND. So far as I am concerned, I am perfectly willing to yield the floor. I shall make a point of order at the appropriate time, because what is being proposed is legislation that has not been studied. It is proposed to be placed on an appropriation bill without study. The course suggested by the Senator from Massachusetts is a much more deliberate and effective way of handling the matter through Mr. Brenkworth and the committee between now and the early part of next year.

Mr. President, I yield the floor. I shall raise a point of order at the appropriate time.

Mr. SALTONSTALL. Mr. President, as I understand, the Senator from Oklahoma has the floor. Will he yield to me?

The PRESIDING OFFICER (Mr. KENNEDY of New York in the chair). Does the Senator from Oklahoma yield? If so, to whom?

Mr. MONRONEY. I shall first yield to the Senator from Tennessee.

Mr. BASS. The only suggestion I have to make is that this amendment, on the surface, is apparently the result of a discussion on the floor and is quite controversial. My opinion is that the manager of the bill and the distinguished Senator from Massachusetts [Mr. SALTONSTALL] accepted the amendment without realizing that it might have a far-reaching effect. For that reason, I respectfully suggest to the manager of the bill and the Senator from Massachusetts that the further consideration of this subject be delayed until the committee itself can study it and determine exactly what the consequence will be.

During my experience in the House and also my service in the Senate, I have used my stationery allowance for many items other than for the purchase of letterheads and envelopes that I use for my correspondence. It had always been my impression that this fund was intended for the purchase of the various supplies that are used in my office.

Also, as does the Senator from Florida, I use the fund to pay for subscriptions to newspapers and for circulars I must use in my official capacity as a Member of the Senate.

I hope that the amendment will be delayed until a study can be made. I do not know whether there is any widespread abuse of the fund. That has never been said. So before the Senate accepts a nit-picking amendment, I suggest that a study be made, because this is nothing more than the result of an idea that some Senator is misusing some of his funds. If there is any proof of misuse, let us bring it out on the Senate floor. If the author of the amendment knows of some abuse, let him bring it to the table, so that we may discuss it. If there is any real reason, let him give the reason for the amendment.

Mr. BARTLETT. Mr. President, as is the case everywhere, I suppose, life here sometimes is a joyous affair; sometimes it is obstinate. Most of the receipts are returned when the time comes for return.

Often when I have received the newsletter of the distinguished senior Senator from New Hampshire [Mr. COTTON], it has made my day lighter. When he has sent me his newsletter he has wasted paper, I suppose, that should be going to a constituent in New Hampshire. Nevertheless, I am glad he sends me the letter. I have been a close student of the Cotton newsletter and an attentive reader of it for many years. I was placed on the subscription list long before either of us came to the Senate from the House. It is one of the most useful and best-informed letters that is produced anywhere.

My office, also, issues a newsletter, not biweekly as does the Senator from New Hampshire, but every week while Congress is in session. It is considerably longer, generally, than that published by the Senator from New Hampshire. It ranges from 4 pages to 14. It is sent widely throughout Alaska. I am told it is considered an objective production, one entirely devoid of politics, as is also the case with the newsletter of the Senator from New Hampshire.

I come from the largest State, in size, in the Union; but I also come from the State having the smallest population. It might be assumed that my stationery allowance would be used very little and that large sums of money would accumulate for whatever disposal I chose to make of them under existing law. However, that is not the case.

The fact is that my stationery account was exhausted either in April or May of this year, and from then until July 1 I was digging into my pocket, probably not to the extent that the Senator from Texas had to do, but more than I wanted to; and long before then, I had almost to beg—almost to get down on my hands and knees—to get a pencil in my own office. Stationery and other equipment was being doled out sparingly.

I see no need whatsoever for this amendment. I believe that Senators can be trusted to use the funds that are granted to them as they are supposed to do, and as I believe they have done.

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

Mr. MONRONEY. I yield.

Mr. BASS. Mr. President, I know that several Members of this distinguished body can afford to pay for the cost of

everything that is needed, in addition to the printing of stationery. However, there are some Senators, this Senator included, who do not have the personal funds with which to pay for everything that must be purchased. I do not want to see the U.S. Senate become a rich man's club. If that were to happen, I would have to retire.

When we have restrictions to provide that a Senator cannot use an allowance such as this to pay for subscriptions to newspapers from his home State, typewriter ribbons, pencils, pens, ink, and other items, and that a Senator must pay for such items out of his own funds, then we provide that a Senator before he comes to the Senate must have a slush fund of money accumulated through private enterprise or through a political fund.

I happen to have no sucn fund to rely upon. I believe that the amendment is a reflection on the integrity of the Senate in its discrimination to use properly the funds that are expended in the running of an office.

I believe that if the Senator in charge of the bill and others agree to accept such an amendment, there should be a rollcall and Senators should be permitted to say whether they want the U.S. Senate to pay for the expense of operating a Senator's office, or whether individual Senators should pay for such items.

Mr. BARTLETT. I thank the Senator. It is academic because my funds are exhausted. I find that it would be of little consequence to me personally, if the amendment were to be adopted. The Senator from New Hampshire might chop me off, and I would not want that to happen.

Mr. MONRONEY. Mr. President, I yield to the distinguished senior Senator from Delaware.

Mr. WILLIAMS of Delaware. Mr. President, I thank the Senator from Oklahoma for yielding.

My amendment is not subject to a point of order. It is a proviso and restriction. Therefore, I do not think that a point of order is valid.

In connection with the question as to the need for money to cover newspaper subscriptions and such things, I believe that if it is determined that these items should be paid from appropriations, the law must first be amended.

Title 2, section 41, of the code provides:

> Newspapers. No Member or Delegate is entitled to any allowance for newspapers.

That is the law now.

If we were to agree to this amendment we would not be prohibiting anything that is not already prohibited today under the existing law except the drawing out of the unexpended balance in cash.

I recognize that I come from a smaller State. I pointed out earlier in a colloquy with the senior Senator from Louisiana that I would support the provisions in the bill which provide for the necessary increases to those who represent larger States if the provision contained in the bill is not adequate to pay for the necessary discharge of the duties of those Members.

I shall support such an increase when it is shown to be necessary. Under no circumstances do we want the Senate to become a rich man's club in which only individuals who can afford to underwrite the cost of running their offices can afford to serve as Senators.

I believe that reasonable and necessary expenses in the discharge of the duties of operating an office—whether the man comes from Florida, Texas, California, or any other of the larger States—should be taken care of.

I have always supported and shall continue to support the requests of Members from these larger States who need a larger allowance than they now receive. But if they do not need it, they should not be able to get a cash refund.

The allowance for stationery for each Member of Congress, without regard to the size of the State, is $2,400.

All that the amendment provides is that if the Members do not need this amount or if it is not used for the purpose for which it is appropriated it shall revert to the U.S. Treasury.

What is wrong with that argument?

Under the present law, he can draw the unexpended balance and put it in his pocket as extra income should he so desire. A Senator should not accept the money and use it at his discretion for some other unrelated item.

If Senators need additional money for office expenses, let us provide for that and increase the amount. When such an increase is necessary I shall support it.

The allowance for telephone and other items is larger than some of us need but there is no loss entailed here. If this allowance is not used it reverts to the Treasury. As the Senator from Florida pointed out, Delaware is very close to Washington. I mentioned that before.

In my case, the same thing is true with relation to airmail stamps. Yet I shall support the bill which would provide for increasing the amount for the purchase of airmail stamps from $610 to $800 for all Members, and an additional $200 for Members who come from west of the Mississippi. I shall support that provision because it represents no cost when such an amount is not needed and used. Senators from the Far Western and Midwestern States and particularly those from Alaska and Hawaii need to use more airmail stamps.

The mail does not get to my State much quicker by airmail than by regular mail. For this reason I use a negligible amount of airmail stamps. I seldom use them unless the letter is to go to some other part of the country. When the allowance is not expended it does not revert to me. That is as it should be. For this reason, whether it is $600 or $800 makes no difference. I doubt if I use $20 worth of airmail stamps in a calendar year. I would not be surprised if the amount were considerably less than that.

There would be nothing lost in such a case. However, if the unexpended portion of the $800 a year were to revert to me it would then make a difference. This should be the case on all allowances. It must be expended for the purpose for which it was appropriated.

All that my amendment would provide is that if we do not use this allowance for any purpose other than that for which it was appropriated it must revert to the Treasury of the United States at the end of the fiscal year, rather than go to the Member of Congress.

As to the argument that this measure has not been studied, I point out that it has been studied repeatedly. The same question arose in 1957. The question has arisen in numerous instances since.

In 1957 I was advised by the Treasury Department that I was delinquent in paying tax on the unexpended balance of the stationery allowance. If I recall correctly, it was claimed that I should pay tax on about $1,500 for that calendar year. This represented the unspent balance on my stationery allowance for that year.

I pointed out that I had not claimed the balance; that I would not accept it; that I did not need it, I never claimed it, and, so far as I was concerned, it was the money of the Treasury of the United States.

It was then ruled that because the money was there if I wanted to claim it I had to pay a tax on it. The argument advanced was—not take the $1,500 and spend it for personal items.

There was an exchange of correspondence, and ultimately that ruling was reversed. The Comptroller General ruled that not only did I not have to take the money but also I had no right to take it unless it were expended to defray the expenses of running my senatorial office. That closed that matter. We have had no controversy since, and I have been permitted to leave the unexpended balance in the Treasury each year.

I recognize that the mere fact that I do not use all of the allowance does not mean that I am any more frugal than other Senators who represent larger States. They must use a larger allowance. If the $1,800 or $2,400 provided for in the bill is not adequate to take care of the official business in writing the Senator's constituents the appropriation should be increased in those instances.

But in cases where Senators are not now using all of their allotment why should they claim the difference?

There is nothing wrong with my amendment. This amendment would not change the existing law. The amendment would provide that we could only use the $2,400 for the purpose for which it was appropriated, and that is for stationery—or office supplies—from the stationery store, and for stationery—or office supplies—to be used in our offices for the official discharge of our duties.

With or without this amendment we have no right under the existing law to use the stationery allowance for the purpose of merely purchasing periodicals and newspapers. I quote the law.

Title II, section 41, reads:

> Newspapers. No Member or Delegate is entitled to any allowances for newspapers.

If the Senate wants to change that provision or repeal that section of the law we should pass a bill designed to do

whatever the Senate decides should be done. But, until such time as it has been repealed, I do not think we can appropriate for that particular purpose.

Mr. President, I make a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WILLIAMS of Delaware. Have the committee amendments been agreed to?

The PRESIDING OFFICER. No.

Mr. MONRONEY. The committee amendments have not yet been agreed to. I would like to complete my statement and have the amendments agreed to.

Mr. WILLIAMS of Delaware. I will wait until the committee amendments have been acted on. It is my understanding that my amendment will not be in order until the committee amendments have been agreed to. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. MONRONEY. Mr. President, I wish to complete my statement.

For Senate restaurants, the committee recommends an appropriation of $246,000. The deficit in the operation of the restaurants during fiscal year 1966 is estimated to be $121,000, in addition to which there is a deficit from prior fiscal years of $25,000. The balance of $100,000 is recommended to provide for a wage increase for the restaurant employees. The General Accounting Office has made a detailed study of these operations and has submitted a plan which will result in increased costs of $134,000 per year. The committee recommends to the Committee on Rules and Administration, whose responsibility it is to supervise the operation of the restaurants, that the General Accounting Office plan be adopted; further, that prices in the restaurants be increased to assist in financing these wage increases. It is the committee's hope that with price increases in effect, the deficit for the next fiscal year will be materially reduced.

With respect to airmail and special delivery stamp allowances, the committee recommends that effective July 1, the allowance be increased from $610 per year per Senator to $800 per year per Senator. In addition, for those States partially or wholly west of the Mississippi River, an additional allowance of $200 a year is recommended. This will provide a total of $1,000 each for Senators from the States of Alaska, Arizona, Arkansas, California, Colorado, Hawaii, Idaho, Iowa, Kansas, Louisiana, Minnestota, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, and Wyoming.

The remaining items in the bill to be discussed are those which fall under the category of joint items.

Regarding the joint committees of the Congress, the committee concurs in the House allowance for each of these, as indicated in the table at the conclusion of the report, with the exception of the Joint Committee on Immigration and Nationality Policy. For this joint committee, the committee recommends the appropriation of $24,100, the same as for fiscal year 1965, but $95,900 under the House allowance. In the testimony before the subcommittee, it was indicated that the authorized subcommittees of the Senate and House Judiciary Committees already have jurisdiction in this legislative area and that the joint committee has no authority to report legislation to either body. It was, therefore, your committee's view that the activation of the Joint Committee on Immigration and Nationality Policy by the allowance of $120,000 for the employment of additional personnel would result in a complete duplication of purpose and of effort. For that reason, the committee makes its recommendation that the sum of $24,100 be approved.

For the Capitol Police Board, an appropriation of $728,000 is recommended, an increase of $123,400 over the House bill. The $123,400 will provide for the reimbursement to the Metropolitan Police for the 14 police privates and 1 police sergeant deemed necessary to meet the requirements for adequate coverage in the Capitol Building and the adjacent parking areas incident to the evening opening of the Capitol from Easter to Labor Day.

I believe that concludes my presentation, Mr. President, and I now ask unanimous consent that the committee amendments be agreed to en bloc and that the bill as thus amended be regarded as original text for the purpose of amendment, provided that no point of order shall be considered to have been waived by reason thereof.

The PRESIDING OFFICER. Is there objection?

Mr. SALTONSTALL. Mr. President, I wish to add, as senior minority member of the committee, that the chairman of the subcommittee, the gentleman from Oklahoma [Mr. MONRONEY], and I have gone over the bill very carefully. I believe it is a good bill. I agree with the Senator from Oklahoma. I hope it may be passed.

Mr. MONRONEY. I thank the Senator for his great assistance.

The PRESIDING OFFICER. Is there objection to the committee amendments being considered en bloc?

Without objection, the amendments are agreed to en bloc.

The amendments agreed to en bloc are, as follows:

At the top of page 2, to insert:

"SENATE"

On page 2, after line 1, to insert:

"COMPENSATION OF THE VICE PRESIDENT AND SENATORS, MILEAGE OF THE PRESIDENT OF THE SENATE AND SENATORS, AND EXPENSE ALLOWANCES OF THE VICE PRESIDENT AND LEADERS OF THE SENATE"

One page 2, after line 5, to insert:

"COMPENSATION OF THE VICE PRESIDENT AND SENATORS

"For compensation of the Vice President and Senators of the United States, $3,285,985."

On page 2, after line 8, to insert:

"MILEAGE OF PRESIDENT OF THE SENATE AND OF SENATORS

"For mileage of the President of the Senate and of Senators, $58,370."

On page 2, after line 11, to insert:

"EXPENSE ALLOWANCES OF THE VICE PRESIDENT, AND MAJORITY AND MINORITY LEADERS

"For expense allowance of the Vice President, $10,000; Majority Leader of the Senate, $2,000; and Minority Leader of the Senate, $2,000; in all, $14,000."

On page 2, after line 16, to insert:

"SALARIES, OFFICERS AND EMPLOYEES

"For compensation of officers, employees, clerks to Senators, and others as authorized by law, including agency contributions and longevity compensation as authorized, which shall be paid from this appropriation without regard to the below limitations, as follows:

"Office of the Vice President

"For clerical assistance to the Vice President, at rates of compensation to be fixed by him in basic multiples of $5 per month, $155,440."

On page 3, after line 4, to insert:

"Chaplain

"Chaplain of the Senate, $15,000."

On page 3, after line 6, to insert:

"Office of the Secretary

"For the office of the Secretary, $1,326,365, including $145,000 required for the purposes specified and authorized by section 74b of title 2, United States Code: *Provided,* That effective July 1, 1965, the Secretary may employ one chief reporter of debates at $24,024.40 gross per annum, seven reporters of debates at $8,800 basic per annum each, one assistant reporter of debates at $6,120 basic per annum, two clerks at $4,200 basic per annum each, and six expert transcribers at $3,900 basic per annum each: *Provided further,* That the Secretary is hereafter authorized to obtain, by contract or otherwise, emergency reporters and transcribers as may be necessary, payments therefor to be made from the contingent fund of the Senate, and that Senate Resolution 196, agreed to August 21, 1961, and Senate Resolution 170, agreed to July 15, 1963, are hereby repealed."

At the top of page 4, to insert:

"Committee employees

"For professional and clerical assistance to standing committees and the Select Committee on Small Business, $3,236,145."

On page 4, after line 4, to insert:

"Conference committees

"For clerical assistance to the Conference of the Majority, at rates of compensation to be fixed by the chairman of said committee, $95,980."

On page 4, after line 8, to insert:

"For clerical assistance to the Conference of the Minority, at rates of compensation to be fixed by the chairman of said committee, $95,980."

On page 4, after line 11, to insert:

"Administrative and clerical assistants to Senators

"For administrative and clerical assistants and messenger service for Senators, $15,653,785."

On page 4, after line 15, to insert:

"Office of Sergeant at Arms and Doorkeeper

"For office of Sergeant at Arms and Doorkeeper, $3,051,230: *Provided,* That effective July 1, 1965, the basic per annum compensation of the foreman of skilled laborers shall be $2,340 in lieu of $2,100; the basic per annum compensation of two skilled laborers shall be $2,100 each in lieu of $1,920 each; and the Sergeant at Arms may employ six additional laborers at $1,680 basic per annum each."

At the top of page 5, to insert:

"Offices of the Secretaries for the Majority and the Minority

"For the offices of the Secretary for the Majority and the Secretary for the Minority, $157,520."

On page 5, after line 4, to insert:

"Offices of the Majority and Minority Whips

"For four clerical assistants, two for the Majority Whip and two for the Minority Whip, at rates of compensation to be fixed in basic multiples of $60 per annum by the respective Whips, $17,815 each; in all, $35,630."

On page 5, after line 9, to insert:

"OFFICE OF THE LEGISLATIVE COUNSEL OF THE SENATE

"For salaries and expenses of the Office of the Legislative Counsel of the Senate, $308,000."

On page 5, after line 12, to insert:

"SENATE PROCEDURE

"For compiling, preparing, and editing 'Senate Procedure', 1964 edition, $4,000, of which amount $2,000 shall be paid to Charles L. Watkins, Parliamentarian Emeritus of the Senate, and $2,000 shall be paid to Floyd M. Riddick, Parliamentarian of the Senate."

On page 5, after line 18, to insert:

"CONTINGENT EXPENSES OF THE SENATE

"Senate policy committees

"For salaries and expenses of the majority policy committee and the minority policy committee, $197,525 for each such committee; in all, $395,050."

At the top of page 6, to insert:

"Automobiles and maintenance

"For purchase, exchange, driving, maintenance, and operation of four automobiles, one for the Vice President, one for the President pro tempore, one for the majority leader, and one for the minority leader, $42,540."

On page 6, after line 5, to insert:

"Furniture

"For service and materials in cleaning and repairing furniture, and for the purchase of furniture, $31,190: *Provided,* That the furniture purchased is not available from other agencies of the Government."

On page 6, after line 10, to insert:

"Inquiries and investigations

"For expenses of inquiries and investigations ordered by the Senate or conducted pursuant to section 134(a) of Public Law 601, Seventy-ninth Congress, including $392,000 for the Committee on Appropriations, to be available also for the purposes mentioned in Senate Resolution Numbered 193, agreed to October 14, 1943, $4,777,390."

On page 6, after line 17, to insert:

"Folding documents

"For the employment of personnel for folding speeches and pamphlets at a gross rate of not exceeding $2.17 per hour per person, $39,300."

On page 6, after line 21, to insert:

"Mail transportation

"For maintaining, exchanging, and equipping motor vehicles for carrying the mails and for official use of the offices of the Secretary and Sergeant at Arms, $16,560."

At the top of page 7, to insert:

"Miscellaneous items

"For miscellaneous items, exclusive of labor, $3,222,755 including $246,000, for payment to the Architect of the Capitol in accordance with section 4 of Public Law 87–82, approved July 6, 1961."

On page 7, after line 5, to insert:

"Postage stamps

"For postage stamps for the offices of the Secretaries for the Majority and Minority, $140; and for air-mail and special delivery stamps for office of the Secretary, $160; office of the Sergeant at Arms, $125; Senators and the President of the Senate, as authorized by law, $90,400, and the maximum allowance per capita of $610 is increased to $800 for the fiscal year 1966 and thereafter: *Provided,* That Senators from States partially or wholly west of the Mississippi River shall be allowed an additional $200 each fiscal year; in all, $90,825."

On page 7, after line 16, to insert:

"Stationery (revolving fund)

"For stationery for Senators and the President of the Senate, $242,400; and for stationery for committees and officers of the Senate, $13,200; in all, $255,600, to remain available until expended."

On page 7, after line 21, to insert:

"Communications

"For an amount for communications which may be expended interchangeably for payment, in accordance with such limitations and restrictions as may be prescribed by the Committee on Rules and Administration, of charges on official telegrams and long-distance telephone calls made by or on behalf of Senators or the President of the Senate, such telephone calls to be in addition to those authorized by the provisions of the Legislative Branch Appropriation Act, 1947 (60 Stat. 392; 2 U.S.C. 46c, 46d, 46e), as amended, and the First Deficiency Appropriation Act, 1949 (63 Stat. 77; 2 U.S.C. 46d–1), $15,150."

On page 8, after line 8, to insert:

"Administrative provisions

"Effective July 1, 1965, the paragraph relating to official long-distance telephone calls to and from Washington, District of Columbia, under the heading 'Contingent Expenses of the Senate' in Public Law 479, Seventy-ninth Congress, as amended (2 U.S.C. 46c), is amended to read as follows:

" 'There shall be paid from the contingent fund of the Senate, in accordance with rules and regulations prescribed by the Committee on Rules and Administration of the Senate, toll charges on not to exceed twenty-four hundred strictly official long distance telephone calls to and from Washington, District of Columbia, aggregating not more than twelve thousand minutes each fiscal year for each Senator and the Vice President of the United States: *Provided,* That not more than twelve hundred calls aggregating not more than six thousand minutes made in the first six months of each fiscal year shall be paid for under this sentence. The toll charges on an additional twelve hundred such calls aggregating not more than six thousand minutes each fiscal year for each Senator from any State having a population of ten million or more inhabitants shall also be paid from the contingent fund of the Senate: *Provided,* That not more than six hundred calls aggregating not more than three thousand minutes made in the first six months of each fiscal year shall be paid for under this sentence.' "

On page 9, after line 8, to insert:

"Effective July 1, 1965, the paragraph relating to payment of toll charges on official long-distance telephone calls, originating and terminating outside of Washington, District of Columbia, under the heading 'Contingent Expenses of the Senate' in Public Law 479, Seventy-ninth Congress, as amended (2 U.S.C. 46d), is amended by striking out '$1,800' where it appears therein and inserting in lieu thereof '$2,200'."

On page 9, after line 16, to insert:

"Any Senator may have the Sergeant at Arms compute his total maximum long-distance telephone allowance. The minutes and calls allowance shall be computed on a formula at the maximum rate with all calls considered as being person-to-person from Washington, District of Columbia, and terminating within the Senator's State. Any Senator or group of Senators may then request the Sergeant at Arms to contract for flat-rate long-distance telephone service such as wide area telephone service. All such contract costs shall be charged against their respective telephone allowances, and in no event shall the total cost of any contract service exceed the allowance of the Senator, or the group of Senators sharing any such service; any excess costs to be billed to the Senator. No change from the original form of the allowances or from any contract service shall become effective except upon the first of a month."

On page 10, after line 8, to insert:

"The third paragraph under the heading 'Administrative Provisions' in the appropriation for the Senate in the Legislative Branch Appropriation Act, 1959, as amended (2 U.S.C. 43b), is amended by striking out 'two' where it first appears therein and inserting in lieu thereof 'six'."

On page 10, after line 13, to insert:

"Effective July 1, 1965, the second paragraph under the heading 'Administrative Provisions' contained in the Legislative Branch Appropriation Act, 1962 (Public Law 87–130, approved August 10, 1961; 2 U.S.C. 127) is amended by inserting at the end thereof the following: 'Two additional mileage payments each fiscal year may be made, under the foregoing, to employees in the offices of Senators from States having a population of ten million or more inhabitants.' "

On page 10, after line 22, to insert:

"Effective July 1, 1965, the third paragraph under the heading 'Administrative Provisions' contained in the Legislative Branch Appropriation Act, 1957 (Public Law 624, Eighty-fourth Congress; 2 U.S.C. 53), is amended by striking out '$150' where it appears therein and inserting in lieu thereof '$300'."

On page 19, line 20, after the word "Policy", to strike out "$120,000" and insert "$24,100".

On page 20, line 15, after the word "Plant", to strike out "$604,600" and insert "$728,000".

On page 23, line 2, after the word "Ground", to strike out "and on the Library of Congress Grounds".

On page 24, line 12, to strike out "$587,600" and insert "$570,070".

At the top of page 26, to insert:

"Restoration of Old Senate Chamber and Old Supreme Court Chamber in the Capitol

"To enable the Architect of the Capitol to make such expenditures as may be necessary to restore the Old Senate Chamber on the principal floor of the Capitol and the Old Supreme Court Chamber on the ground floor of the Capitol substantially to the condition in which these chambers existed when last occupied in 1859 and 1860, respectively, by the United States Senate and the United States Supreme Court, including expenditures for procurement, restoration, and repair of furniture and furnishings for these chambers, $700,000, to be expended without regard to section 3709 of the Revised Statutes, as amended, and to remain available until expended."

At the top of page 27, to insert:

"Senate Office Buildings

"For maintenance, miscellaneous items and supplies, including furniture, furnishings, and equipment, and for labor and material incident thereto, and repairs thereof; for purchase of waterproof wearing apparel, and for personal and other services; including eight attendants at $1,800 each; for the care and operation of the Senate Office Buildings; including the subway and subway transportation systems connecting the Senate Office Buildings with the Capitol; uniforms or allowances therefor as authorized by the Act of September 1, 1954, as amended (5 U.S.C. 2131); to be expended under the control and supervision of the Architect of the Capitol; in all, $2,458,700."

On page 27, after line 13, to insert:

"Senate garage

"For maintenance, repairs, alterations, personal and other services, and all other necessary expenses, $53,800."

On page 30, line 20, after the word "Board", to strike out "$11,663,000" and insert "$11,772,000".

On page 31, line 10, after "(2 U.S.C. 166)", to strike out "$2,524,000" and insert "$2,492,000".

On page 32, line 7, after the word "Library", to strike out "$760,000" and insert "$800,000".

On page 32, line 15, after the word "library", to strike out "$120,000" and insert "$125,000".

On page 33, line 15, after the word "expended", to strike out "$1,541,500" and insert "$2,068,300", and in line 16, after the word "which", to strike out "$1,417,000" and insert "$1,900,000".

RESTORATION OF OLD SENATE AND SUPREME COURT CHAMBERS

Mr. MONRONEY. Mr. President, I ask unanimous consent that a statement prepared by the Senator from Mississippi [Mr. STENNIS] on restoration of the old Senate and Supreme Court Chambers be printed in the RECORD at this point. The Senator from Mississippi [Mr. STENNIS] has been unavoidably detained from the floor. He has been the spirit behind this move for the restoration of the old Senate and Supreme Court Chambers. Consequently, I believe his suggestions on this matter are very well taken.

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

STATEMENT BY SENATOR STENNIS

I am highly pleased that the Legislative Branch Appropriations Bill, as reported by the Senate Appropriations Committee, includes an item of $700,000 for the restoration of the old Senate and Supreme Court Chambers. This was a budget item which was denied without prejudice by the House.

I have been deeply interested in this project for several years and from time to time have advised the Senate of its status. I am pleased to report at this time that all research has been completed, and the plans and specifications have been prepared. In addition, there are available in the Office of the Architect some excellent color sketches showing how both of these chambers will appear when the restoration is completed. I have examined these plans and drawings in detail and want to commend Mr. Mario Campioli, the Assistant Architect of the Capitol, for the quality of this work that has now been completed. A great amount of research was required to determine the exact architecture and furnishings of both the Senate and Supreme Court Chambers. No stone has been left unturned in the effort to find all possible information, and the result of this work is truly remarkable. I recommend that all Members of this body take a few minutes of their time to go by the Architect's office and examine the report and plans that have been prepared.

I have taken an interest in this project, Mr. President, because I am convinced that we must preserve our national heritage and maintain an appreciation of our past if we are to make the determinations necessary to our future. In these two particular rooms much of our Nation's history was forged, and it is only fitting and proper that we take steps now to preserve these Chambers for future generations. A brief review of the history of the two Chambers might serve to emphasize their significance.

The first-floor Chamber is located east of the central north-south corridor in the first section of the Capitol to be completed. It formed the lower portion of a former two-story room used from 1800 until 1808 as the Senate Chamber. As a one-story structure, substantially in its present form, it was used as the Supreme Court Chamber from 1810 until 1814 and from 1819 until 1860. It was then used as the Law Library from 1860 until 1950.

The second-floor Chamber is located directly above the previously mentioned first floor Chamber. A part of it formed the upper portion of the lower room from 1800 until 1808. In its present form, it was used as the Senate Chamber from 1800 until 1814 and from 1819 until 1859, and as the Supreme Court Chamber from 1860 until 1935.

The proposed work in these rooms will be one of the most outstanding and worthy restorations ever accomplished in this country, both from an architectural and historical point of view. It will be a work that will be appreciated by all who visit this building; it will be a memorial to the Congress that had the good judgment to see that the work was carried forth. Based on the excellent and detailed preparation that has been done, I can say with confidence that the two Chambers will be the showplaces of the Capitol.

When this work is completed, there will be new life brought to the halls where Clay, Webster, and Calhoun delivered their famous speeches and engaged in historic debates; where, before the fire of 1814 in the lower Chamber, Thomas Jefferson was twice inaugurated President of the United States; and where the Supreme Court reached decisions that helped shape the future of the Nation.

The funds included in this bill for the restoration are reasonable and necessary; if fully appropriated now the work can be completed during fiscal year 1966. I strongly support this appropriation, Mr. President, and commend this project to all Members of the Senate. It is fitting and proper that we restore these historic Chambers to the exact condition in which they were last used so that future generations may view and appreciate the scenes where so much of our Nation's history was forged.

Mr. COTTON. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment offered by the Senator from New Hampshire will be stated.

Mr. COTTON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with, and that it be printed in the RECORD at this point. I shall explain it very briefly.

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

The amendment offered by Mr. COTTON is as follows:

On page 3, line 8, by striking out "$1,326,365" and inserting in lieu thereof "$1,323,000" and on page 3, line 22 by striking out the period at the end thereof and inserting in lieu thereof ": *Provided further*, That effective July 1, 1965, the basic compensation of the assistant to the majority and the assistant to the minority may be fixed by the majority and minority leaders, respectively, at not to exceed $8,160 per annum each".

And on page 5, line 4 by striking out $157,520" and inserting in lieu thereof "$160,885": *Provided*, That effective July 1, 1965 the respective Secretaries may fix the basic compensation of the assistant secretary for the majority and the assistant secretary for the minority at not to exceed $8,820 per annum each".

Mr. COTTON. Mr. President, did I receive unanimous consent to waive the reading of the amendment?

The PRESIDING OFFICER. Yes.

Mr. COTTON. Mr. President, the purpose of this amendment is to allow the minority to transpose two positions under their control. It involves no increase in salaries and the total appropriation remains the same.

The amendment has the approval of the majority and minority leaders, the ranking minority member of the committee, and, I believe, the approval of the chairman of the subcommittee.

Mr. MONRONEY. Mr. President, that is correct. Both the ranking minority member of the committee, the Senator from Massachusetts [Mr. SALTONSTALL], and I have had this matter explained. It does not increase the cost; it merely involves changes in titles of two officers or secretaries for the majority and the minority.

Mr. COTTON. That is correct. There is no change in the amount of money provided.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Hampshire [Mr. COTTON].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. WILLIAMS of Delaware. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. WILLIAMS of Delaware. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The legislative clerk read as follows:

On page 7, line 21, after the word "expended", insert: ":*Provided*, That hereafter any amounts not utilized by Senators for the purchase of stationery for strictly official business from the Senate Stationery Room at the expiration of the fiscal year for which provided shall revert to the Treasury by withdrawal from the stationery revolving fund".

Mr. WILLIAMS of Delaware. Mr. President, it is my understnding that the Senators in charge of the bill are willing to accept the amendment. I believe that it would be a worthwhile improvement to the bill and would not in any way affect the administration of the offices of Senators. It would allow all of the $2,400 to any Senator who needs it to pay for the purchase of supplies and stationery to be used by his office. It would not make any money available for any other purpose. If there are other purposes for which the money is intended it should be spelled out in clear language so that we may know what we are doing.

Mr. President, I am not accusing anyone of abusing this privilege. The Senator from Tennessee has insisted that there has been no such abuse. If there has not been any, what is he worrying about? But if there has been any abuse, it will make sure it does not occur again.

Let us make sure that the stationery allowance, as in the case of all other allowances for senatorial offices, shall be used only for the purpose for which it is

intended. If there is any unexpended balance at the end of June 30 let it revert to the Federal Treasury and not to the Senator.

At present the Senator can use the money for any purpose for which he desires. In the colloquy I had with the Treasury Department and the exchange of correspondence in 1957, they admitted that under the law as it was then in effect, I could accept and spend the money as I wished. Had I wished to draw the unexpended remainder of the stationery allowance, which in that year was approximately $1,500 as I recall, I could use it to make a payment on my car. It was also admitted that I could use that money to make a political contribution to my own party if I so desired, or however else I wished to use it. It was stated that the money was mine, taxable to me as extra income.

Whoever heard of the Treasury Department taking such a position before?

Mr. President, let me point out that the salaries of Senators are fixed by law at $30,000 a year, a sum which is certainly adequate for our needs. There is a law on the books which requires every businessman to account for all the necessary expenditures made to conduct his business. There are laws on the books to prohibit any businessman or taxpayer from chiseling on his expense account. It seems to me, therefore, that Senators have no more right to make money on an expense account than anyone else.

I am not saying that this is being done; and if it is not being done it does not affect anyone, but if it has been done let us correct that situation.

However, Mr. President, it can be done under existing law without adoption of the pending amendment.

I can incorporate in the RECORD the exchange I had with the Treasury Department in 1957 if necessary, but it has all been placed in the RECORD heretofore, confirming that Senators can use the money for any purpose they wish. Under present interpretation of the law it can be used at the sole discretion of the Senator. All he has to do is include it as taxable income on his income tax return.

Mr. President, I believe that is wrong. Until we adopt such an amendment and prohibit such a practice the American people will be left with the impression that many Senators are chiseling on their expense accounts, which of course is not the situation. I do not believe that it is true.

The Senator from New Hampshire [Mr. COTTON] pointed out that expenditures of many Senators exceed this allowance, but some do not.

I know that least of all the Senator from Florida [Mr. HOLLAND] is not suggesting that anyone should make any money out of this situation. I do not wish to imply that at all, even though the Senator from Florida opposes the amendment. I know of no Member of the Senate more strict in his accounting than the Senator from Florida. I emphasize that point. However, let us adopt the amendment, because it would clear up beyond a shadow of doubt, so far as the American people are concerned, the point that Senators do not and cannot profit personally on these office allowances.

Mr. COTTON. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. COTTON. I agree with the Senator. Though I do not believe any Senator is misusing any allowance, I believe that he is dead right in offering the amendment in order that it may be crystal clear to the public as to exactly what the situation is and that the good name of the Senate shall be preserved.

I shall vote for his amendment. As he has indicated, it has been brought out today that at least 28 Senators need more paper and envelopes. If the Senator's amendment should be adopted, I should like to know if he would have any objection later to try to get more paper and envelopes for the use of Senators, but no money.

Mr. WILLIAMS of Delaware. Supplies which are being used by Senators in the official discharge of their duties to their constituents should be provided for at all times. I would support such a provision, which I have done heretofore.

Earlier, I told the Senator from Oklahoma that I would support the provision which extended greater benefits to some of the larger States, particularly the far distant States. I believe that the committee did a good job on that. If I recall correctly, I cosponsored the first amendment regarding it. At least I supported it, because I said that those of us who live close to Washington can get back home and it does not burden us. I have never claimed any expenses for that, because we can get back home at a nominal cost and with great ease.

However, Senators living in the Far West cannot get back home, the way Congress is in session these days, 9 to 10 months in the year; and it is important, not only to Senators, but also to the American people, that Senators get back home to meet with their constituents. I am, therefore, willing, and have supported a provision which would make that possible. I am supporting it today, in going along with the committee's provisions.

I do not believe that this is being "chintzy" at all, but we have seen the articles which have been written about the expenditures of the Senate, and the great allowances being made to Senators, on the assumption that all the money is available to us to stick in our pockets if we wish to do so. Of course, we know that is not true, but we go back home and someone asks us whether it is true that we put all that money in our pockets. It is only true in one instance, because in one instance it can happen, so let us clarify that one instance, so that the American people will come to realize that we do not use that money for our personal use and stick it in our pockets.

Mr. McGEE. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. McGEE. I commend the Senator from Delaware for having brought these facts out into the open so that we might talk about them on the floor of the Senate. It seems to me that what the discussion has revealed is really how little we know concerning the application of this fund. We have heard members of the committee suggest that it had not become a real issue in the committee itself. I have yet to receive a controversial letter on this particular point from any of my constituents.

I believe, now that the spotlight is upon this subject, that we should be careful as a body not to invite a situation which would leave us more open to controversy and unfavorable publicity by taking the step which the Senator from Delaware is proposing.

There are many Senators who recognize that while the fund was originally set up to allow for a means of communication, such as stationery, the problem of communicating with our constituents in a space age world is a far more complicated problem than it ever was before.

We have heard the Senator from Florida talk about the expenses which are required to maintain an office in the home State. All of us have to do that. At the same time, we have to subscribe to newspapers for the same reason. There are other Senators who would remind us that merely paying for tapes for regular radio and television shows for reports back home, as well as the newsletters—to which references have been made in colloquy today—also taps the individual Senator for money out of his own pocket for these necessities.

The Senator from Tennessee has made reference to the fact that some Members of the Senate can take these extra expenses in stride, because they have an independent source of income to cover it. There are Senators who are not in a position to do that.

I am, perhaps, one of the few Members of this body who have a great deal of extra paper on hand, but it is bound in books, in a personal library, and I cannot turn any of it into the stationery store to cover the cost of meeting the expenses of communication with my home State and with other States as well.

The Senator from Delaware comes from a very small State, populationwise. I do, too. I receive more correspondence and more demands on my time used in communication from the other 49 States than I get from my own State. People more and more regard a U.S. Senator as a spokesman for the whole country and not alone for his own area, as once was the case.

All these factors compound the problem which the Senator has raised. That is the reason why I believe it would be the better part of wisdom for us to follow the suggestion first made by the distinguished Senator from Massachusetts, that this matter be given some very careful study during the interval of time that is left in this year. In that time it could be studied by the committee. Then we could follow the suggestion of the Senator from Delaware and come up with a pattern or profile of specific suggestions. We could then say: "Here is the amount that ought to be allowed for stationery. Here is the amount that ought to be allowed for newspapers.

Here is the amount that ought to be allowed for TV tapes." And that would apply to whatever the circumstances might require.

I believe it is important that we have this matter brought out so that there can be an interpretation made for the benefit of all of us. I do not believe the way to do it is to adopt the Senator's amendment at this time, in reverse. I believe we ought to take this matter apart, and answer the questions intelligently, and then put together a proposal that will reflect the best judgment of all Senators. We are not in a position to do it this afternoon on the floor of the Senate, when we are more or less "shooting from the hip." It is something that has not been heard in full in the committee itself.

I hope the Senator will be willing to settle for a procedure to provide for a careful hearing of this subject and the making of a specific recommendation and an assault on this problem, which cannot be done today.

Mr. WILLIAMS of Delaware. I thank the Senator from Wyoming. However, I point out that I have been raising this issue for the past 8 years. There has been considerable time for something to be done about it, and considerable time for a study of the subject. At least some study should have been made of it.

As to the Senator's argument that this is something that should be left as it is to enable Senators to subscribe to newspapers and periodicals and to buy radio tapes, I point out that under the law such use is already prohibited. If a Member of the Senate—and I shall not debate the merits of the proposal—uses appropriated money to buy periodicals and newspapers from his State, he is not following the law. The law prohibits such a practice. I repeat, it is not a permissible practice under the law to use the stationery account for such purposes. Some of the tapes perhaps are enlightening, but on the other hand, I am not so sure that some of them are as enlightening as some of us may think or hope they are. Let us be frank—some of this material may be nothing more than political propaganda in connection with our desire to be reelected. The law provides that such use cannot be made of appropriated funds. Taxpayer funds cannot be used for that purpose. If Congress wishes to change the law it can do so. A Senator cannot say, "I will take this money and use it for expenditures that are not legal."

I do not mean to say that it is a violation of the law for a Member who has been taking this money and reporting it on his tax return, to turn around and buy these periodicals and charge them as expenses. The Treasury has ruled that we can accept this money, but we must pay taxes on it and then itemize the expenses. If they are deductible, they will be allowed. If they are not deductible, they will not be allowed. However, my contention is that we have no right to take any money out of the stationery account. All I ask is that we apply the same rules to this account that are applied to every other account that is used by Members of Congress. I should not be allowed to take $1,500 out of my stationery allowance and put it in my pocket to buy newspapers or trade cars with or support my campaign. I am not charging that it is being used for such purposes, but so long as we let a Member of Congress who does not use his full stationery allowance draw it out and put it in his pocket it may be done. Under the present situation he can use it for the purpose of trading cars or doing anything else he wishes. We should stop this potential abuse.

I have always supported appropriations which enable Senators from larger States to defray the expense of conducting their offices and performing official duties. We should do that. I have said many times that we should not make the Senate a rich man's club. A Member should not be required to dig into his pocket to pay any expenses that are necessary to the conduct of his office, but by the same token he should not be able to make money on his expense allowance. There are States in which a Senator has greater expenses than I do, although, as the Senator from Wyoming has pointed out, I receive a great deal of correspondence that is nationwide and our work cannot be wholly related to the size of the State. When we receive correspondence from the other 49 States, we must take care of it. All I am suggesting is that the unexpended balance that is not used for the specific purpose for which it is appropriated should go back to the Treasury.

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

Mr. WILLIAMS of Delaware. I yield.

Mr. McGEE. Do I correctly understand the Senator to say that in his judgment no Member of this body has abused this allowance up to the present time?

Mr. WILLIAMS of Delaware. I said I am not suggesting that any Member has.

Mr. McGEE. The Senator is not suggesting that any Member of the Senate has abused the privilege. He does not believe that any Member has. Is that correct?

Mr. WILLIAMS of Delaware. I am seeking to make this prospective.

Mr. McGEE. The suggestion that there may be some abuse is projected into the future. Is that correct?

Mr. WILLIAMS of Delaware. I am suggesting that we make it prospective. If the Senator wishes to include an amendment that we go back and find out whether it has happened in the past I will support such an amendment. On the other hand, if such is not the case, why does he object to this amendment?

Mr. McGEE. But the Senator from Delaware does not suspect his colleagues of having abused the account. Is that correct? If that is the case, we can be realistic and have a study made of it. In other words, if there is no abuse, let us leave it alone until we can make a study and have a report on it. This would be preferable to creating the suggestion that Senators may have in the past or will in the future abuse these privileges.

Mr. WILLIAMS of Delaware. I believe one Senator has said that $60,000 had been withdrawn last year.

In my instance, in 1957 I believe it was, I did not need the money and left it there. They went to the extent of assessing it as tax liability solely because I could have withdrawn it in cash had I so desired. They said it was there and if I did not ask for it, that was my hard luck.

Finally, the Comptroller of the Treasury ruled that not only did I not have to pay the tax on it, but that I had no right to ask for the money if it is not used for the purpose intended, for the purchase of stationery.

In each of the succeeding years there has been a similar unexpended balance left in the Treasury.

No Senator is authorized to use that stationery account for any other than its stated purpose, with or without the amendment that I am offering. That is the law. I am only strengthening the intent of the law by saying that he cannot withdraw the unexpended balance in cash whereby the law may be circumvented.

Mr. McGEE. The Senator is correct. I am suggesting that we do not take a step backward in this instance without a constructive substitute, in the face of a problem which he admits exists, and therefore it seems to me that his proposal is not a wise move for us to take this afternoon. That is why I suggest that we proceed in an orderly way.

Mr. WILLIAMS of Delaware. The Senator has misunderstood me. I did not say that this was necessarily the problem.

I am not endorsing the proposal that taxpayers should underwrite all tapings of television and radio broadcasts by Senators. Certainly not. What the Senator from Wyoming and I send back home I feel he and I should pay for ourselves. Our opponents must pay for their own expenses.

Mr. McGEE. Would the amendment apply to newsletters, too?

Mr. WILLIAMS of Delaware. To the extent that the taxpayers are underwriting such political letters, they are underwriting our political costs. So far as letters to constituents are concerned the Senator pays that expense out of his stationery allowance.

Mr. McGEE. Is that not an abuse? The Senator's opponent does not have his stationery purchased for him by the Government. Therefore, we have an unfair advantage over our opponents. The Senator can write his own letters because they are paid for out of the stationery fund. That is all right. It seems to me that the Senator is drawing a fine line to separate, in a semantic way, the contents of the stationery office in the Senate and that which has come to be a necessity in the conduct of our offices, if a Senator is to be responsible to the constituency back home and is to be in communication with them.

Mr. WILLIAMS of Delaware. I believe the colloquy which has taken place is most worthwhile. I am glad that the Senator has raised the point. If the

Senator will check the law he will find that when he and I are candidates for office, letters which deal with our candidacy and are of a political nature are supposed to be paid for by us. We are supposed to pay our own postage on campaign letters. We are not supposed to use official postage stamps for that purpose. If we do so, it is a violation of the law. The law requires that we may use only stamps and stationery for the answering of official mail, not political mail. If any Senator has been using the stationery fund for political propaganda back home—I am not suggesting it, however—it is a violation of law.

Mr. McGEE. Of course it is, but no Senator has been doing that. The Senator has not suggested that any Senator has been guilty of that kind of thing.

Mr. WILLIAMS of Delaware. The Senator from Wyoming raised the point. He is the one who suggested this point, I am only answering him.

Mr. McGEE. We have had testimony in the colloquy from many sources on both sides of the aisle that what used to be a very limited concept of stationery allowance has a much broader base in a world which has changed a great bit. Our communication systems have changed greatly, and a consideration of other bases for the allowance is warranted.

Mr. WILLIAMS of Delaware. Yes; so have the allowances.

Mr. McGEE. My only proposal is that, in the light of what has been said, it has been very clear that the proposed legislation is no way to deal with the problem. Therefore, we ought to have a study made with a suggestion submitted to this body for its action. The Senator from Massachusetts [Mr. SALTONSTALL] reminds us that we would have 6 months to do that in.

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

Mr. WILLIAMS of Delaware. I yield.

Mr. MANSFIELD. Would the Senator from Delaware agree to a time limitation for debate upon the pending amendment? The issue is clear. I should like to suggest that there be 10 minutes on the amendment, and that the yeas and nays then be ordered.

Mr. WILLIAMS of Delaware. I hope the Senator will withhold his request for the reason that it has been my experience that if we get a time limitation we seek to use it. I am ready to vote now.

Mr. MANSFIELD. Mr. President, I am ready to vote now. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. HOLLAND. Mr. President, I am not in favor of the amendment. It is true that the Senator from Delaware has redrawn his amendment. Obviously, in its original form, it was proposed legislation and was subject to a point of order. The Senator has redrawn the amendment to make it into a more ridiculous proposal, if anything, because it would now provide that the only place that a Senator could draw his office supplies, and pay for his ink, paper, typewriter ribbons, pens, pencils, or anything of the kind, would be the Senate stationery office. My own feeling is that the practice which has heretofore prevailed has proved to be a pretty good one. I see no reason why the Nation would be in any way jeopardized by its being followed to the middle of this fiscal year.

The distinguished Senator from Massachusetts has suggested a course of study by the committee—the committee has admitted that it has not studied the question at all—and report after they have made a study and Mr. Brenkworth has made a study. They would report early next year in time for action. But to have an amendment of the kind proposed and which Senators had no knowledge of until this morning, brought up on the floor of the Senate without any committee study or any opportunity for either the subcommittee or the full committee—and I sat with the full committee—is not the proper way to legislate.

Coming to the floor of the Senate we found that the Senator from Delaware had presented his proposal in a form which manifestly would be legislation. Now he has drawn it in the form stated.

I call attention to the fact that the Senator from Delaware comes from a small State having fewer people than each of about 10 counties in my own State, and fewer people than the population of a larger number of counties in other States. His State has a population and an area of such size and such closeness to Washington that, so far as he is concerned, he does not have nearly the problems other Senators have.

I suggest that it is unfair and unreasonable to present the amendment at the present time without any hearing or any opportunity to get the necessary information from the committee or the Disbursing Office of the Senate, and without any opportunity to find out how much we have to pay out for supplies when we are back home, how much difficulty would be involved in order to follow the proposed rule as to office supplies back home, and how much prejudice, if any, there is to the Senate or to the public in paying out of any balance we draw back as a part of the expenses that we have gone to in subscribing to newspapers, trade papers, or other sources of information published in our own States.

Frequently, after having found an editorial which contains either a complete misunderstanding of my position or perhaps an attack upon my position, I write to the editorial offices of the newspapers in my State. I frequently have information from the State newspapers published by the various commodity groups in my State which give me a much better grasp of problems which are pending there.

I frequently find in the communications columns in daily newspapers, and other papers, letters from citizens which show a complete misunderstanding or even an attack on what I have done or what I have said here.

Of course, that involves correspondence to correct it. I have never felt that the spending of the small excess at the end of each year—or some years at least—which I have drawn in partially recompensing myself for what I paid out in subscriptions to newspapers or to trade papers or paying out expenses that I have incurred or paid out of my own pocket to carry on my home office was unsound or wrong. If the Senate wishes to vote that that course is unsound or wrong, it should at least predicate such a finding on information not now available as to what the history has been under the applicable law. We should not adopt an amendment of the kind proposed, offered at last minute on the floor of the Senate and without any foreknowledge on the part of anyone concerned, and without any chance on the part of any Senator concerned even to gather statistics affecting himself. I know perfectly well that, considering what I have paid out for my home office expense—and what I paid out on newspaper subscriptions alone—I have not begun to recompense myself out of the small balances that have remained unexpended in the stationery expense fund.

I assume from what was said on the floor of the Senate earlier by the Senator from Texas [Mr. YARBOROUGH], and what would have to be said by Senators from even larger States—Pennsylvania, New York, Ohio, Illinois, Michigan, Texas, California, and far distant States, particularly Alaska and Hawaii—that we find different situations obtaining in various cases. I think the proposed action should be the subject of hearings and careful study.

I do not believe that the amendment is the way to get sound legislation. For that reason I shall oppose the amendment—not because I feel that there has been anything wrong in my own practice or in the practice of any other Senator. I do not believe it. In my own conscience, I know that there has not been. But I know that we are so differently affected by such a provision that some study ought to be given to it before we consider such a limitation as proposed by the amendment.

The Senator from Delaware has now rewritten his proposal so that it would have such a limitation upon the small appropriation of $2,400 a year to cover stationery, which really is the office expenses of a Senator.

In closing, I read again the definition of "stationery," as it appears in the rewriting of Webster's New International Dictionary:

> The articles usually sold by stationers, as paper, pens, ink, pencils, blank books.

Then, of course, there could be added a large number of other items customarily sold, such as paperweights, typewriter ribbons, carbon sheets, second sheets, and the like, which have to be purchased for a going office. They are purchased for public business, if public business exists in the office of any Senator, whether that office is in Washington or in his home State.

I hope the amendment will be rejected.

Mr. MONRONEY. Mr. President, as I said earlier, I support the amendment of the Senator from Delaware. I believe we have dealt as fairly as is humanly possible with the expenses of Senators. We have increased the allowance for travel back home; we have increased the amounts for postage; we have increased

the telephone allowances. All those allowances were badly needed, as was disclosed by the large amount of testimony which was taken.

We did not consider the stationery account, because it was not proposed by any Senator to raise or lower it. But I believe, from all the discussion that has taken place on the floor of the Senate, that it would be unwise to postpone action on this matter until a later date. We shall have other appropriation bills, surely, within the next year; and if there is a will within the committee to examine or change the provision, that can take place, because the money is already appropriated for the current fiscal year.

It seems to me that the best point that we could make to the public in general and to ourselves in particular would be always to insist on "goldfish bowl" accounting, so that we can identify the expenses if a question is raised about them. This has been a good opportunity to bring one subject into focus, so that the public will know what the money is being spent for. This is helpful. But identification is required.

I feel if an accounting is desired as to subscriptions to trade journals or official or special publications, communication material such as radio tapes, and items of that kind, we should vote for it and provide for it, so that it can be classified and properly identified.

Since the question has been raised, I do not believe it is right for us to avoid the problem to which the distinguished senior Senator from Delaware [Mr. WILLIAMS] has invited our attention. Therefore, I wish to make it crystal clear that I shall vote for the Williams amendment when the time comes for the vote.

Mr. McGEE. Mr. President, I move to lay on the table the amendment of the Senator from Delaware.

Mr. WILLIAMS of Delaware. Mr. President, on this motion, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER (Mr. KENNEDY of New York in the chair). The question is on agreeing to the motion of the Senator from Wyoming to lay on the table the amendment of the Senator from Delaware [Mr. WILLIAMS]. The yeas and nays are ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. LONG of Louisiana. I announce that the Senator from Nevada [Mr. BIBLE], the Senator from Connecticut [Mr. DODD], the Senator from Tennessee [Mr. GORE], the Senator from Michigan [Mr. HART], the Senator from South Dakota [Mr. McGOVERN], the Senator from New Hampshire [Mr. McINTYRE], the Senator from Rhode Island [Mr. PASTORE], the Senator from South Carolina [Mr. RUSSELL], and the Senator from New Jersey [Mr. WILLIAMS] are absent on official business.

I also announce that the Senator from Virginia [Mr. BYRD], the Senator from North Carolina [Mr. JORDAN], the Senator from Utah [Mr. MOSS], the Senator from Rhode Island [Mr. PELL], the Senator from Alabama [Mr. SPARKMAN], and the Senator from Maryland [Mr. TYDINGS] are necessarily absent.

I further announce that, if present and voting, the Senator from Virginia [Mr. BYRD], and the Senator from Rhode Island [Mr. PASTORE] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from California [Mr. MURPHY] and the Senator from Colorado [Mr. DOMINICK] are necessarily absent.

The Senator from Kansas [Mr. PEARSON] and the Senator from Wyoming [Mr. SIMPSON] are absent on official business.

The Senator from Nebraska [Mr. CURTIS] and the Senator from Texas [Mr. TOWER] are detained on official business.

If present and voting, the Senator from Nebraska [Mr. CURTIS], the Senator from Colorado [Mr. DOMINICK], the Senator from California [Mr. MURPHY], the Senator from Kansas [Mr. PEARSON], the Senator from Wyoming [Mr. SIMPSON], and the Senator from Texas [Mr. TOWER] would each vote "nay."

The result was announced—yeas 37, nays 42, as follows:

[No. 177 Leg.]

YEAS—37

Anderson	Hill	Neuberger
Bartlett	Holland	Russell, Ga.
Bass	Kennedy, N.Y.	Scott
Burdick	Lausche	Smathers
Cannon	Long, Mo.	Smith
Church	Long, La.	Stennis
Clark	McCarthy	Symington
Eastland	McGee	Talmadge
Ervin	Metcalf	Yarborough
Fulbright	Miller	Young, N. Dak.
Gruening	Mondale	Young, Ohio
Hartke	Montoya	
Hayden	Morse	

NAYS—42

Aiken	Fannin	McNamara
Allott	Fong	Monroney
Bayh	Harris	Morton
Bennett	Hickenlooper	Mundt
Boggs	Hruska	Muskie
Brewster	Inouye	Nelson
Byrd, W. Va.	Jackson	Prouty
Carlson	Javits	Proxmire
Case	Jordan, Idaho	Randolph
Cooper	Kennedy, Mass.	Ribicoff
Cotton	Kuchel	Robertson
Dirksen	Magnuson	Saltonstall
Douglas	Mansfield	Thurmond
Ellender	McClellan	Williams, Del.

NOT VOTING—21

Bible	Jordan, N.C.	Pell
Byrd, Va.	McGovern	Russell, S.C.
Curtis	McIntyre	Simpson
Dodd	Moss	Sparkman
Dominick	Murphy	Tower
Gore	Pastore	Tydings
Hart	Pearson	Williams, N.J.

So Mr. McGEE's motion to lay on the table the amendment of Mr. WILLIAMS of Delaware was rejected.

Mr. MONRONEY. Mr. President, I move to reconsider the vote by which the motion to lay the amendment on the table was rejected.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the senior Senator from Delaware.

Mr. McGEE. Mr. President, I send to the desk an amendment to the pending amendment.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The legislative clerk read as follows:

In lieu of the matter proposed by the Senator from Delaware [Mr. WILLIAMS], insert the following: *"Provided,* That this amount shall be available only for purchases through the Senate Stationery Room."

Mr. McGEE. Mr. President, the language contained in the amendment offered by the senior Senator from Delaware specifically limits the fund to the purchase of stationery. As we heard in the colloquy, there are many aspects of the need for stationery. It might have to do with pencils, ink, or pens. These items would be involved. The proposed change in language is made to expand the provision to include purchases made through the Senate Stationery Room.

Mr. WILLIAMS of Delaware. Mr. President, I am advised that stationery would cover supplies such as ink, pencils, paper, and so forth, used in the conduct of an office. However, if there is any question about it, I would have no objection to taking the amendment and spelling it out more clearly.

In all the colloquy, it was mentioned that the money would be used for office supplies purchased from the stationery room.

Certainly, letter paper and stationery are not used without a typewriter ribbon or a pen.

It is already clear that this is the interpretation of the amendment but to satisfy the Senator from Wyoming I ask unanimous consent to modify the amendment as provided in the measure offered by the Senator from Wyoming.

Mr. BASS. Mr. President, reserving the right to object, what does the Senator intend to do?

Mr. WILLIAMS of Delaware. Mr. President, I was about to accept the amendment. I do not believe that it makes any difference.

Mr. BASS. Mr. President, I am not ready to accept it. Speaking under my reservation, Mr. President, I should like to say, for the information of Members of the Senate who were not present to hear the debate, that all Senators are doing if they vote for this amendment is saying to a Senator, "If you are not a wealthy man, so you can pay for your expense money out of your own pocket, if you have not been able to accumulate enough wealth all your life to join this rich man's club and pay for your office expenses, such as subscribing to newspapers, buying fountain pens, purchasing radio tapes, or expenses other than buying stationery, because you cannot pay for that out of your own pocket, you should get out of the U.S. Senate, because we are not going to do as every other organization does."

There is no appropriation provided to let Senators purchase such items except under the item titled "stationery," so Senators can pay for the expenses of operating their offices. We have another allowance called office expenses for our districts. We are allowed money under that item, and we can spend money under that item.

To me, this particular item is a real misnomer when we say "stationery allowance," because it has been used by me for 10 years in the House and in the

Senate this year, for as long as it lasted, to pay the expenses of my office, whatever it was necessary to purchase to operate the office.

If any Senator believes that all a Senator should be allowed to purchase is paper and letterheads in the Senate stationery room, if that is all that is going to be used to operate a Senator's office and carry out his duties for the people of his State, he should vote for this nitpicking amendment—which provides that I cannot use this money to buy anything except in the stationery room of the Senate; that I cannot buy anything I feel I need to run my office. If Senators are saying that only a wealthy person should join this rich man's club, they should vote for this amendment, which does not allow Senators to buy anything except letterheads and similar stationery in the Senate stationery room.

Mr. McGEE. Mr. President, I assume objection has been reserved to the request.

Mr. BASS. I withdraw the objection, if that is the way the Senator wants it.

The PRESIDING OFFICER. Is there objection? Without objection——

Mr. GRUENING. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GRUENING. What is the request to which we are asked to give unanimous consent? There has been so much noise, I have been unable to hear it.

The PRESIDING OFFICER. The question is on the Senate's agreeing by unanimous consent for the Senator from Delaware to accept the modification as proposed by the Senator from Wyoming.

Mr. GRUENING. Are we going to have the yeas and nays on it?

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. HOLLAND. Mr. President, reserving the right to object, will the clerk read the words which are proposed to be eliminated by the suggestion of the Senator from Wyoming, which I understand will be agreed to by the Senator from Delaware?

The PRESIDING OFFICER. The clerk will restate the amendment.

The LEGISLATIVE CLERK. The Senator from Delaware [Mr. WILLIAMS] proposes an amendment——

Mr. BAYH. Mr. President, it is difficult for us in the back rows to hear.

The PRESIDING OFFICER. There will be order in the Chamber and in the galleries.

The LEGISLATIVE CLERK. The Senator from Delaware [Mr. WILLIAMS] proposes that on page 7, line 2, the following words be inserted:

Provided, That this amount shall be available only for the purchase of stationery from the Senate stationery room.

The Senator from Wyoming [Mr. McGEE] proposes, in lieu of that language, to insert:

Provided, That this amount shall be available only for purchases through the Senate stationery room.

Mr. McGEE. Mr. President, is the pending business now the Williams amendment as agreed to be modified?

The PRESIDING OFFICER. The pending business before the Senate at the present time is the amendment as stated by the clerk, which is the Williams amendment as modified by the amendment of the Senator from Wyoming.

Mr. McGEE. I would like to make clear my position. I oppose the Williams amendment. We have had a long discussion on the floor, for nearly 2 hours, in which many Members of this body have explained why they have misgivings about the Williams amendment. However, the members of the committee, who have been willing to accept the amendment, have also made it clear that this matter was not heard, that the details of the proposal had not been given extended consideration.

Enough questions have been raised on the floor today to recommend that this body favor the proposal made by the distinguished senior Senator from Massachusetts [Mr. SALTONSTALL], namely, that we appoint a group; that the committee under whose jurisdiction this matter falls be asked to study the issue involved and report back to this body before the end of the year in which the funds are pending, namely, the year 1965.

Some of the questions raised were as follows: Some Senators have used the money to cover purchases from the stationery room; others have used the excess to pay for the cost of TV tapes that they use for the information of the people back home; others have used the money for newsletters.

All this reflects the necessary facts of life, that the expenses which once came under the loose term of "stationery" have broadened because of the needs of the time in which we live.

If the Senate votes to adopt the amendment offered by the Senator from Delaware, all it is doing is getting at the question in reverse. It seems to me that if we follow the wisdom of the suggestion of the Senator from Massachusetts and have a committee look into the matter and report as to the items to which Senators have devoted this fund, we shall be getting at the problem in a constructive way, rather than acting precipitately as to the manner in which we are going to report or revert necessary funds.

The Senator from Delaware has not impugned the motives of any Senator. He has not questioned the ethics—if I may use a much maligned term. What he has referred to is that the funds have been used for something other than what they were specifically allotted for in a Senator's office. It seems to me we might as well meet that problem.

It is an item for which there is no designation as to how the funds shall exactly be allocated. That is the question before us. Politics of the office are not involved; expenses of operating the office are involved. That is the reason for my amendment. The perfecting language is to make sure that we are all talking about the same thing in the amendment of the Senator from Delaware. But I would hope that Senators would see fit to reject the proposal. I would like to see language in the committee report that would seriously recommend a straightforward out-and-out solution—with recommendations from Members of this body, based upon experiences in this body. Let us come up with a constructive suggestion for the solution of the problem that the colloquy this afternoon has clearly indicated exists.

Mr. WILLIAMS of Delaware. I am perfectly willing to accept the modification as suggested by the Senator from Wyoming because it does not change the intent of the amendment; namely, that the money provided in the stationery allotment be made available only for the purchase of office supplies and stationery from the stationery store. Certainly it is my intention that the word "stationery" be broad enough to include pens and pencils, or whatever other kinds of supplies are necessary in running an office. The Senator from Tenneessee was bewailing the fact that as the amendment was written he would no longer be able to use the fund to buy newspapers or to pay for radio tapes. Why should the office expense allowance be used for political speeches? Today, the law as written specifically prohibits appropriated funds being used for the purpose of purchasing newspapers and periodicals or for the disseminating of political propaganda by Members of Congress. It prohibits our using appropriated funds to pay for radio tapes on the basis that they may be political propaganda.

If Congress wishes to amend the law and make provision for such activities, than we should authorize an appropriation to do so. It can be done through the normal process of legislation.

However, we must not do it in the backhanded manner of taking some of the so-called stationery allowance which is left over and using it for such expenses.

I pointed out earlier that in 1957 this situation was sharply brought to my attention, and I have discussed it many times since. The Treasury Department then ruled that I would be taxed on the approximately $1,500 which I could have withdrawn had I wished. It was not until I got a ruling from the Comptroller General that the Treasury Department reversed its position and asserted that Members of Congress did not have to take it if they did not wish to do so.

The Treasury Department pointed out that under the law as they interpreted it I could have taken the $1,500 balance in the stationery fund and used it to help buy a new car, or I could have used it as a contribution to the Republican National Committee or for any other purpose I wished so long as I included it in my tax return and paid taxes on it.

That was a ridiculous conclusion, and to my regret the Senate supported that reasoning.

This is not the way to raise the salaries of Members of Congress. We are being paid enough and if it is not high enough then we can raise the salaries, but we should do so openly and above board. We went to great pains in the Finance Committee to amend the law and spell out that the taxpayer must render an accurate accounting of his expense accounts. We said that if he expects to deduct such expenses for tax

purposes he keep them itemized. Yet what we are trying to do if we defeat this amendment, as I see it, is to extend the right of Members of the Senate not to have to account for their expenditures. We are saying that Senators and Congressmen can take what is left over in the stationery allowance and stick it in their pockets. This is chiseling on the expense account. Some argue that this may be picayunish, but last year, I understand, approximately $60,000 would have been returned had this amendment been in force. I am not saying whether all or only part of it may have been properly spent. I am not raising that point at all.

The other accounts are handled in this manner.

I pointed out as a specific example, we are allowed under existing law $600 for airmail stamps. The pending bill would raise the allowance to $800 to help the larger States; and those in the Far West, it is raised to $1,000. I am supporting that position. Yet, I doubt if I have ever used $15 to $20 worth of airmail stamps because such service does not mean much between Washington and Delaware. However, it does not mean that the money is wasted. I just do not use it. I do not need it. It stays in the Treasury. That is the way it should be.

If I need the full $2,400 in the stationery account then I should use it, but I should not be able to use it for any other purposes than that for which it was appropriated, nor should I be allowed to take in cash the unexpended balance. That is all I am asking. I believe that the issue is clear—an issue which has been before the Senate for the past 7 or 8 years.

Mr. McGEE. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS of Delaware. I am glad to yield to the Senator from Wyoming.

Mr. McGEE. Just for an opinion from the Senator——

Mr. MORSE. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator from Oregon will state it.

Mr. MORSE. The Senator from Wyoming is not speaking from his seat.

The PRESIDING OFFICER. There is no requirement in the rules that a Senator must speak from his desk.

Mr. McGEE. Mr. President, is there any requirement that a Senator must speak from his seat? I was standing here so that I could hear what the Senator from Delaware was saying. I did not wish to miss what he had to say. If the Senator insists, I shall be glad to return to my seat.

Mr. MORSE. Mr. President, I believe that it is bad practice.

Mr. LONG of Louisiana. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator from Louisiana will state it.

Mr. LONG of Louisiana. Is there any provision in the rule that requires a Senator to speak from his desk?

The PRESIDING OFFICER. There is no such provision.

Mr. McGEE. If I may ask the Senator from Delaware one question: Would it be within the purview of the Senator's amendment if the stationery store were to handle the sale to Senators of radio tapes—that is, the raw material to make the tape?

Mr. WILLIAMS of Delaware. In my opinion no such provision is in the law. It could be provided for by law, but at present the law provides that the money cannot be used for that purpose. The stationery expense allowance is for the purpose of purchasing supplies for our office, to be used in the official discharge of a Senator's duties. I do not believe there is anything in the law which says that the Senator can pay for radio tapes with these funds. Tapes are important if we wish to get reelected, but that may not be important in the eyes of our constituents.

Mr. McGEE. Mr. President, we might do a little campaigning this way, campaign by tape or campaign by stationery. We are assuming that we are not talking about campaign activities. We are talking about the requirements of a Senator's office.

Under the language of the amendment the Senator is proposing, it says it is limited to materials or supplies that come from the stationery store. I am only asking if radio tape were handled by the stationery store whether that would not make it all right for a Senator to make that purchase from this fund.

Mr. WILLIAMS of Delaware. Not in my opinion. If we write a political letter then we are supposed to pay the postage out of our own pockets. We are supposed to pay for our own campaign expenses. There is nothing in the law to permit Senators using these funds to defray campaign expenses or to buy postage stamps to carry on a campaign. The law was never intended that way. The law says we can use this money for the official expenses of our offices only. If our telephone calls are official they are official expenses, but if they are personal telephone calls we pay for them.

Mr. MILLER. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. MILLER. The amendment as now modified refers to payment of the stationery allowance in the stationery store. Does the law confine it only to purchases made in the stationery store, for all purchases necessary for the conduct of our official business?

Mr. WILLIAMS of Delaware. Yes. However, if the stationery store were to begin to handle automobile tires tomorrow, automobile tires would not be covered just because they were in the stationery store.

Mr. MILLER. But assuming that these are for legitimate expenses which the Senator from Delaware is outlining, they still must be made at the stationery store. My question is, why do we have to limit expenditures to the stationery store? If we wish to buy from someone else, where we can possibly obtain a discount, why cannot we do this?

Mr. WILLIAMS of Delaware. For the simple reason that I was advised that a point of order would be made on such an amendment, I have written the amendment in the manner in which it was not subject to a point of order.

Mr. MILLER. Would the Senator from Delaware yield further?

Mr. WILLIAMS of Delaware. I yield.

Mr. MILLER. I do not understand how a point of order can be made if we left it open. The Senator from Wyoming perhaps can shed some light on this. Why did he limit his modification to the stationery store?

Mr. WILLIAMS of Delaware. Because that is the way my original amendment was drafted and that is the way it has to stand to avoid a point of order.

Mr. McGEE. Mr. President, I move to table the newly modified amendment——

Mr. HOLLAND. Mr. President, will the Senator withhold that for a moment——

Mr. McGEE. I am glad to withhold the motion.

Mr. HOLLAND. Mr. President, I have already spoken too much on this point but there are a great many more Senators in the Chamber now than when I spoke earlier and I should like to say that anyone who assumes that there is only one Senator in this body who wishes to handle his office and his office expenses honorably and decently, of course, is mistaken. There are 100 Senators who wish to do just that kind of thing.

Let me say that this is borne out by the statements of the distinguished Senator from Oklahoma, and the distinguished Senator from Massachusetts, the chairman and the ranking minority member of the subcommittee of its not having been considered at all in committee. I wish to say that as drawn now, this amendment has become a rather foolish thing because as now drawn up, it reads, "providing that this amount shall be available only for purchase through the Senate stationery room."

Mr. President, I do not know what other Senators do, but I know that in my own office we make our purchases through the stationery room, for which I pay personally—gifts, little fountain pen sets, paperweights, and innumerable things which would come within the description of stationery that I have read into the RECORD, because the term "stationery" means not only paper, pens, and ink, but all the other comparable things that are sold normally by a stationery store.

The amendment, as reworded by the Senator from Delaware, merely provides that this amount shall be available only for purchases through the Senate stationery room.

I do not know how much further we can go to make it clear that this item comes up on an unconsidered and ill-considered matter, which has not been handled by the committee and which could be used under the wording of the amendment in a way that would offend against what the appropriation is supposed to do.

Mr. RUSSELL of Georgia. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Georgia.

Mr. RUSSELL of Georgia. I am sure that the Senator also knows and has stated—I came on the floor only a few moments ago and did not hear the Senator's complete statement—that every

Member of the House of Representatives draws exactly the same amount in stationery allowance as each Senator draws. Although a State may have 40 Members in the House of Representatives, each one of them gets as much as one of the Senators, notwithstanding the fact that the Senator has as many constituents as all the 40 Representatives combined.

The amendment of the Senator from Delaware would not touch this provision of the bill. It leaves it alone. It demeans the Senate and says that Senators must be watched with exceeding care, and that we are likely to do something wrong with our stationery allowance.

In my own case, my State has 10 Members in the House of Representatives. Each one of them draws exactly the same stationery allowance that I do, even though I have as many constituents as all 10 of them combined.

Mr. President, if we are to go into this matter and deal with the compensation that might come to a Member of the Senate who has saved $400 out of his allowance—if there be any such—we ought likewise to deal with Members of the other body.

I know of no reason on earth why the Senate should continually be more suspect and attacked by innuendo as to its integrity and capacity than are Members of the other body.

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

Mr. HOLLAND. I yield.

Mr. YARBOROUGH. I am sure the Senator is conversant with the facts that I obtained from the Postmaster of the Senate, namely, that one Senator sends out more mail than all the Members of the House from his State combined, that the 100 Members of the Senate send out more mail than the 435 Members of the House, and that we receive more mail than the Members of the House combined.

I also believe that the Senator is conversant with the fact that the Subcommittee on Appropriations for the Legislative Branch and the full committee considered this year home office expenses, travel expenses, long-distance telephone expenses, and postage expenses, but that, due to lack of time, we did not consider the stationery allowance or help in the office. We decided that this subject would be considered next year. However, we did consider home office expenses and travel expenses and long-distance telephone expenses and postage stamp expenses. This item was not considered in the subcommittee or in the full committee. I am sure the Senator is conversant with that fact.

Mr. HOLLAND. The Senator is correct. I shall close in a moment. We have taken too much time on this item already. This is a relatively small item. I remind Senators of three things. The first is that Senators are differently affected, depending upon the size of their States and the distance of their States from the Capital. The second point that I wish to make is that all Senators must realize that any such matter which affects Senators differently should have the benefit of a hearing, at which the differences can be brought out, so that we may be furnished information which we can depend upon when we vote. Third, I remind Senators that the amendment as reworded opens the door to everything. I read it:

> Provided that this amount shall be available only for purchases through the Senate stationery room.

I do not see how it can be made any broader than this. Therefore, I move to lay the amendment on the table.

I ask for the yeas and nays.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator withhold that motion for a moment?

Mr. HOLLAND. I will withhold it. We have listened to the Senator from Delaware speak at great length. I know he is honorable, even though he represents one of the smaller States and one of the closest States to Washington. I do not believe he realizes the various ways in which various Senators are affected by this amendment.

Mr. WILLIAMS of Delaware. I appreciate the Senator's statement. I recognize that I come from one of the smaller States, but I hope that the caliber of a Senator is not always measured by the size of his State. I have great respect for the Senator from Florida, but I think he is in error. Under existing law he can send his wife to the stationery store to buy these items to which he has referred, but they cannot be charged as official expenses. He and I can buy Christmas cards and gifts from the stationery store provided we pay for them out of our pockets. He can buy supplies in the stationery room and charge them to his official account only so long as he certifies that they are used for official business. The law provides that we can use the expense allowance only for the purpose for which it is intended and for which the money is appropriated; that is, to conduct the official business of a Senator. We cannot use it for any other purpose.

Mr. HOLLAND. Mr. President, I am informed by the staff of the committee that there is no substantive legislation on this matter. This item is contained from time to time in the bill. I am saying again that, as drawn now, the amendment makes the sky the limit. We are confined only to what is sold in the stationery room.

Mr. President, I move to lay on the table the amendment of the distinguished Senator from Delaware, and I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Florida [Mr. HOLLAND]. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. LONG of Louisiana. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Nevada [Mr. BIBLE], the Senator from Connecticut [Mr. DODD], the Senator from Tennessee [Mr. GORE], the Senator from South Dakota [Mr. MCGOVERN], the Senator from New Hamsphire [Mr. MCINTYRE], the Senator from Rhode Island [Mr. PASTORE], the Senator from South Carolina [Mr. RUSSELL], and the Senator from New Jersey [Mr. WILLIAMS] are absent on official business.

I also announce that the Senator from Virginia [Mr. BYRD], the Senator from North Carolina [Mr. JORDAN], the Senator from Utah [Mr. MOSS], the Senator from Rhode Island [Mr. PELL], the Senator from Alabama [Mr. SPARKMAN], and the Senator from Maryland [Mr. TYDINGS] are necessarily absent.

I further announce that, if present and voting, the Senator from Virginia [Mr. BYRD] and the Senator from Rhode Island [Mr. PASTORE] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from California [Mr. MURPHY] and the Senator from Colorado [Mr. DOMINICK] are necessarily absent.

The Senator from Kansas [Mr. PEARSON] and the Senator from Wyoming [Mr. SIMPSON] are absent on official business.

The Senator from Nebraska [Mr. CURTIS] is detained on official business.

If present and voting, the Senator from Nebraska [Mr. CURTIS], the Senator from Colorado [Mr. DOMINICK], the Senator from California [Mr. MURPHY], the Senator from Kansas [Mr. PEARSON], and the Senator from Wyoming [Mr. SIMPSON] would each vote "nay."

The result was announced—yeas 44, nays 36, as follows:

[No. 178 Leg.]

YEAS—44

Bartlett	Holland	Montoya
Bass	Inouye	Morse
Burdick	Kennedy, Mass.	Muskie
Cannon	Kennedy, N.Y.	Neuberger
Church	Lausche	Russell, Ga.
Clark	Long, Mo.	Scott
Eastland	Long, La.	Smathers
Ervin	Magnuson	Smith
Fulbright	McCarthy	Stennis
Gruening	McClellan	Symington
Hart	McGee	Talmadge
Hartke	McNamara	Yarborough
Hayden	Metcalf	Young, N. Dak.
Hickenlooper	Miller	Young, Ohio
Hill	Mondale	

NAYS—36

Aiken	Douglas	Morton
Allott	Ellender	Mundt
Bayh	Fannin	Nelson
Bennett	Fong	Prouty
Boggs	Harris	Proxmire
Brewster	Hruska	Randolph
Byrd, W. Va.	Jackson	Ribicoff
Carlson	Javits	Robertson
Case	Jordan, Idaho	Saltonstall
Cooper	Kuchel	Thurmond
Cotton	Mansfield	Tower
Dirksen	Monroney	Williams, Del.

NOT VOTING—20

Anderson	Jordan, N.C.	Pell
Bible	McGovern	Russell, S.C.
Byrd, Va.	McIntyre	Simpson
Curtis	Moss	Sparkman
Dodd	Murphy	Tydings
Dominick	Pastore	Williams, N.J.
Gore	Pearson	

So Mr. HOLLAND's motion to lay on the table the amendment of Mr. WILLIAMS of Delaware was agreed to.

Mr. SALTONSTALL. Mr. President, I offer an amendment which I send to the desk and ask to have read.

The PRESIDING OFFICER. The amendment of the Senator from Massachusetts will be stated.

The LEGISLATIVE CLERK. On page 11, between lines 3 and 4, it is proposed to insert the following:

> The Legislative Subcommittee of the Committee on Appropriations is hereby directed

to investigate the manner in which stationery allowances are utilized, including the commutation thereof, and to make a report on its findings and recommendations to the Standing Committee on Appropriations no later than January 15, 1966.

Mr. SALTONSTALL. Mr. President, the amendment is a simple one. It would authorize the Committee on Legislative Appropriations, with suitable help from the financial clerk, to study the question and bring its recommendations before the Senate by January 15 of next year.

I have offered the amendment because the Committee on Legislative Appropriations did not study the question. It was brought up on the floor of the Senate for the first time today. The Senator from Oklahoma [Mr. MONRONEY] and I agreed to go along with the proposal.

As I have stated, there are three things that this body can do at the present time.

First, we might adopt the amendment offered by the Senator from Delaware [Mr. WILLIAMS] or vote it down. We voted to lay it, or a substitute amendment, on the table.

Second, we can insert in the bill a new line item, if that is desired, allowing the expenses at home which the Senator from Florida [Mr. HOLLAND] has mentioned.

Third, we can adopt language of my amendment to authorize the subcommittee to study the question and include the item in a supplemental budget in January.

Since there are many Senators present, I should like to call attention to the fact that fiscal year 1965 is over. July 1 was the end of that fiscal year. We are now working on the fiscal year of 1966. The question of the surplus amounts that might be in the balance and not used will not arise until after the first of January of next year. They would not come up probably until June of next year.

During the last fiscal year, of all Senators, including the Vice President, 28 had no balance whatsoever, and 73 had a balance totaling $66,389.01, or an average of $909.43 per person.

Obviously, many Senators are vitally interested in this subject. I believe that it should have proper study. If we do study it, when the supplemental bill comes up next January, we can make a report and submit recommendations along the lines which the Senator from Delaware has indicated, or some other lines.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. LONG of Louisiana. Would the Senator be willing to modify his amendment so as to strike the word "investigate" and substitute the word "study"? The Senator used the word "study" in his speech.

Mr. SALTONSTALL. I am glad to accept that modification.

The PRESIDING OFFICER. Without objection, the amendment was modified.

Mr. SALTONSTALL. Mr. President, that is all my amendment would do. I hope that it will solve the problem in a way that will be helpful to all of us. We do not wish to violate any law. We do not desire to use money that we should not properly use. But the question has not been carefully studied, and I believe that the amendment is the way to approach the question. I hope that my amendment will be adopted.

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

Mr. SALTONSTALL. I yield.

Mr. HOLLAND. I approve the cautious, deliberate, and sound way in which the Senator from Massachusetts approaches the problem.

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

Mr. SALTONSTALL. I yield.

Mr. YARBOROUGH. Mr. President, if the impression is being created that this amount is all that is needed for stationery, for a State like Texas, which has a population of 10.5 million, the present allowance of $200 a month is woefully inadequate. The amount necessary for stationery runs many hundreds of dollars over that.

I hope that the present allowance for stationery will be increased. I brought the question up in committee this year, but there was not sufficient time to consider it. The committee considered allowances for postage and telephones, but did not consider the allowance for stationery.

Many other Senators are in my situation. I observe in the Chamber the distinguished senior Senator from New Hampshire [Mr. COTTON]. He told me today the amount he spends each month for stationery. If he would give me his consent, I would state that amount on the floor of the Senate. I hope that the Senator will allow me to state it.

The distinguished Senator from New Hampshire told me today that he spends $450 a month for stationery, so as to get the news back to his home State. I am trying to borrow or to raise enough money to get the news back to my State through the handling of mail for 10.5 million people.

This may not be a problem in New York or California, States having populations of 17 million or 18 million. We had much testimony before our committee. The distinguished senior Senator from California [Mr. KUCHEL], the minority whip, says he receives approximately 6,000 letters a month. My computation for my State is that I receive 1,500 letters a month. Two hundred dollars a month for stationery allowance is totally inadequate for Senators representing States having large populations.

I would not want the record to be closed leaving the understanding that that is more money than is needed for stationery purposes.

Mr. SALTONSTALL. The distinguished Senator from Texas is a member of the subcommittee. We provided this year the same amount as was provided last year—$255,600. The Senator will agree that the item of stationery allowance was not considered.

Mr. YARBOROUGH. It was not considered.

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

Mr. SALTONSTALL. I yield.

Mr. HOLLAND. Is the question of the difference in size of the States within the area of the study that is prescribed to be followed by the subcommittee under the Senator's amendment?

Mr. SALTONSTALL. Will the Senator please repeat his question?

Mr. HOLLAND. Is the question of the need for stationery depending on the size of the several States a matter which is properly within the field of inquiry and study by the subcommittee?

Mr. SALTONSTALL. I should assume that the whole subject would be studied.

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

Mr. SALTONSTALL. I yield.

Mr. BASS. I join in support of the Senator's amendment. I commend him for it. This is the way to proceed. If there are inequities or misgivings, they should be given deliberate study.

I also recommend to whoever makes the study that the title of the fund should be changed to the more realistic title of "Office Expenses," or something of that kind, so that one who sees it will not think that a Senator from a small State, which has only a few constituents, is using the money only to buy letterheads and envelopes. I hope the amendment will be agreed to.

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

Mr. SALTONSTALL. I yield.

Mr. ELLENDER. I am partly responsible for initiating the debate on this subject, as one who believes that if Congress sets aside $2,400 for stationery for each Senator, that money ought to be used to purchase stationery. If Members of the House desire to take the $2,400 and use it for whatever purposes they desire, that is their business. However, it seems to me that the Committee on Appropriations should study the subject, not only as it affects the Senate, but also as it affects the House. It seems to me that any sums that are provided for telephone expenses, let us say, that are not used, out of the money that is appropriated for telephone service, those sums should be returned to the Treasury. The same is true of telegraph service. If all of that money is not used, it should be returned to the Treasury.

I have often wondered why the unused part of the money that was appropriated to each Senator for stationery was not returned to the Treasury.

This year I was notified that of the $2,400 that had been assigned to me, I used about $900. I sent a letter authorizing that the remainder of my stationery allowance be returned to the Treasury. I presume that many other Senators did likewise.

My only purpose in raising the question was that if the money is set aside by Congress for the purchase of stationery, it ought to be used for that purpose. If it is not used for that purpose, it ought to be returned to the Treasury. We cannot have it both ways and still maintain any pretext of logic or law.

I hope that the amendment will be adopted, and that a study will be made not only as it affects the Senate but the House, as well.

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

Mr. SALTONSTALL. I yield.

Mr. YARBOROUGH. I desire to offer an amendment to the amendment of the Senator from Massachusetts that the time for reporting to the Senate be February 1, 1966. When we return after the first of the year, it will be difficult for the subcommittee on which I have the privilege to serve to be ready with its report by January 15; that would allow only a few days.

Mr. SALTONSTALL. I accept the Senator's suggestion. The point is that the study should be made in time to provide funds in a supplemental appropriation bill.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. WILLIAMS of Delaware. I recognize that the Senator from Oklahoma and the Senator from Massachusetts have supported my amendment and tried to clear up this problem. I shall support the amendment of the Senator from Massachusetts, although after hearing so much from the junior Senator from Tennessee about the Senate's not being ready to make a decision and about how poor Senators are I was debating the question of whether I should pass the hat or make a point of order against the bill. Because the bill contains legislation—it is full of it—it could be sent back to the committee for further study on a point of order.

Nevertheless, recognizing the fairness of the Senator from Oklahoma and the Senator from Massachusetts, who have supported my position and tried to correct the situation I shall not make the point of order. I shall support the amendment of the Senator from Massachusetts that a study be made and a report presented to the Senate in February of next year. This study should cover the House as well as the Senate allowances.

I point out, again, however, that this subject is not something new on the floor of the Senate. It may be something new so far as the attention being given to it is concerned, but it was first brought up on the floor of the Senate as far back as 1957.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD my remarks made on April 18, 1957, on the same subject.

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

STATEMENT BY SENATOR WILLIAMS OF DELAWARE

Mr. President, many people are becoming alarmed by the rapid increase in Government expenditures, and in recent months such discussion has been held as to how the cost of Government can be curtailed.

Today I wish to point out one specific instance wherein the Government not only insists upon the full appropriation's being spent but actually proposes to levy a penalty against the official on the amount returned to the U.S. Treasury.

In the administration of our senatorial offices each Senator is allowed a certain amount based upon the population of his State for clerical hire, for long distance telephoning, for telegrams, for special delivery and air mail stamps, and for stationery allowance. Coming from a small State I have not needed except on a very few occasions the full allowance in any of these categories and at the end of each year have been authorizing the unexpended portion's reversion to the Federal Treasury.

I recognize of course that in many instances Senators need their full allotments, and I question their adequacy to cover the expenses in some of the other States.

It has always been recognized that that portion of such funds not needed for the office reverts to the Federal Treasury, and for the past 10 years, since I have been a Member of the Senate, that principle has been recognized.

Last year I had $1,508.26 left over in my stationery account which as in previous years I have authorized returned to the U.S. Treasury as not being needed, but for the first time I was told that this is no longer permissible.

The Government has now taken the position that the money must be spent and that if a Member of the U.S. Senate does not spend his full allotment he will be taxed on the unexpended portion, even though it is left in the Federal Treasury.

I have been advised that an easy way to avoid this penalty would be to order $1,508 worth of stationery from the Senate Stationery store, even though I do not need it, have it delivered to my office, and then call the truck and send it out to the city dump. In that manner the Government would be rid of the money, I would be subject to no penalty, and everybody but the taxpayers would be happy.

Or under this new ruling I could file a claim for the Treasury check of $1,508.26, pay income tax on the amount, and turn the rest over to the Republican National Committee or put it in a special account to finance a personal political campaign.

If this ruling stands unchallenged what is there to prevent using these unexpended funds to buy mink coats or deep freezes?

All the emphasis seems to be placed not on whether or not the money is needed for the administration of my office but rather on getting rid of it, no matter for what purpose.

In the first year of my service in setting up a new office I used the full stationery allotment, but in each of the other years there have been unexpended balances in the stationery fund, which in each instance were released to the Treasury as follows:

Fiscal year	Allowance	Expended	Balance authorized for reversion to the U.S. Treasury
1948	$600	$342.48	$257.52
1949	500	220.94	279.06
1950	700	223.79	476.21
1951	800	198.61	601.39
1952	1,100	341.09	758.91
1953	800	345.20	454.80
1954	1,200	615.25	584.75
1955	1,200	334.33	865.67
1956	1,800	291.74	1,508.26
Total	8,700	2,913.43	5,786.57

At the end of the last fiscal year I again instructed the disbursing officer of the U.S. Senate to return the unexpended balance to the U.S. Treasury. My instructions were as follows:

U.S. SENATE,
Washington, D.C., June 26, 1956.

Mr. ROBERT A. BRENKWORTH,
Financial Clerk, U.S. Senate,
Washington, D.C.

DEAR MR. BRENKWORTH: I acknowledge receipt of the voucher stating that I have $1,508.26 representing the unused portion of my $1,800 stationery allowance for the fiscal year ending June 30, 1956.

This amount is not needed and you are hereby authorized to return the balance ($1,508.26) to the U.S. Treasury.

Yours sincerely,

JOHN J. WILLIAMS.

In early December 1956, I received a call from Mr. Brenkworth, financial clerk of the Senate, advising that he had been instructed that this procedure would no longer be permissible but that either the funds would have to be spent or the Member of the Senate failing to spend his full allotment would be subject to income tax on the unexpended balance, even though the money was left in the U.S. Treasury.

I am not criticizing Mr. Brenkworth for relaying these instructions; he was only acting upon orders.

He explained that these instructions were being issued based upon a ruling by the Treasury Department.

A suggestion was made that one way around this situation may be to file a claim for the check, accept the money, and then make a gift of it to the U.S. Treasury; however, I could not agree to this suggestion because how can I give something which does not belong to me in the first place? This money, left over from my stationery allowance, does not belong to me—it belongs to the American taxpayers.

Furthermore, in giving the check back to the U.S. Treasury the individual could be subject to a gift tax if, added to the other gifts, the maximum gift allowance was exceeded for the year involved. You would be paying the Treasury Department to take back that which was already theirs.

The following is the Treasury Department's ruling on this question:

MARCH 29, 1956.

This letter deals specifically with funds provided (1) for stationery for Senators (2 U.S.C. 46a), and (2) an amount, not to exceed $150 quarterly, for official office expenses incurred by each Senator in his State (2 U.S.C. 53), during the taxable year 1955.

It is our understanding that the stationery allowance is credited to the account of each Senator at the beginning of each fiscal year. As supplies are procured by each Senator from the stationery room, their cost is charged against his individual stationery account. Any unexpended funds remaining in the stationery accounts of the respective Senators at the close of the fiscal year may be withdrawn by them in cash.

It is held, therefore, that any unexpended funds remaining in the stationery accounts of respective Senators at the end of the fiscal year are constructively received by each Senator on that date, whether or not withdrawn, and are includible in the gross income shown on his Federal income tax return for the taxable year in which that date falls.

Expenses charged against the stationery account are not deductible, for Federal income tax purposes, since their payment in that manner does not constitute payment by the Senators.

The amount (not to exceed $150 quarterly) payable for official office expenses incurred in a Senator's State is payable upon certification of each Senator and is includible in his gross income for the taxable year in which such quarterly reimbursements are first available to him. This is true even though such funds are not actually reduced to his possession, so long as they are available to him without substantial limitation or restriction. These funds are understood to be thus available at the close of each quarter. Such office expenses are deductible by a Senator in computing his adjusted gross income to the extent of the reimbursements thus received.

In the event a Senator's official stationery expenses and his official office expenses incurred in his State exceed the respective allowance or reimbursement therefor, the portion of such excess considered reimbursed by that portion of the $2,500 expense allowance received during the taxable year is also deductible in computing adjusted gross income. The balance of such excess which is paid by the Senator from his own funds is deductible in computing taxable income, provided he itemizes his deductions for that purpose.

I sincerely trust the information contained herein will answer your questions on this subject. If not, I shall be glad to hear from you further.

RUSSELL C. HARRINGTON.

Upon receipt of this ruling, on December 31, 1956, I directed the following letter to Mr. Brenkworth rejecting the money on the basis that it did not belong to me, and again I renewed my instructions that it be released to the U.S. Treasury:

U.S. SENATE,
Washington, D.C., December 31, 1956.

Mr. ROBERT A. BRENKWORTH,
Financial Clerk, U.S. Senate,
Washington, D.C.

DEAR MR. BRENKWORTH: Your letter of December 17, 1956, notifying me that I have an unexpended balance in the stationery account allotted to my office in the amount of $1,508.26, is acknowledged.

As I have previously advised you, I do not need this allotment for the purchase of stationery or other essentials to my office, and therefore I have authorized you to let this unexpended balance revert to the Federal Treasury.

I have read the ruling of the Commissioner of Internal Revenue in which he indicates that this amount could be accepted by each Member of the Senate as a cash item and then included as gross income for tax purposes. I disagree with those conclusions; this money is not mine. Our salaries are fixed at a specific amount by law, and it was never intended that a Member of Congress should additionally benefit as the result of any savings resulting from the management of his office. These funds were specifically appropriated for the purpose of paying the stationery expenses of the office, and I have utilized all that was necessary. Therefore, as in previous years, I have instructed you to let the unexpended balance ($1,508.26) revert to the Federal Treasury.

I note the suggestion that I could sign the voucher, accept the check, and then endorse the check "payable to the order of the Treasury of the United States," transmitting it to him as a gift to the U.S. Treasury. This cannot be interpreted as a gift since a gift represents something the title of which rests with the donor, who in turn transmits his title to the recipient. In this instance these funds are not and never have been mine, nor were they ever intended to be mine; therefore, I cannot give to the Federal Treasury that which already belongs to them.

I appreciate your position in this matter in that you are merely relaying instructions as they were given to you, and I will discuss this further with the agency affected and with the appropriate committee of Congress after we convene in January. In the meantime I renew my instructions, as incorporated in my letter of June 26, 1956, to allow this unexpended balance of $1,508.26, which had been allocated to me for necessary purchases of stationery, to revert to the Federal Treasury.

Yours sincerely,

JOHN J. WILLIAMS.

During the succeeding weeks I have been endeavoring to get this ridiculous ruling reversed.

Throughout all of these discussions I have been left with just one clear understanding; namely, nobody cares how the money is spent or what happens to the goods after it is spent, nobody cares if the money is claimed and put in my pocket, but there is a terrific objection to any suggestion that the funds not needed be left in the U.S. Treasury.

I think the U.S. Government should underwrite the cost of administering my office and any other congressional office. I have purchased all the stationery I need for the administering of my office and have charged the cost to the U.S. Government. But by no line of reasoning do I as a Member of the U.S. Senate have a right, legally or morally, to reap a profit on economies achieved in the administration of a public office any more than does the head of an executive agency have a right to divert to his own personal use the unexpended balance of any appropriation to his department.

If the unexpended balance in the stationery account is mine, then what about the unexpended balance in the other accounts? Where will this stop?

If we are to accept the principle that these unexpended funds in stationery or in any other office allowance are profits to the congressional Member then what is there to prevent us from increasing these allowances and using the savings to finance our political campaigns? Certainly no one suggests this, yet this would be possible if we let the ruling stand unchallenged.

This particular office allowance has been increased substantially during recent years, and I voted for these increases, recognizing at the same time that while I did not need the extra allowances for my office many representatives from other States did need the additional funds, and I reasoned that to the Treasury anyway the unnecessary increase to my office was meaningless.

I have refused to sign a voucher claiming this $1,508.26 check for the unexpended balance of my stationery account in 1956 on the basis that the money does not belong to me but belongs to the U.S. Government, and I have submitted this question to the Comptroller General of the United States asking for an official decision. A copy of my letter follows:

U.S. SENATE,
Washington, D.C., March 22, 1957.

Hon. JOSEPH CAMPBELL,
Comptroller General,
Washington, D.C.

DEAR MR. CAMPBELL: In June 1956 I was advised by the disbursing office of the U.S. Senate that I had $1,508.26 remaining as an unexpended balance on the stationery allowance for my office. In previous years I had received similar notices regarding this account, and since once again the full allotment was not needed in the administration of my office I directed a letter on June 26, 1956, to the disbursing office stating that these funds were not needed and authorizing their release to the U.S. Treasury.

On December 17, 1956, I received a notice from the disbursing office that this procedure was not permissible and that the unexpended balance was mine to be accepted and was available for my personal use and that I would be required to pay income tax thereon.

I replied under date of December 31, 1956, that I could not accept these funds for my personal use since they were not a part of my salary and since I as a Member of Congress had no right to cash in on savings made in the administration of my office. I therefore refused to accept these funds. The suggestion was made that I accept these funds but return them to the Treasury as a gift. I would not agree with this procedure since in my opinion a gift to the Federal Treasury could only be made by first acknowledging this money as mine. In other words, I did not feel that this procedure was proper since refusing to recognize the funds as mine I could not give that which I did not own.

I fully recognize that in most instances the Members need and use their allotments, which is perfectly proper, but if a Member does not need his allowance certainly it is ridiculous to suggest that it must be spent or a penalty tax levied against that Member of Congress who saves Government funds. Presumably I could have ordered $1,500 worth of stationery, had it delivered to my office, and the following day discarded it in the wastebasket, and everybody would have been happy and no tax would be due. Or as I understand the Treasury Department's ruling, I can accept the money, pay the tax, and keep the remainder to finance a political campaign or to use for any other purpose I wish.

Copies of this correspondence, along with the ruling of the Treasury Department in this connection, are enclosed.

I am requesting you to review this and issue a general ruling as to whether or not I am correct in insisting that the unexpended balance on this or on any other account furnished for the administration of my office should revert to the Federal Treasury.

Yours sincerely,

JOHN J. WILLIAMS.

Chapter 314, section 304, of Public Law 212 of the 72d Congress, upon which this Treasury ruling was based, reads as follows:

"SEC. 304. During the fiscal year ending June 30, 1933, (1) not more than $16,000 shall be available for expenditure for stationery for Senators and the President of the Senate, and for committees and officers of the Senate, (2) not more than $44,000 shall be available for expenditure for stationery for Representatives, Delegates, and Resident Commissioners, and for the committees and officers of the House of Representatives, and (3) each Senator, Representative, Delegate, and Resident Commissioner shall be allowed $90 for stationery allowance or commutation therefor, to be paid out of the sums provided in (1) or (2), as the case may be."

Mr. WILLIAMS of Delaware. Mr. President, on April 18, 1957, 8 years ago, in the above remarks I invited the attention of the Senate to this same problem.

There is a law which provides that any businessman who charges off as necessary business expense any money which is not actually spent for the purpose for which it is claimed, violates the law. The Treasury Department will disallow such a chargeoff. Yet a situation exists in which Members of Congress, after receiving our fixed salaries, can get an additional income through their unspent stationery allowances. We get an allowance to pay our clerk hire; we get an adequate allowance for offices back home if they are needed although some Senators do not use it, others do. We get an adequate amount to pay for stationery or office supplies; we get an adequate allowance to pay for official telephone calls. We take care of all of these items; what more can be asked?

Some time ago there was an instance—I was surprised that so few Senators seemed to be concerned about it—in which a former employee of the Senate was charging a substantial number of his personal telephone calls to the U.S.

Government. That was a violation of the law. Yet what has been done? We do not need additional allowances in those categories.

As the Senator from Louisiana [Mr. ELLENDER] points out, if we want to provide for financing campaigns we should call it that and not hide it under the name of office supplies, as has been done so often.

The Senator from Tennessee [Mr. BASS] said that the adoption of the amendment would restrict him in some of his activities. That is an argument for the amendment. I point out that all the activities he cited from which he would be restricted are in violation of the law as it is written today.

Mr. HOLLAND. Mr. President, do I correctly understand the Senator to say that he called the attention of the Senate to this matter in April of 1957?

Mr. WILLIAMS of Delaware. That is correct.

Mr. HOLLAND. Has the Senator discussed it since that date?

Mr. WILLIAMS of Delaware. I have discussed it several times.

Mr. HOLLAND. Was that not in the first year of the second term of the Eisenhower administration?

Mr. WILLIAMS of Delaware. That is correct and the Democracts were in control of the Senate. I was unable to get it changed then, and I am still getting the same arguments.

If it would make the Senator feel any better I shall send the amendment to the desk as a Republican amendment, since it has been mentioned on a partisan basis. Why not? It has almost solid Republican support. But seriously, we are dealing with U.S. Senators and not with Republicans or Democrats. This is not a partisan issue.

Mr. HOLLAND. The Senator is correct. I did want to call attention to the fact that the question had been raised by him at a time when the Senator from Oklahoma [Mr. MONRONEY] did not have charge of the matter. Apparently this matter has not been mentioned for 8 years. At least, I have not heard of it. Certainly this is a matter that should be carefully considered from now on.

Mr. WILLIAMS of Delaware. Mr. President, I thank the Senator from Massachusetts and the Senator from Oklahoma for their willingness to accept the amendment although this is a problem that the Senate should have dealt with today.

Mr. President, to clarify further the method of handling allowances for senatorial offices I shall place in the RECORD an itemized account of the expenditures of my office for the fiscal year 1964.

Final figures for the fiscal year just ended, will not be available for about 4 weeks, but they are somewhat similar and will be available then.

This report shows how these unexpended balances revert to the Treasury. In every instance except the stationery account this reversion to the Treasury Department is mandatory.

My amendment would have placed the stationery allowance in the same position and would have prohibited any further withdrawals in cash of the balances left over in this account at the end of the year.

I ask unanimous consent that this tabulation for my office expenses for fiscal 1964 be printed at this point in the RECORD.

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

John J. Williams, U.S. Senator, fiscal 1964

Airmail and special delivery postage allowances (sec. 42a):	
Allowed	$610.00
Used	12.70
Total	597.30
Mileage of Senators (sec. 43):	
Allowed	76.40
Used	76.40
Total	0
Reimbursement of Senators for transportation expenses (sec. 43b) (2 round trips to State, estimated figure used):	
Allowed	76.40
Used	0
Total	76.40
Stationery allowance (sec. 46a):	
Allowed	2,400.00
Used	856.62
Total	1,543.38
Long-distance telephone calls (sec. 46c) (to and from Washington, D.C.) (maximum of 160 calls or 800 minutes per month)	(1)
Long-distance telephone calls (sec. 46d) (originating and terminating outside Washington; additional payments for calls to and from Washington, D.C.:	
Allowed	1,800.00
Used	0
Total	1,800.00
Additional communication expense (sec.46d-1C):	
Allowed	150.00
Used	6.33
Total	143.67
Telegram allowance (calendar year 1964) (sec. 46e):	
Allowed	4,930.00
Used	17.28
Total	4,912.72
Office space in home State (sec. 52):	
Allowed	1,200.00
Used	0
Total	1,200.00
Official office expense incurred in home State (sec. 53):	
Allowed	600.00
Used	0
Total	600.00
Clerk hire (sec. 60-c) ($88,887.49 gross used):	
Basic allowed	52,980.00
Used	39,203.14
Total	13,776.86
Reimbursement for mileage of employees in office (sec. 127) (10 cents, 4 employees) (estimated figure used):	
Allowed	152.80
Used	0
Total	152.80
Compensation:	
Allowed	22,500.00
Used	22,500.00
Total	0

[1] See attached chart.

[CHART]

Long-distance telephone calls (made to and from Washington, D.C., fiscal 1964)

[Quota: 160 calls and 800 minutes per month, noncumulative]

Month	Number of calls	Number of minutes	Cost
July	26	117	$24.80
August	34	181	38.30
September	22	121	24.90
October	24	103	24.25
November	14	56	15.40
December	23	86	17.15
January	31	129	30.50
February	23	112	30.15
March	21	115	22.95
April	24	166	35.60
May	23	157	39.70
June	49	247	49.75
Total	314	1,590	353.45

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Massachusetts, as modified.

The amendment, as modified, was agreed to.

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

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

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 8775) was passed.

Mr. SALTONSTALL. Mr. President, I move that the vote by which the bill was passed be reconsidered.

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

The motion to lay on the table was agreed to.

Mr. MONRONEY. Mr. President, I move that the Senate insist upon its amendments and request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MONRONEY, Mr. BARTLETT, Mr. PROXMIRE, Mr. YARBOROUGH, Mr. HAYDEN, Mr. SALTONSTALL, Mr. YOUNG of North Dakota, and Mr. KUCHEL conferees on the part of the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H.R. 4185) to fix the fees payable to the Patent Office, and for other purposes.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 6675) to provide a hospital insurance program for the aged under the Social Security Act with a supplementary health benefits program and an expanded program of

medical assistance, to increase benefits under the old-age, survivors, and disability insurance system, to improve the Federal-State public assistance programs, and for other purposes; that the House had agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MILLS, Mr. KING of California, Mr. BOGGS, Mr. KEOGH, Mr. BYRNES of Wisconsin, Mr. CURTIS, and Mr. UTT were appointed managers on the part of the House at the conference.

INDEPENDENT OFFICES APPROPRIATIONS, 1966

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 372, H.R. 7997.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 7997) making appropriations for sundry independent offices, executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1966, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Appropriations with amendments.

ENFORCEMENT OF 15TH AMENDMENT TO THE CONSTITUTION

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate the amendments of the House of Representatives to the bill (S. 1564).

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1564) to enforce the 15th amendment to the Constitution of the United States, and for other purposes, which were, to strike out all after the enacting clause and insert:

That this Act shall be known as the "Voting Rights Act of 1965".

SEC. 2. No voting qualification or prerequisite to voting, or standard, practice, or procedure shall be imposed or applied by any State or political subdivision to deny or abridge the right of any citizen of the United States to vote on account of race or color.

SEC. 3. (a) Whenever the Attorney General institutes a proceeding under any statute to enforce the guarantees of the fifteenth amendment in any State or political subdivision the court shall authorize the appointment of Federal examiners by the United States Civil Service Commission in accordance with section 6 to serve for such period of time and for such political subdivisions as the court shall determine is appropriate to enforce the guarantees of the fifteenth amendment (1) as part of any interlocutory order if the court determines that the appointment of such examiners is necessary to enforce such guarantees or (2) as part of any final judgment if the court finds that violations of the fifteenth amendment justifying equitable relief have occurred in such State or subdivision: *Provided,* That the court need not authorize the appointment of examiners if it finds by a preponderance of evidence that any incidents of denial or abridgment of the right to vote on account of race or color (1) have been few in number and have been promptly and effectively corrected by State or local action, (2) the continuing effect of such incidents has been eliminated, and (3) there is no reasonable probability of their recurrence in the future.

(b) If in a proceeding instituted by the Attorney General under any statute to enforce the guarantees of the fifteenth amendment in any State or political subdivision the court finds that a test or device has been used for the purpose or with the effect of denying or abridging the right of any citizen of the United States to vote on account of race or color, it shall suspend the use of such test or device in such State or political subdivisions as the court shall determine is appropriate and for such period as it deems necessary.

(c) If in any proceeding instituted by the Attorney General under any statute to enforce the guarantees of the fifteenth amendment in any State or political subdivision the court finds that violations of the fifteenth amendment justifying equitable relief have occurred within the territory of such State or political subdivision, the court, in addition to such relief as it may grant, shall retain jurisdiction for such period as it may deem appropriate and during such period no voting qualification or prerequisite to voting, or standard, practice, or procedure with respect to voting different from that in force or effect at the time the proceeding was commenced shall be enforced unless and until the court finds that such qualification, prerequisite, standard, practice, or procedure does not have the purpose and will not have the effect of denying or abridging the right to vote on account of race or color: *Provided,* That such qualification, prerequisite, standard, practice, or procedure may be enforced if the qualification, prerequisite, standard, practice, or procedure has been submitted by the chief legal officer or other appropriate official of such State or subdivision to the Attorney General and the Attorney General has not interposed an objection within sixty days after such submission, except that the Attorney General's failure to object shall not bar a subsequent action to enjoin enforcement of such qualification, prerequisite, standard, practice, or procedure.

SEC. 4. (a) To assure that the right of citizens of the United States to vote is not denied or abridged on account of race or color, no citizen shall be denied the right to vote in any Federal, State, or local election because of his failure to comply with any test or device in any State with respect to which the determinations have been made under subsection (b) or in any political subdivision with respect to which such determinations have been made as a separate unit, unless the United States District Court for the District of Columbia in an action for a declaratory judgment brought by such State or subdivision against the United States has determined that no such test or device has been used during the five years preceding the filing of the action for the purpose and with the effect of denying or abridging the right to vote on account of race or color: *Provided,* That no such declaratory judgment shall issue with respect to any plaintiff for a period of five years after the entry of a final judgment of any court of the United States, other than the denial of a declaratory judgment under this section, whether entered prior to or after the enactment of this Act, determining that denials or abridgments of the right to vote on account of race or color through the use of such tests or devices have occurred anywhere in the territory of such plaintiff.

An action pursuant to this subsection shall be heard and determined by a court of three judges in accordance with the provisions of section 2284 of title 28 of the United States Code and any appeal shall lie to the Supreme Court. The court shall retain jurisdiction of any action pursuant to this subsection for five years after judgment and shall reopen the action upon motion of the Attorney General alleging that a test or device has been used for the purpose or with the effect of denying or abridging the right to vote on account of race or color.

If the Attorney General determines that he has no reason to believe that any such test or device has been used during the five years preceding the filing of the action for the purpose or with the effect of denying or abridging the right to vote on account of race or color, he shall consent to the entry of such judgment.

(b) The provisions of subsection (a) shall apply in any State or in any political subdivision of a State which (1) the Attorney General determines maintained on November 1, 1964, any test or device, and with respect to which (2) the Director of the Census determines that less than 50 per centum of the persons of voting age residing therein were registered on November 1, 1964, or that less than 50 per centum of such persons voted in the presidential election of November 1964.

A determination or certification of the Attorney General or of the Director of the Census under this section or under section 6 shall not be reviewable in any court and shall be effective upon publication in the Federal Register.

(c) The phrase "test or device" shall mean any requirement that a person as a prerequisite for voting or registration for voting (1) demonstrate the ability to read, write, understand, or interpret any matter, (2) demonstrate any educational achievement or his knowledge of any particular subject, (3) possess good moral character, or (4) prove his qualifications by the voucher of registered voters or members of any other class.

(d) For purposes of this section no State or political subdivision shall be determined to have engaged in the use of tests or devices for the purpose or with the effect of denying or abridging the right to vote on account of race or color if (1) incidents of such use have been few in number and have been promptly and effectively corrected by State or local action, (2) the continuing effect of such incidents has been eliminated, and (3) there is no reasonable probability of their recurrence in the future.

SEC. 5. Whenever a State or political subdivision with respect to which the prohibitions set forth in section 4(a) are in effect shall enact or seek to administer any voting qualification or prerequisite to voting, or standard, practice, or procedure with respect to voting different from that in force or effect on November 1, 1964, it may institute an action in the United States District Court for the District of Columbia for a declaratory judgment that such qualification, prerequisite, standard, practice, or procedure does not have the purpose and will not have the effect of denying or abridging the right to vote on account of race or color, and unless and until the court enters such judgment no person shall be denied the right to vote for failure to comply with such qualification, prerequisite, standard, practice, or procedure: *Provided,* That such qualification, prerequisite, standard, practice, or procedure may be enforced without such proceeding if the qualification, prerequisite, standard, practice, or procedure has been submitted by the chief legal officer or other appropriate official of such State or subdivision to the Attorney General and the Attorney General has not interposed an objection within sixty days after such submission, except that the Attorney General's

failure to object shall not bar a subsequent action to enjoin enforcement of such qualification, prerequisite, standard, practice, or procedure. Any action under this section shall be heard and determined by a court of 3 judges in accordance with the provisions of section 2284 of title 28 of the United States Code and any appeal shall lie to the Supreme Court.

SEC. 6. Whenever (a) a court has authorized the appointment of examiners pursuant to the provisions of section 3(a), or (b) the Attorney General certifies with respect to any political subdivision named in, or included within the scope of, determinations made under section 4(b) that (1) he has received complaints in writing from twenty or more residents of such political subdivision alleging that they have been denied the right to vote under color of law on account of race or color, and that he believes such complaints to be meritorious, or (2) that in his judgment (considering, among other factors, whether the ratio of nonwhite persons to white persons registered to vote within such subdivision appears to him to be reasonably attributable to violations of the 15th amendment or whether substantial evidence exists that bona fide efforts are being made within such subdivision to comply with the 15th amendment), the appointment of examiners is otherwise necessary to enforce the guarantees of the 15th amendment, the Civil Service Commission shall appoint as many examiners for such subdivision as it may deem appropriate to prepare and maintain lists of persons eligible to vote in Federal, State, and local elections. Such examiners, hearing officers provided for in section 9(a), and other persons deemed necessary by the Commission to carry out the provisions and purposes of this Act shall be appointed, compensated, and separated without regard to the provisions of any statute administered by the Civil Service Commission, and service under this Act shall not be considered employment for the purposes of any statute administered by the Civil Service Commission, except the provisions of section 9 of the Act of August 2, 1939, as amended (5 U.S.C. 1181), prohibiting partisan political activity: *Provided*, That the Commission is authorized, after consulting the head of the appropriate department or agency, to designate suitable persons in the official service of the United States, with their consent, to serve in these positions. Examiners and hearing officers shall have the power to administer oaths.

SEC. 7. (a) The examiners for each political subdivision shall examine applicants concerning their qualifications for voting. An application to an examiner shall be in such form as the Commission may require and shall contain allegations that the applicant is not otherwise registered to vote.

(b) Any person whom the examiner finds to have the qualifications prescribed by State law in accordance with instructions received under section 9(b) shall promptly be placed on a list of eligible voters. A challenge to such listing may be made in accordance with section 9(a) and shall not be the basis for a prosecution under section 12 of this Act. The examiner shall certify and transmit such list, and any supplements as appropriate, at least once a month, to the offices of the appropriate election officials, with copies to the Attorney General and the attorney general of the State, and any such lists and supplements thereto transmitted during the month shall be available for public inspection on the last business day of the month and in any event not later than the forty-fifth day prior to any election. Any person whose name appears on such a list shall be entitled and allowed to vote in the election district of his residence unless and until the appropriate election officials shall have been notified that such person has been removed from such list in accordance with subsection (d): *Provided*, That no person shall be entitled to vote in any election by virtue of this Act unless his name shall have been certified and transmitted on such a list to the offices of the appropriate election officials at least forty-five days prior to such election.

(c) The examiner shall issue to each person whose name appears on such a list a certificate evidencing his eligibility to vote.

(d) A person whose name appears on such a list shall be removed therefrom by an examiner if (1) such person has been successfully challenged in accordance with the procedure prescribed in section 9, or (2) he has been determined by an examiner to have lost his eligibility to vote under State law not inconsistent with the Constitution and the laws of the United States.

SEC. 8. The Civil Service Commission, at the request of the Attorney General, is authorized to send observers to any election held in any political subdivision for which an examiner has been appointed under this Act. Such observers shall observe all aspects of the vote in all elections conducted by State and local officials within such political subdivision, including the casting and counting of ballots. Observers shall report to an examiner appointed for such political subdivision, to the Attorney General, and if the appointment of examiners has been authorized pursuant to section 3(a), to the court.

SEC. 9. (a) Any challenge to a listing on an eligibility list shall be heard and determined by a hearing officer appointed by and responsible to the Civil Service Commission and under such rules as the Commission shall by regulation prescribe. Such challenge shall be entertained only if filed at such office within the State as the Civil Service Commission shall by regulation designate, and within ten days after the listing of the challenged person is made available for public inspection, and if supported by (1) the affidavits of at least two persons having personal knowledge of the facts constituting grounds for the challenge, and (2) a certification that a copy of the challenge and affidavits have been served by mail or in person upon the person challenged at his place of residence set out in the application. Such challenge shall be determined within fifteen days after it has been filed. A petition for review of the decision of the hearing officer may be filed in the United States court of appeals for the circuit in which the person challenged resides within fifteen days after service of such decision by mail on the person petitioning for review but no decision of a hearing officer shall be reversed unless clearly erroneous. Any person listed shall be entitled and allowed to vote pending final determination by the hearing officer and by the court.

(b) The times, places, and procedures for application and listing pursuant to this Act and removals from the eligibility lists shall be prescribed by regulations promulgated by the Civil Service Commission and the Commission shall, after consultation with the Attorney General, instruct examiners concerning (1) the qualifications required for listing, and (2) loss of eligibility to vote.

(c) The Civil Service Commission shall have the power to require by subpena the attendance and testimony of witnesses and the production of documentary evidence relating to any matter pending before it under the authority of this section. In case of contumacy or refusal to obey a subpena, any district court of the United States or the United States court of any territory or possession, or the District Court of the United States for the District of Columbia, within the jurisdiction of which said person guilty of contumacy or refusal to obey is found or resides or is domiciled or transacts business, or has appointed an agent for receipt of service of process, upon application by the Attorney General of the United States shall have jurisdiction to issue to such person an order requiring such person to appear before the Commission or a hearing officer, there to produce pertinent, relevant, and nonprivileged documentary evidence if so ordered, or there to give testimony touching the matter under investigation; and any failure to obey such order of the court may be punished by said court as a contempt thereof.

SEC. 10. (a) The Congress hereby finds that the requirement of the payment of a poll tax as a prerequisite to voting has historically been one of the methods used to circumvent the guarantees of the fourteenth and fifteenth amendments to the Constitution, and was adopted in some areas for the purpose, in whole or in part, of denying persons the right to vote because of race or color; and that under such circumstances the requirement of the payment of a poll tax as a condition upon or a prerequisite to voting is not a bona fide qualification of an elector, but an arbitrary and unreasonable restriction upon the right to vote in violation of the fourteenth and fifteenth amendments.

(b) No State or political subdivision thereof shall deny any person the right to register or to vote because of his failure to pay a poll tax or any other tax.

SEC. 11. (a) No person acting under color of law shall fail or refuse to permit any person to vote who is entitled to vote under any provision of this Act or is otherwise qualified to vote, or willfully fail or refuse to tabulate, count, and report such person's vote.

(b) No person, whether acting under color of law or otherwise, shall intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce any person for voting or attempting to vote, or for urging or aiding any person to vote or attempt to vote, or intimidate, threaten, or coerce any person for exercising any powers or duties under section 3(a), 6, 8, 9, 10, or 12(e).

(c) Whoever knowingly or willfully gives false information as to his name, address, or period of residence in the voting district for the purpose of establishing his eligibility to register or vote, or conspires with another individual for the purpose of encouraging his false registration to vote or illegal voting, or pays or offers to pay or accepts payment either for registration to vote or for voting shall be fined not more than $10,000 or imprisoned not more than five years, or both: *Provided, however*, That this provision shall be applicable only to general, special, or primary elections held solely or in part for the purpose of selecting or electing any candidate for the office of President, Vice President, presidential elector, Member of the United States Senate, Member of the United States House of Representatives, or Delegates or Commissioners from the Territories or possessions.

SEC. 12. (a) Whoever shall deprive or attempt to deprive any person of any right secured by section 2, 3, 4, 5, 7, or 10 or shall violate section 11, shall be fined not more than $5,000, or imprisoned not more than five years, or both.

(b) Whoever, within a year following an election in a political subdivision in which an examiner has been appointed (1) destroys, defaces, mutilates, or otherwise alters the marking of a paper ballot which has been cast in such election, or (2) alters any record of voting in such election made by a voting machine or otherwise, shall be fined not more than $5,000, or imprisoned not more than five years, or both.

(c) Whoever conspires to violate the provisions of subsection (a) or (b) of this section, or interferes with any right secured by section 2, 3, 4, 5, 7, 10, or 11 shall be fined not more than $5,000, or imprisoned not more than five years, or both.

(d) Whenever any person has engaged or there are reasonable grounds to believe that any person is about to engage in any act or

practice prohibited by section 2, 3, 4, 5, 7, 10, 11, or subsection (b) of this section, the Attorney General may institute for the United States, or in the name of the United States, an action for preventive relief, including an application for a temporary or permanent injunction, restraining order, or other order, and including an order directed to the State and State or local election officials to require them (1) to permit persons listed under this Act to vote and (2) to count such votes.

(e) Whenever in any political subdivision in which there are examiners appointed pursuant to this Act any person alleges to such an examiner within forty-eight hours after the closing of the polls that notwithstanding (1) his listing under this Act or registration by an appropriate election official and (2) his eligibility to vote, he has not been permitted to vote in such election, the examiner shall forthwith notify the Attorney General if such allegations in his opinion appear to be well founded. Upon receipt of such notification, the Attorney General may forthwith apply to the district court for an order declaring that the results of such election are not final and temporarily restraining the issuance of any certificates of election, and the court shall issue such an order pending a hearing on the merits. In the event the court determines that persons who are entitled to vote were not permitted to vote in such election, it shall provide for the marking, casting, and counting of their ballots and require the inclusion of their votes in the total vote before the results of such election shall be deemed final and any force or effect given thereto. The district court shall hear and determine such matters immediately after the filing of such application. The remedy provided in this subsection shall not preclude any remedy available under State or Federal law.

(f) The district courts of the United States shall have jurisdiction of proceedings instituted pursuant to this section and shall exercise the same without regard to whether a person asserting rights under the provisions of this Act shall have exhausted any adminstrative or other remedies that may be provided by law.

SEC. 13. Listing procedures shall be terminated in any political subdivision of any State (a) with respect to examiners appointed pursuant to clause (b) of section 6 whenever the Attorney General notifies the Civil Service Commission (1) that all persons listed by an examiner for such subdivision have been placed on the appropriate voting registration roll, and (2) that there is no longer reasonable cause to believe that persons will be deprived of or denied the right to vote on account of race or color in such subdivision, and (b), with respect to examiners appointed pursuant to section 3(a), upon order of the authorizing court. A political subdivision may petition the Attorney General for the termination of listing procedures under clause (a) of this section.

SEC. 14. (a) All cases of criminal contempt arising under the provisions of this Act shall be governed by section 151 of the Civil Rights Act of 1957 (42 U.S.C. 1995).

(b) No court other than the District Court for the District of Columbia shall have jurisdiction to issue any declaratory judgment or any restraining order or temporary or permanent injunction against the execution or enforcement of any provision of this Act or any action of any Federal officer or employee pursuant hereto.

(c)(1) The term "vote" shall include all action necessary to make a vote effective in any primary, special, or general election, including, but not limited to, registration, listing pursuant to this Act, or other action required by law prerequisite to voting, casting a ballot, and having such ballot counted properly and included in the appropriate totals of votes cast with respect to candidates for public or party office and propositons for which votes are received in an election.

(2) The term "political subdivision" shall mean any county or parish, except that where registration for voting is not conducted under the supervision of a county or parish, the term shall include any other subdivision of a State which conducts registration for voting.

(d) Whoever, in any matter within the jurisdiction of an examiner or hearing officer knowingly and willfully falsifies or conceals a material fact, or makes any false, fictitious, or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious, or fraudulent statement or entry, shall be fined not more than $10,000 or imprisoned not more than five years, or both.

SEC. 15. Section 2004 of the Revised Statutes (42 U.S.C. 1971), as amended by section 131 of the Civil Rights Act of 1957 (71 Stat. 637), and amended by section 601 of the Civil Rights Act of 1960 (74 Stat. 90), and as further amended by section 101 of the Civil Rights Act of 1964 (78 Stat. 241), is further amended as follows:

(a) Delete the word "Federal" wherever it appears in subsections (a) and (c);

(b) Repeal subsection (f) and designate the present subsections (g) and (h) as (f) and (g), respectively.

SEC. 16. Nothing in this Act shall be construed to deny, impair, or otherwise adversely affect the right to vote of any person registered to vote under the law of any State or political subdivision.

SEC. 17. There are hereby authorized to be appropriated such sums as are necessary to carry out the provisions of this Act.

SEC. 18. If any provision of this Act or the application thereof to any person or circumstances is held invalid, the remainder of the Act and the application of the provision to other persons not similarly situated or to other circumstances shall not be affected thereby.

And to amend the title so as to read: "An Act to enforce the fifteenth amendment to the Constitution of the United States, and for other purposes."

Mr. MANSFIELD. Mr. President, I move that the Senate disagree to the amendments of the House to the bill (S. 1564) and request a conference on the disagreeing votes of the two Houses, and that conferees on the part of the Senate be appointed by the Chair.

The motion was agreed to; and the Presiding Officer appointed Mr. EASTLAND, Mr. DODD, Mr. HART, Mr. LONG of Missouri, Mr. DIRKSEN, and Mr. HRUSKA conferees on the part of the Senate.

SENATOR HARTKE APPLAUDS CALL FOR WORLD MONETARY CONFERENCE

Mr. HARTKE. Mr. President, on Saturday, July 10, Treasury Secretary Henry Fowler made a historic commitment. He said:

> The United States now stands prepared to attend and participate in an international monetary conference that would consider what steps we might jointly take to secure substantial improvements in international monetary arrangements.

This forward-looking action on the part of the President and of the Secretary of the Treasury is worthy of the highest praise from all who, like myself, have grown concerned about the impact of our mounting balance-of-payments surpluses. I wish to express my sincerest congratulations to President Johnson and to his administration for the new found determination, in Secretary Fowler's words, "to move ahead—carefully, deliberately—but without delay" to expand the international supply of credit and liquidity.

The appointment of the Dillon Committee to study world monetary reform, the scheduling of hearings on the same subject by the congressional committees concerned, and now Secretary Fowler's realistic and enlightened speech, all mean that the American Government, from the President on down, is moving to set its international house in order. But it should be clear to all Americans in 1965 that we cannot separate our international and our domestic houses in economic matters any more than in political ones. Now that the dollar is safe from international attack, now that we have gained freedom from out-moded international monetary policies—now is the time to set our domestic house in order.

Even as we move towards expansion of international reserves and credit, the domestic American economy and the domestic American banking system continue to labor under the burden of the Federal Reserve's tight money, deficit reserves policy. Even as the rest of the world expresses loudly its renewed confidence in the U.S. dollar, the New York Stock Market continues to refuse a clear vote of confidence for the economic policies of the U.S. Government.

The time has come for action on the domestic front as realistic and as decisive as the action on the international front heralded by Secretary Fowler's speech. Now when there is no danger of speculation against the dollar, is the time for the Federal Reserve to reverse its tight money policy. Now when there is no danger of speculation on the stock market, is the time for the Federal Reserve to liberalize stock market margin requirements drastically.

The Johnson administration's call for a world monetary conference has demonstrated dramatically our Government's determination to defend the world's prosperity. Federal Reserve action to reverse the current tight money policy and to liberalize stock market margin requirements will demonstrate as dramatically our Government's determination to defend American prosperity, as well.

INDEPENDENT OFFICES APPROPRIATIONS, 1966

The Senate resumed the consideration of the bill (H.R. 7997) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1966, and for other purposes.

Mr. MAGNUSON. Mr. President, the Independent Offices appropriation bill for 1966, H.R. 7997, as reported for the 27 agencies included in the bill, totals $14,264,450,980 in direct appropriations, which is $364,594,180 over the appropriations for 1965, $274,247,020 under the estimates for 1966, and an increase of $181,542,980 over the House bill.

The largest amount included for one agency is $5,692 million to the Veterans' Administration, of which $4,142 million is for compensation and pensions—these are fixed charges—and $1,191 million is for medical care which is constantly increasing.

The next largest amount is for National Aeronautics and Space Administration, $5,190 million.

After those two, come the Housing and Home Finance Agency, with $967 million; the Federal Aviation Agency, with $724 million; the General Services Administration, with $592 million; and the National Science Foundation, with $480 million.

Of the $364 million over the appropriations for last year, the largest increase is $220 million for Urban Mass Transportation Grants, and the next is $101 million for Urban Renewal, and then $60 million for National Science Foundation. There are smaller increases for disaster relief, civil defense, and veterans' programs, due to unforeseen floods, tornadoes, droughts, the most recent being in the Midwest.

Of the $274 million under the 1966 estimates, the Housing Agency is reduced $106 million, NASA is reduced $70 million, Civil Defense by $69 million, and National Science Foundation by $50 million.

Of the $181 million over the House bill, disaster relief is $60 million, GSA's public buildings is $70 million, NASA is $30 million, Civil Defense is $35 million, and Federal Aviation Agency is $23 million.

Items on which the committee recommendations are over the budget estimates include disaster relief, with an additional $25 million to meet the critical situation caused by the recent floods in Colorado, Kansas, and New Mexico; Federal Aviation Agency, with an additional $12.5 million to provide the authorized $75 million for grants-in-aid for airports for 1967; General Services Administration, with $5.4 million for repair and improvement of public buildings; and Veterans Administration, $17 million required to keep open eight regional offices, five hospitals, and two domiciliaries.

With respect to that last item, in the budget there was the sum of $23 million to keep the present hospitals and regional offices opened. That amount was added by the House. Then there was a great deal of controversy over the closure of the VA facilities. So the President appointed a commission. The commission made a report, in which it recommended that some be kept open and some be closed. The Veterans' Administration had made a recommendation. The committee recommends that we follow that report. So the committee recommends that eight regional offices, five hospitals, and two domiciliaries be kept open.

Mr. President, that is the substance of the bill.

One of the committee amendments was properly stated in the report, but was omitted from the bill as printed. To correct this error, I move to strike the language in lines 7 to 9 on page 16, which reads:

Not to exceed $340,000 for expenses of travel, not to exceed $129,000 for expenses of printing and reproduction.

It relates to the Federal Power Commission. It was a mistake. The amendment does not change the figures in the bill.

The PRESIDING OFFICER. The Senator would first have to ask for action on the committee amendments before he could offer an amendment.

Mr. MAGNUSON. I ask unanimous consent that the committee amendments to H.R. 7997 be agreed to en bloc; that the bill, as so amended, be considered as original text for the purpose of further amendment; and that no points of order against legislation in an appropriation will be waived.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The amendments agreed to en bloc are as follows:

On page 2, at the beginning of line 21, to strike out "$3,380,000" and insert "$4,955,000"; and at the beginning of line 22, to strike out "$150,000" and insert "$550,000".

On page 3, at the beginning of line 7, to strike out "$1,130,000" and insert "$1,430,000"; and at the beginning of line 8, to strike out "$305,000" and insert "$345,000".

On page 3, line 23, after "(5 U.S.C. 55a)", to strike out "$1,070,000" and insert "$1,110,000".

On page 4, line 6, after the word "disasters", to strike out "$20,000,000" and insert "$80,000,000".

On page 4, line 16, after the word "law", to strike out "$58,990,000" and insert "$69,170,000"; in line 17, after the word "exceed", to strike out "$9,250,000" and insert "$16,000,000"; in line 20, after the word "exceed", to strike out "$10,150,000" and insert "$13,150,000"; and at the beginning of line 22, to strike out "700" and insert "900".

On page 5, line 1, after the word "marking", to insert "stocking,"; and in line 3, after the word "centers", to strike out "$30,200,000" and insert "$55,200,000".

On page 5, after line 18, to strike out:

No part of any appropriation contained in this Act, or of the funds available for expenditure by any corporation or agency included in this Act, shall be used for construction of fallout shelters."

On page 6, line 2, after the word "of", to strike out "$2,450,000" and insert "$5,000,000".

On page 6, after line 3, to insert:

"DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

"Public Health Service

"Emergency Health Activities

"For expenses necessary for carrying out emergency planning and preparedness functions of the Public Health Service, and procurement, storage (including underground storage), distribution, and maintenance of emergency civil defense medical supplies and equipment authorized by section 201(h) of the Federal Civil Defense Act of 1950, as amended (50 U.S.C.; App. 2281(h)), $2,000,000, to remain available until expended."

On page 7, line 2, after "(5 U.S.C. 2131)", to strike out "$10,500,000" and insert "$11,095,500".

On page 7, line 8, after the word "Board", to insert "including not to exceed $785,000 for subsidy for helicopter operations during the current fiscal year,"; and in line 10, after the amendment just above stated, to strike out "$80,000,000" and insert "$80,785,000".

On page 8, at the beginning of line 1, to strike out "$22,200,000" and insert "$22,400,000".

On page 8, after line 4, to strike out:

"No part of the appropriations herein made to the Civil Service Commission shall be available for the salaries and expenses of the Legal Examining Unit in the Examining and Personnel Utilization Division of the Commission, established pursuant to Executive Order 9358 of July 1, 1943."

On page 9, line 13, to strike out "$1,500,000" and insert "$1,550,000".

On page 11, line 14, after the word "snowshoes", to strike out "$542,600,000" and insert "$551,471,280"; and in line 18, after the word "exceed", to strike out "$6,200,000" and insert "$6,760,000".

On page 12, line 11, after the word "Alaska", to strike out "$48,800,000" and insert "$50,500,000"; and in line 18, after the word "tunnel", to strike out the comma and "or to purchase any land or easements for or in connection with the National Aviation Facilities Experimental Center".

On page 13, line 12, after the word "ammunition", to strike out "$3,625,000" and insert "$3,730,000".

On page 13, line 18, after the word "of", to strike out "four" and insert "six"; in line 19, after the word "which", to strike out "three" and insert "five"; and in line 23, after the word "ammunition", to strike out "$4,379,000" and insert "$4,679,000".

On page 14, line 3, after the word "Airport", to strike out "$1,000,000" and insert "$1,100,000".

On page 14, line 7, after the word "Airport", to strike out "$180,000" and insert "$200,000".

On page 14, line 12, after "1967", to strike out "$62,500,000" and insert "$75,000,000"; and in line 13, after the word "expended", to insert a comma and "as follows: for the purposes of section 5(d)(4) of such Act, $66,500,000 for fiscal year 1967; for the purposes of section 5(d)(5) of such Act, $1,500,000 for fiscal year 1967, and for the purposes of section 5(d)(6) of such Act, $7,000,000 for fiscal year 1967."

On page 15, line 23, after the word "only", to strike out "$16,900,000" and insert "$17,085,000".

On page 16, line 10, after the word "expenses", to strike out "$12,875,000" and insert "$13,325,000, of which $260,000 is for purchase of a computer".

On page 16, line 19, after the word "diem", to strike out "$13,475,000" and insert "$13,625,000".

On page 17, line 19, after the word "moving", to strike out "$225,000,000" and insert "$228,500,000".

On page 18, line 15, after the word "equipment", to strike out "$90,000,000" and insert "$85,000,000".

On page 19, line 7, after the word "including", to insert "fallout shelters and"; and in line 8, after the word "buildings", to strike out "$105,577,000" and insert "$175,782,000".

On page 19, line 18, after the word "Alabama", to strike out "$1,490,000" and insert "$1,593,000".

On page 19, line 20, after the word "Arkansas", to strike out "$284,000" and insert "$300,000".

On page 19, line 21, after the word "California", to strike out "$5,294,000" and insert "$5,588,000".

On page 19, line 24, after the word "Connecticut", to strike out "$3,000,000" and insert "$3,190,000".

On page 20, line 1, after the word "Florida", to strike out "$3,780,000" and insert "$3,990,000".

On page 20, line 4, to strike out "$136,000" and insert "$143,000".

On page 20, line 5, after the word "Georgia", to strike out "$1,065,000" and insert "$1,147,000".

On page 20, line 8, to strike out "$1,984,000" and insert "$2,116,000".

On page 20, line 9, after the word "Georgia", to strike out "$1,848,000" and insert "$1,971,000".

On page 20, line 11, after the name "Idaho", to strike out "$1,115,000" and insert "$1,201,000".

On page 20, at the beginning of line 14, to strike out "$763,000" and insert "$823,000".

On page 20, line 15, after the name "Illinois", to strike out "$42,390,000" and insert "$44,500,000".

On page 20, line 19, after the name "Indiana", to strike out "$610,000" and insert "$644,000".

On page 20, line 21, after the name "Iowa", to strike out "$518,000" and insert "$547,000".

On page 20, line 22, after the name "Kentucky", to strike out "$10,000,000" and insert "$10,584,000".

On page 20, line 25, strike out "$359,000" and insert "$379,000".

On page 21, line 2, after the name "Maine", to strike out "$1,242,000" and insert "$1,311,000".

On page 21, line 4, after the name "Massachusetts", to strike out "$710,000" and insert "$749,000".

On page 21, line 6, after the name "Michigan", to strike out "$321,000" and insert "$339,000".

On page 21, line 8, after the name "Mississippi", to strike out "$919,000" and insert "$991,000".

On page 21, line 12, after the name "Montana", to strike out "$579,000" and insert "$611,000".

On page 21, line 14, after the name "New Hampshire", to strike out "$202,000" and insert "$213,000".

On page 21, line 16, after the name "New York", to strike out "$7,227,000" and insert "$7,628,000".

On page 21, line 18, after the name "North Carolina", to strike out "$5,635,000" and insert "$5,975,000".

On page 21, line 20, after the name "North Carolina", to strike out "$121,000" and insert "$128,000".

On page 21, line 22, after the name "Pennsylvania", to strike out "$6,034,000" and insert "$6,397,000".

On page 21, after line 22, to insert:

"Courthouse and Federal Office building, Dallas, Texas, $21,024,000."

On page 22, line 1, after the name "Texas", to strike out "$1,454,000" and insert "$1,555,000".

On page 22, line 4, after the name "Vermont", to strike out "$530,000" and insert "$577,000".

On page 22, line 7, after the name "Vermont", to strike out "$563,000" and insert "$614,000".

On page 22, line 11, strike out "$729,000" and insert "$785,000".

On page 22, line 13, after the name "West Virginia", to strike out "$275,000" and insert "$290,000".

On page 22, after line 13, to insert: "FBI building, Washington, D.C., $43,479,000".

On page 22, line 24, after the word "otherwise", to strike out "$20,000,000" and insert "$17,451,000".

On page 23, line 19, after the word "law", to strike out "$54,320,000" and insert "$56,640,000".

On page 25, line 19, after the word "exceed", to strike out "$3,056,000" and insert "$3,180,000".

On page 31, line 24, after the word "only", to strike out "$3,675,000" and insert "$3,666,600".

On page 32, line 17, after the word "information", to strike out "$20,000,000" and insert "$25,000,000", and in line 18, after the word "exceed", to strike out "$300,000" and insert "$400,000".

On page 33, line 4, after the word "exceed", to strike out "$47,300" and insert "$57,300".

On page 33, line 16, after the word "amended", to strike out "$438,675,000" and insert "$344,175,000"; in line 20, after the word "expenses", to insert "of making such grants and of making grants authorized by sections 314 and 701 of the Housing Act of 1954, as amended", and in line 22, after the amendment just above stated, to strike out the colon and the following proviso:

"Provided, That no part of this appropriation shall be used for administrative expenses or technical services in connection with contracts for grants or any other obligations in excess of the amounts herein provided."

On page 34, at the beginning of line 7, to strike out "$41,205,000" and insert "$41,520,000"; and at the beginning of line 8, to strike out "$1,205,000" and insert "$1,520,000".

On page 34, line 14, after the word "expended", to strike out "$120,000,000" and insert "$140,000,000"; and in line 15, after the word "and", to strike out "$120,000,000" and insert "$140,000,000".

On page 34, line 25, after "(49 U.S.C. 1601 et seq.)", to strike out "$440,000" and insert "$470,000".

On page 35, line 9, after the word "Administration", to strike out "$16,500,000" and insert "$16,995,800".

On page 35, line 17, after the words "per diem", to strike out "$26,715,000" and insert "$27,115,000"; in line 18, after the word "than", to strike out "$1,947,650" and insert "$1,960,000"; in line 20, after the word "than", to strike out "$1,302,800" and insert "$1,310,000"; and in line 22, after the word "activities", to insert "and of which $35,000 shall be available for establishment of a motor carrier office in Wyoming".

On page 36, line 15, after the word "Administration", to strike out "$4,521,000,000" and insert "$4,536,971,000".

On page 36, line 21, after the word "law", to strike out "$60,000,000" and insert "$62,376,350".

On page 37, line 9, after the word "property", to strike out "$579,000,000" and insert "$590,957,850".

On page 38, after line 4, to insert:

"Any appropriation in this Act to the National Aeronautics and Space Administration may initially be used during the fiscal year 1966 to finance work or activities for which funds have been provided in any other appropriation available to the administration and appropriate adjustments between such appropriations shall subsequently be made in accordance with generally accepted accounting principles."

On page 38, at the beginning of line 16, to strike out "$37,000" and insert "$41,000".

On page 39, line 12, after the word "services", to strike out "$480,000,000" and insert "$479,999,000"; in line 14, after the word "than", to strike out "$43,000,000" and insert "$37,600,000", and in line 17, after the word "teachers", to strike out the semicolon and "and not more than 10 per centum of the fellowship awards provided from this appropriation shall be granted to applicants of any one State of permanent residence".

On page 41, at the beginning of line 10, to strike out "$49,000,000" and insert "$49,250,000".

On page 42, line 1, after the word "services", to strike out "$160,000,000" and insert "$160,468,800".

On page 42, line 10, after the word "law", to strike out "$12,596,000" and insert "$13,496,000", and in the same line, after the amendment just above stated, to strike out the colon and the following proviso: *"Provided,* That no part of this appropriation may be used for expenses of any area medical or regional representatives offices."

On page 42, line 16, after the word "expended", to strike out "$37,783,000" and insert "$40,893,000".

On page 43, line 11, after the word "Code", to strike out "$1,197,917,000" and insert "$1,191,956,000".

On page 44, line 7, after the numerals "401", to strike out "601, and 647" and insert "607, and 601".

On page 44, line 22, after the word "Code", to strike out "$36,000,000", and insert "$36,500,000".

On page 45, line 15, after the word "administration", to strike out "$87,585,000" and insert "$92,736,800".

On page 46, line 5, after the word "Code", to strike out "$2,500,000" and insert "$4,000,000".

On page 46, line 15, after the word "exceed", to strike out "$360,000,000" and insert "$380,000,000", and in line 19, after the word "exceed", to strike out "$180,000,000" and insert "$210,000,000".

On page 47, after line 7, to insert:

"DIRECT LOAN REVOLVING FUND

"The amount authorized by section 1823(a) of title 38, United States Code, to be advanced after June 30, 1965, by the Secretary of the Treasury to the Administrator, for the purposes of the 'Direct loan revolving fund' is hereby reduced by the amount of $100,000,000."

On page 50, line 17, after the word "of", to strike out "$3,712,000" and insert "$3,885,000".

On page 53, line 3, after the word "exceed", to strike out "$233,000" and insert "$243,000".

On page 56, line 6, after the word "exceed", to strike out "$8,800,000" and insert "$8,795,800".

On page 57, line 7, after the word "exceed", to strike out "$10,084,500" and insert "$10,330,300", and in line 17, to strike out "$79,775,000" and insert "$80,275,000".

On page 58, line 18, after the word "exceed", to strike out "$1,420,000" and insert "$1,200,000".

On page 59, after line 15, to strike out:

"SEC. 303. None of the funds provided herein shall be used to pay any recipient of a grant for the conduct of a research project an amount equal to as much as the entire cost of such project."

Mr. MAGNUSON. Mr. President, I submit a technical amendment.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. It is proposed to strike the language in lines 7 to 9 on page 16, which reads:

Not to exceed $340,000 for expenses of travel, not to exceed $129,000 for expenses of printing and reproduction.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Washington.

The amendment was agreed to.

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

Mr. MAGNUSON. I yield.

Mr. ALLOTT. I should like to make a few remarks about the bill. I think the distinguished chairman of the subcommittee has rendered an excellent service. However, the bill probably is an example of our creeping growth as much as any other bill is.

In 1964, the committee was able to bring in a bill which was $1,268 million under the budget. Last year it was $634 million under the budget. This year it is $273,922,000 under the budget.

The House voted to cut the bill $444 million under the budget.

The total additional cost for salaries and benefits requested is almost $18 million over fiscal year 1965, but the total number of personnel requested is 1,213 positions fewer. The FAA and Veterans' Administration have both reduced the total number of positions, which leaves us in the condition we find ourselves.

I would like to have had the committee bring in a bill which provided for a lower amount than the bill does, but it was impossible, as the chairman and the members of the committee well know. I think the committee did a good job on the bill, in an effort to get it down to bare bones, but the items the chairman discussed have increased it above what otherwise would have been possible. I am glad to see that the committee stood by the decrease to the extent of almost $274 million.

Mr. MAGNUSON. If it had not been for Congress authorizing urban mass transportation and urban renewal and an amount for unforeseen disasters, we would have been able to reduce it by $600 million.

Mr. ALLOTT. The chairman is entirely correct.

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

Mr. MAGNUSON. I yield to the Senator from Virginia.

Mr. ROBERTSON. I commend the chairman of the subcommittee for doing a very fine job on the bill. The measure covers a great many activities of the Government. It has come to the point where it runs into really big money.

There is one amendment which the committee adopted in which I was particularly interested. I have many friends who are patent lawyers in this area. We urgently need a new patent office. There can be no question about it. But when the Senator from Massachusetts [Mr. SALTONSTALL] offered an amendment, I seconded it, and supported it in committee, which would have been responsible for selecting a site, and taking another look at what is involved. We found that the site which had been tentatively selected, close to Baltimore, would involve about $500,000 of travel for Government employees that the Government would have had to pay for, and about $500,000 for travel for others, which money would have had to come out of their pockets. So it would have cost $1 million in travel expense for locating the office in a different place from where it should be, which is in the District of Columbia.

I believe that all major Government offices ought to be located in the Capital of this Nation. We located the CIA in Langley, Va. The Government owns 500 acres there. But it is 14 miles out of Washington. There has been a great deal of complaint about the fact that one has to travel a round trip distance of 24 or 28 miles a day to it. It was proposed to put a Government office at that place, but there were so many protests over it, because of the traffic jams that would be involved, that the proposal was abandoned.

If we cannot find a suitable place in the District, I hope there are other suitable places in the area of our neighboring State from which the distinguished Senator from Maryland [Mr. BREWSTER] comes. As far as I know, there are no areas in Virginia that are not now already congested close to Washington that would be suitable for such a site. I am not advocating Virginia for the location. I would like to see a good building. So far as I am concerned, the committee can come forth with another recommendation and we can act on it this year.

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

Mr. ROBERTSON. I yield.

Mr. BREWSTER. It is my understanding that we all recognize the need for a new Patent Office, and the need to locate all of the personnel of the Patent Office together in a new, modern facility.

Mr. ROBERTSON. That is correct.

Mr. BREWSTER. It is also my understanding that the objection the Senator from Virginia had to the authorization that came before the Appropriations Committee was that it limited the possible site to a location that was too far removed from the Capital. The Senator would not object to a new facility in the immediate metropolitan area.

Mr. ROBERTSON. The Senator is correct.

Mr. BREWSTER. Then the distinguished Senator would have no objection to a site in Maryland if a site in the District were not found?

Mr. ROBERTSON. The Senator is correct, although I would prefer to have all major government activities remain at the seat of government; but, if we cannot find a suitable site, Maryland is a mighty fine State to provide one for this particular purpose.

Mr. MAGNUSON. I wish to yield to the Senator from Maryland, but first I should like to commend him on his diligence and interest in this matter, not only because Maryland is one of the States on the periphery of the District of Columbia, and a building might be located in Maryland, but also because he has always had a deep interest in the problem of dispersion of Federal buildings due to overcrowding.

I hope that the record will be made clear—and I believe that the members of the committee are in agreement with me, as well as the Senator from Virginia and the Senator from Maryland—that we are all in complete agreement that we need a new Patent Office building.

Clearly, the facts tend to show that this cannot be done without crowding someone else, and that it should not be located in the District of Columbia.

Mr. ROBERTSON. I would not say that categorically. I have looked at several sites. There are 72 acres at the Naval Observatory. It is merely a tourist attraction at the present time. There is a small telescope there with very limited effect. Those 72 acres are now being used by the Chief of Naval Operations. That is all right, but he does not need all that lawn.

There is the Naval Gun Factory. We have no battleships left. The factory used to make 16-inch guns, but they are now out of business. We shall never use that location as a gun factory again.

I am not saying that we could locate the Patent Office there. I merely say that if we cannot locate it in the District, we should try to do so closer to Baltimore.

Mr. MAGNUSON. That is the overwhelming opinion of the experts. Overwhelming means that they would not be agreeable to putting it in the District. There might be a piece of land in the District—at the Naval Gun Factory or a location of that kind. I know that they are using it.

As to the Patent Office, there is another problem other than the building location. There are traffic and other problems involved. I believe that we are in agreement, at least, after many hearings in the Department, that somewhere in Maryland, as close as possible to the District, the Patent Office should be located.

I am hopeful, despite the fact that the committee did not eliminate the item. I voted against it. I would have voted for it if we could have reached agreement among ourselves. There was no yea-and-nay vote. The Public Works Committees of both the House and Senate had selected the site and the authorization. As the Senator from Colorado [Mr. ALLOTT] stated so many times to me—and I to him—we do not wish to get into the business of selecting sites for Federal buildings. If we were to go into that business, we would never get this bill enacted into law, because we would be doing nothing else but looking at sites.

That is the job of the departments involved—GSA and its agents. They did get a prospectus. This controversy has been going on for a couple of years. There were hearings in the Public Works Committee in the Senate and 9 or 10 months later the House approved the Senate authorization. GSA said it thought a site could be selected in that area, although no specific site had been selected. It was in Howard or Anne Arundel Counties. They were doing their duty. But I do not believe that many of the statements which have been published locally, particularly by some who have been violently opposed to this particular public works authorization selection, are quite correct that no one had an opportunity to be heard. There were approximately three or four meetings held over a period of many weeks in the Department of Commerce, in which many witnesses were present, patent lawyers, patent examiners, and other persons in the Department of Commerce, General Services Administration, and other agencies. No matter where we start to locate a building, someone does not like it. Someone sent me a letter this morning in which he said in part:

As a patent examiner, I know that the Patent Office needs more space desperately. I also feel that while a slight majority of examiners do not favor a new building with-

in the terms of the present prospectus, it would be difficult to get a majority to favor any particular site.

I believe that is true.

The writer goes on to state:

Contrary to what the opponents of the bill allege, only a handful of examiners would leave, regardless of where the building might be located.

There is a big turnover.

However, we wish to have the Patent Office as close to the other Government departments as possible. I am hopeful, as I know the committee is, that we can resolve the problem under the language in the bill so that we can get the building site money in the supplemental bill and can get started on another Patent Office building. No one has suggested that there is not a need for it.

I have been involved in General Services public buildings and site controversies for a long time. I find that every time we wait, the cost of building goes up. For example, in the case of the Dulles Airport, which took 6½ years to get started; for every year that we waited, the cost of the airport went up $10 million. This is true of all such buildings.

Let me compliment both Senators from Maryland for their courtesy and understanding in this matter. It is a highly controversial situation. We heard from many sides of the question, but we still believe that we should not be placed in a position to decide the location of a building. That is the business of the Public Works Committee.

Mr. ROBERTSON. Mr. President, will the Senator from Washington yield?

The PRESIDING OFFICER (Mr. HARRIS in the chair). Does the Senator from Washington yield to the Senator from Virginia?

Mr. MAGNUSON. I yield.

Mr. ROBERTSON. I agree that we should not decide the location of sites, unless it is desired to locate a building in New York and we decided that it did not altogether suit us to do that. That is all we have said on the problem. As soon as the site near Baltimore was selected, the Armed Services Committee made available a large tract of land along the Anacostia River and Bolling Field area, which is across the South Capitol Street Bridge near the Anacostia River, within 5 minutes of the Capitol.

So far as I am concerned, they could get together in 2 weeks and find a better site in Washington or near Washington, and we could pass the supplemental bill and go ahead with plans. That is what I hope will be done.

Mr. MAGNUSON. I hope so, too.

Mr. BREWSTER. Mr. President, first of all, allow me to thank the Senator from Washington for the many courtesies which he has extended to me.

I should like to speak, if the distinguished Senator from Washington would yield to me for a few moments.

Mr. MAGNUSON. I am glad to yield.

Mr. BREWSTER. Regarding the Patent Office, I speak on behalf of my colleague, Mr. TYDINGS, as well as myself. My colleague cannot be in the Chamber today. At this moment, he is absent on official business, but he would join me in what I have to say.

First of all, let me make it abundantly clear that neither my colleague nor I favor any particular location in the State of Maryland for a new Patent Office. We do not believe it is our job to get into site selection. It is the last thing in the world we wish to do.

In all candor, allow me to say that if we favored one site over another within our own State, we would merely be compounding our difficulties.

It might serve a useful purpose to recite very briefly, on behalf of Senator TYDINGS and myself, the legislative history of the Patent Office controversy.

Because of the acute space situation in the Washington area, President Kennedy, at a Cabinet meeting in August 1961, directed that a survey be made of the Government's immediate and long-range needs.

In the committee's report, approved by the late President on May 23, 1962, priorities were established for meeting the Government's most critical needs in the Washington area. The Patent Office was one of the many agencies mentioned in the list of priorities.

In order to get the reaction of those most concerned with the location of the Patent Office, Dr. J. Herbert Hollomon, Assistant Secretary of Commerce, called a meeting on December 3, 1962, to discuss the matter. This meeting was attended by representatives of industry and professional groups.

After a very complete discussion of the various alternatives, Dr. Hollomon and the former Commissioner of Patents, Mr. David L. Ladd, asked for an expression from the conferees as to which alternative they favored. All except 1 of those voting, a total vote of 22, favored a new Patent Office facility somewhere outside of Washington but within commuting distance.

In developing suitable locations outside the area, consideration was given to many factors including availability of air transportation, existing and proposed road networks, reasonable accessibility to academic institutions for the benefit of professional employees of the Patent Office, and so forth. The corridor between Washington and Baltimore passing through Howard and Anne Arundel Counties seemed to offer the best possibilities.

Accordingly, the General Services Administration, with the concurrence of the Department of Commerce and the Bureau of the Budget, submitted a prospectus of the proposed Patent Office project to the Committees on Public Works of the Congress specifying its location on a suitable Government-owned site, or donated site in Howard or Anne Arundel Counties in the vicinity of the city of Baltimore, Md. The Subcommittee on Public Buildings and Grounds of the Senate Committee on Public Works held open hearings on March 20, 1963, and testimony from both representatives of the Government and the public was received.

The subcommittee recommended approval of the prospectus as presented and on June 13, 1963, the Senate Committee on Public Works approved the prospectus. Approval by the Committee on Public Works of the House of Representatives followed on April 15, 1964, thus concluding the authorization.

Mr. President, I have been in contact with members of the staff of the Public Works Committee of the House. I was informed that that committee, prior to its authorizing resolution of April 1964, gave careful consideration to the relocation proposal and weighed the opposition against the need for new facilities and the wisdom of scattering Government agencies outside the District but within the Washington vicinity.

It is my understanding that the House Appropriations Committee also considered the opposition, took testimony from the Patent Bar Association, but still reported favorably on this matter. The appropriation for the new facility passed the House on May 11.

Mr. President, I believe that everyone has had an opportunity to be heard. I believe that this proposal has been given ample and careful consideration during the past few years.

The proposal has been given full and fair hearing before four committees of Congress. The responsible agencies in Government, the General Services Administration and the Department of Commerce, have looked into the subject very carefully. It is evident to all parties that a new Patent Office facility is absolutely necessary. I know of no question or argument raised on this general proposition. Since there is an obvious need, it is the wish of Senator TYDINGS and myself that this need be met in this session of the 89th Congress. There is a possibility that the conferees, after final action is taken on this matter in the Senate, may within the legislative authority, agree on a compromise which would meet the objections and still provide a suitable location for the Patent Office.

If that is not possible, I should like to bring to the attention of the Senate the fact that there are two great counties in Maryland immediately adjacent to the District of Columbia—namely Prince Georges County and Montgomery County, where there is much space available, should the appropriate governmental agency consider that such a location in one of these two counties is acceptable and suitable for a new Patent Office.

Clearly a location in one of these two counties would be closer to the District of Columbia, and thus might well satisfy the objections of certain Members of the Senate and also of the patent bar.

I am very much pleased, as I know Senator TYDINGS will be, with the statement of the Senator from Virginia in concurring with our feeling that a new facility is certainly necessary. I am also happy to hear that he does not object to its location in the Maryland suburbs if the appropriate place cannot be found in the District of Columbia.

We are also extremely pleased that the chairman of the subcommittee of the

Appropriations Committee, the Senator from Washington [Mr. MAGNUSON] and the Senator from Virginia [Mr. ROBERTSON] believe that some adjustment in the thinking of the various parties can be made, and that this subject can be brought up in a supplemental bill which will be considered later this year.

I thank the chairman for yielding to me.

Mr. MAGNUSON. I do not know what the House will want to do on this matter. They are bound, too, in their Public Works Committee, which accepted this proposal. I do not know what they want to do about it. Because of the urgency of it, I hope we can arrive at some understanding.

Mr. BREWSTER. Mr. President, I thank the chairman. In conclusion, I hope our colleagues will note that Senator TYDINGS and I took absolutely no position on the question of the specific site. We believe that the new facilities should be located in Maryland. Whatever controversy has been reported from time to time in the press about our position on where it should go simply does not exist, because that is the responsibility of GSA and the Department of Commerce.

Mr. HOLLAND. Mr. President, I merely wish to say to the Senator from Maryland, as one who objected to building the facility in a remote site, some 30 miles out, where it was planned, that I not only have no objection whatever to the immediate building of the structure, because I think it is needed, but I also have no objection to its being built in Maryland, where it can be readily available. My objection was to discommoding many patent attorneys, who are concentrated in the Washington, D.C., area, and their clientele and draftsmen, by requiring them to go out 30 miles or more and then to return the same distance, to attend to every small detail of their business.

Perhaps that position is not the accurate one, but I strongly feel that the site chosen was too distant. I hope we can move quickly to the construction of an adequate building. I would have no objection to its being built in the State of Maryland.

Mr. MAGNUSON. Mr. President, I merely wish to add that I was never impressed in all the hearings before the committee about 20 or 30 miles being time consuming. The real time consuming effort is in getting out of the District. Once we are out of the District, it is a matter of 5 or 10 minutes, whether it is 50 or 20 miles or 30 miles away.

It is the time that is taken up. They would have to get out of the District anyway. So I could never be impressed with those who say that because it is 30 miles, it is too far; and that 20 miles is just right. We are talking about 5 or 10 minutes in that case.

Mr. HOLLAND. That statement illustrates the fact that there was a difference of opinion within the committee. The Senator from Florida had deep concern about the safety as well as the time of the several hundred, who practice law in the District of Columbia.

Mr. MAGNUSON. Many patent lawyers downtown do not wish to have the Patent Office moved from where it is now located. I believe they raised a little money to lobby on the item; it is their right. They feel that they have some built-in right to keep the Patent Office where it is now located, no matter how crowded it is or what other factors exist which point to a change of location. I suppose that is only natural. They wish to keep the Patent Office as close as they can to where they are located.

The big item is that we wish to have the Patent Office as available as we can make it to other departments of the Government that must deal with the Patent Office. That is one factor.

Mr. HOLLAND. I believe that is correct. I agree with the distinguished chairman.

I was about to get around to compliment him warmly for his fine and dedicated work in the hearings of the committee and on the bringing out of a very fine bill. I believe it is a good bill. I wish to add to that compliment the distinguished ranking minority member, the Senator from Colorado [Mr. ALLOTT]. I have not seen better teamwork in the bringing out of a complicated, difficult bill from year to year. I happen to be a member of the subcommittee. I have not seen finer teamwork than has been exemplified between those two distinguished Senators in bringing out the bill before the Senate. I regard it as one of the most difficult—perhaps the most difficult—of the appropriation bills.

There is only one comment I wish to make. I wish to compliment particularly the distinguished Senator from Washington [Mr. MAGNUSON] and the distinguished Senator from Colorado [Mr. ALLOTT] on their recommendation to restore some of the amounts cut from public building construction. I recognize the sympathy of the other body with the idea of reducing the cost of construction, but a 10-percent cut, which is what they applied, I thought was unreasonable and would result perhaps in the defeat of some of the construction or the cheapening of it in a way that would not mean sound economy in the end.

I greatly appreciate the recommendations of the two Senators to restore half of that cut. I am thinking particularly of the two projects in my own State; but I am thinking also of the projects throughout the Nation. They were all treated in exactly the same way. They were treated more soundly. I hope that our distinguished friends will prevail in conference. With costs rising, a 10-percent cut, as has already been remarked upon by the distinguished Senator from Washington, would not be a practical way to get the job done.

I thank the Senators for the careful approach which they brought to that problem, in common with many other problems in the bill.

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

Mr. MAGNUSON. I am glad to yield to the Senator from Colorado.

Mr. ALLOTT. I appreciate the kind remarks of the Senator from Florida. I believe it is inadvisable even to think about constructing Federal buildings to a standard of less than 50 years. The 10-percent cut, as proved by history and experience, would be too great a cut. We did apply a 5-percent cut, which would permit construction of these buildings and would permit good competitive building on them. That is what the committee was trying to achieve, so in the long run we shall get away from expensive leases, which are far beyond the ability of the Government to pay, as Government projects continue to expand.

Mr. HOLLAND. Mr. President, the distinguished Senator has expressed the precise reason for my complimenting our distinguished chairman, the Senator from Washington [Mr. MAGNUSON] on the good judgment and the deliberate result that the committee brought out on the question. I believe that it was a happy solution. I hope it will stand up in conference.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MAGNUSON. Mr. President, I offer an amendment which I send to the desk and ask to have stated.

The LEGISLATIVE CLERK. On page 22, line 24, it is proposed to strike out the numeral "$17,451,000" and insert in lieu thereof the numeral "$17,819,000."

Mr. MAGNUSON. Mr. President, the amendment would increase by $368,000 the lump sum to be appropriated for a site and expenses for public buildings projects. Each year we provide in this manner for the projects that have been approved by the Public Works Committee. I am advised that the Senate Committee on Public Works has today approved the prospectus and the House will get the bill shortly for the new post office and Federal building at Houma, La., at an estimated cost of $388,000, site and expenses. The construction cost, of course, would have to come later.

That is a project that needs to be started as soon as possible. The town has grown; it has nearly tripled its population and area in the past 15 years. It is the hub of the mail handling facilities in that whole delta region. We are badly in need of the space. The present post office building is a one-story, 30-year-old masonry structure that is highly inadequate.

The project is one upon which we ought to get going. It is estimated that we can save $2,142,000 over the life of the new building. That is a considerable saving. The cost could be amortized in a 24-year period. As the Senator has suggested, we ought to build buildings according to a standard of at least 50 years.

I hope that the Senate will adopt the amendment.

Mr. ELLENDER. Mr. President, I appreciate the fact that the Senator from Washington has presented the amendment. Houma, which happens to be my hometown, is in the parish of Terrebonne; it is the only incorporated city in

the entire parish. Terrebonne Parish has grown like "Topsy" in the last few years, as has that entire part of the State. The city of Houma has led the way, however.

The new facility is badly needed. I am hopeful that we can have it authorized in full before Congress recesses. To anyone familiar with the growth taking place in that area and city, it will be very evident that this investment by the Government is greatly needed and overdue.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Washington.

The amendment was agreed to.

Mr. MAGNUSON. Mr. President, it may be that when we get to conference, the conferees may not wish to accept the amendment, but might suggest that it be inserted in a supplemental for site and expenses. I hope that they will take it and that we shall not have to go to a supplemental for the item.

Another project which has been around for a long time is one which was proposed by the Senator from Nebraska [Mr. HRUSKA]. That is a project which has been approved and is needed.

Mr. HRUSKA. It has been needed since 1963, in fact.

Mr. MAGNUSON. Two buildings have been authorized for Lincoln, Nebr. The post office building would be included with an estimate of $792,000 for site, design, engineering, and so forth, and $2,902,000 for construction, a total of $3,694,000.

We would have almost the same problem in relation to that project as we shall in relation to the one in Louisiana. The second building will be in the budgeting program which will be submitted later. However, if the Senator from Colorado agrees, I should like to take the post office building item to conference, too.

Mr. ALLOTT. I agree.

Mr. HRUSKA. Prior to our conferences on the floor with the managers of this bill, it had been the intention of my colleague and myself to include in our amendment funds for site planning for the courthouse and Federal office building and parking facility in the amount of $2,438,000.

We were assured that the money could not have been prudently used until a year later, if that money were included in this bill. Accordingly, we offer our amendment to include all funds needed for the post office building, site, design, engineering supervision, and so forth, $792,000 plus improvements of $2,902,000. We have been advised the other funds are expected to be included in the 1967 budget for the fiscal year commencing July 1, 1966.

Mr. President, I offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment of the Senator from Nebraska will be stated.

The LEGISLATIVE CLERK. On page 22, line 24, it is proposed to strike out the numeral and insert in lieu thereof the numeral $20,681,000.

Mr. HRUSKA. Mr. President, that figure will have to be modified because the other amendment was adopted. This amendment would add to the bill funds in the amount of $792,000 for site, design, engineering and supervision for the Post Office building; and $2,902,000 for improvements for U.S. Post Office building. This building would be constructed on a site to be acquired in Lincoln, Nebr.

The situation regarding adequate office space for Federal use has been acute for some years. Many Government agencies occupy leased space which is costly to the taxpayer, inefficient in use and inconvenient in location.

This is not a hasty move on my part. This particular project has had the thoughtful study, evaluation and reevaluation of the GSA and other agencies concerned for several years. Planning in 1963 anticipated acquisition of site and building design funds in 1965. Many interested citizens including Mayor Dean Petersen, business leader Nathan Gold, former mayor Bennett S. Martin and Federal Judge Robert Van Pelt have been interested in the project and actively supported efforts of Nebraska's Senators to achieve authorization and funding for these buildings.

During last year, in hearings on two appropriations bills, information on the needs for new buildings was furnished to the Senate Committee. In the independent offices bill, adequate funds were included in the 1965 bill as reported by the committee and approved by the Senate. However, in conference several projects were removed from the bill, including the one for Lincoln.

Subsequently, testimony was elicited at hearings on the supplemental appropriations bill on August 14, 1964, which led me to believe that this project would be submitted by GSA in this year's budget. Every aspect of the preliminary planning had been done and the project was ready to go. His statement led me to believe that GSA would seek early authorization and have this project in its 1966 budget request. The project, however, was not one of those sent to the Congress earlier this year.

To overcome this obstacle, my colleagues and I wrote to the Chairman of the Senate Commitee on Public Works urging him to put this matter before his committee. He did so and the committee adopted a resolution on April 13, 1965, authorizing the Administrator of GSA to investigate the feasibility and report on the need for the Federal Office Building at Lincoln. GSA has submitted its prospectus this past week. It shows evidence of intensive work. I request unanimous consent that the prospectus be printed at this point in my remarks.

The Post Office Department needs a new centralized mail processing facility. The U.S. court is presently occupying inadequate facilities. Other agencies are in decentralized locations. The plan of the General Services Administration envisages adequate office space, parking, and it will meet the current needs of the Post Office Department, the Federal courts, and other agencies. The project has been planned to encompass projected needs for the future.

This morning the Senate Committee on Public Works had before it the prospectus and it took favorable action on this important project.

At this time I want to commend the senior Senator from Michigan for the fine cooperation he has shown my colleague and me on this matter. In addition, great help and assistance over the past years have been given us before the Senate Appropriations Committee by the senior Senator from Washington and the senior Senator from Colorado. Their help is greatly appreciated.

Mr. MAGNUSON. Mr. President, I assure the Senator from Nebraska that if we cannot prevail on the item in the conference, we think the project is of enough urgency and justification that we will be as helpful as we can on the supplemental.

But I should like to lay this foundation with the House conferees on both items. I want to be practical. We may be asked, "Which one do you want? We will give you one." I suppose they might be willing to take the smaller amount.

Mr. HRUSKA. Perhaps we should act under the unit rule and consider both as one.

In that connection, I suggest to the chairman of the committee who has done such fine work on the bill—and I saw him in action frequently during the course of the hearings—that the General Services Administration and the Post Office Department will have their own ideas of priority. I have an idea that it will be the mail terminal at Lincoln, because it is hurting very badly. We would defer to their judgment, but those items are high on the list. However, if there is to be only one at a time, probably they have their own ideas of priority.

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

Mr. MAGNUSON. I yield.

Mr. CURTIS. I endorse what my colleague from Nebraska has said. I, too, wish to extend my thanks to the distinguished Senator from Washington [Mr. MAGNUSON] and the distinguished Senator from Colorado [Mr. ALLOTT].

The matter at Lincoln is of some urgency. As I recall, 2 or more years ago local officials, headed by Mayor Peterson, accompanied by some of the members of the Nebraska delegation, visited the General Services Administration and the Post Office Department on this subject. It has been on the urgent list for some time. The facility is needed there. We appreciate the consideration of the committee.

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

Mr. MAGNUSON. I yield.

Mr. HRUSKA. Mr. President, I ask unanimous consent to have printed at this point in the RECORD the justifications pertaining to these buildings.

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

PROSPECTUS FOR PROPOSED CONSTRUCTION UNDER THE PUBLIC BUILDINGS ACT OF 1959

(a) Post Office Building.

(b) Courthouse and Federal Office Building, and parking facility, Lincoln, Nebr.

1. DESCRIPTION OF PROPOSED PROJECTS

The projects contemplate (a) the construction of a new Post Office Building with airconditioning, for a centralized mail processing facility on a site to be acquired, and (b) construction of a new Courthouse and Federal Office Building, with airconditioning, and a parking facility for the use of the U.S. courts and other agencies, on a site to be acquired.

Approximate areas:

[Square feet]

	Gross	Net
(a) Post Office Building	148,300	126,000
(b) Courthouse and Federal Office Building and parking facility	635,700	470,600

2. ESTIMATED MAXIMUM COST OF PROJECTS

(a) Post Office Building:	
(1) Site, design, engineering, supervision, etc	$792,000
(2) Improvements	2,902,000
Total estimated maximum cost	3,694,000
(b) Courthouse and Federal Office Building and parking facility:	
(1) Site, design, engineering, supervision, etc	2,438,000
(2) Improvements	12,452,000
Total estimated maximum cost	14,890,000

3. JUSTIFICATION

Lincoln, seat of Lancaster County, is located in southeastern Nebraska about 58 miles west of Omaha. It is the State capital and the home of the University of Nebraska. The local economy is based on diversified agricultural interests and supplemented by various governmental and institutional activities. The current population is approximately 143,000.

The existing post office and courthouse, constructed in 1906 and extended in 1916 and 1939, is the sole Government-owned general purpose facility in the community. It is a 4-story structure with full basement and a large attic, providing approximately 105,400 square feet of net assignable space. Of this total about 56,200 square feet is occupied by the Post Office Department, 11,100 square feet by the U.S. courts and related activities, 24,500 square feet by nine other agencies, and there is also about 13,600 square feet of unused attic storage space. In addition to the Government-owned space, 18 Federal activities presently occupy approximately 154,600 square feet of leased general purpose office space, of varied quality, in 13 locations at an annual cost of about $395,500. There are also Federal activities in the area that requires special purpose space or require a particular location because of the nature of their activities and therefore have no requirement for space in a centralized multiagency Federal building. In this category are two agencies occupying approximately 77,700 square feet of Government-owned space and five agencies utilizing about 93,700 square feet of leased space. In addition, the Federal agencies occupy 20,080 square feet of leased vehicle storage space, which will be released by provision of parking facilities at the proposed project.

The overall quality of commercial space in Lincoln is generally poor, since new office building construction has been practically nonexistent over the past 20 years. Suitable leased space to permit upgrading or consolidation of governmental agencies is not available in the community.

Lincoln is a central distribution point for postal activities, serving 137 other postal facilities. Because of the continuously increasing volume of mail, postal operations have outgrown the space provided for postal operations in the Federal building. The Post Office Department has determined that the building is inadequate and functionally outmoded to permit installation and use of modern machinery and mail-handling equipment and the utilization of techniques for efficient operations.

The U.S. District Court is finding it increasingly difficult to conduct its activities in the existing court facilities provided in the building. The activities of the district court presently utilize about 8,500 square feet, whereas current and foreseeable space requirements total 18,500 square feet.

The post office and courthouse, while structurally sound, has become obsolete from a functional and operational standpoint. The building lacks air conditioning and the heating, electrical, and plumbing systems are antiquated. Despite its apparent structural soundness the design characteristics, physical deterioration, and functional deficiencies of the Federal building impair its usefulness for expanded postal operations and make it unsuitable and impractical within accepted standards of economy to extend or modernize the building for other agency use. Present plans contemplate disposal of the building following completion of the proposed projects.

There is a definite need to provide adequate facilities for the Post Office Department and U.S. courts, as well as suitable general purpose space to consolidate other Federal agencies now housed in widely scattered locations.

The Post Office Department, in the interest of optimum operational efficiency, has a need to consolidate its bulk mail handling requirements at a location outside the downtown business district with good access to arterial highways. Conversely, a building to accommodate the U.S. courts and other Federal agencies requires a convenient, readily accessible location near the center of the city. Accordingly, the construction of a Post Office building to satisfy the particular postal operational requirements and the construction of a Courthouse and Federal Office Building for the use of the U.S. courts and other agencies would provide a desirable means for satisfying Federal space needs in Lincoln.

The Post Office Department contemplated the acquisition of a new centralized mail processing facility under its leasing authority. For this purpose the Department selected a site particularly suited to its operational needs and negotiations for the acquisition of the property are expected to be completed in June 1965. The site contains approximately 302,400 square feet and is estimated to cost about $535,000. The selected site is situated on the south side of Eighth Street between "Q" and "T" Streets. The Department has also engaged a contract architect for the proposed lease project and final working drawings are scheduled for completion about January 1966.

It is proposed to continue the Department's effort to provide improved and expanded postal facilities, including site acquisition and completion of working drawings, except that the construction of the facility will be undertaken as a Federal construction project under the provisions of the Public Buildings Act of 1959. An analysis and evaluation of all factors led to the conclusion that the best interest of the Government would be served by satisfying Post Office Department's operational needs through new Federal construction.

The determination by the Post Office Department of the need to relocate its main mail-handling operations from the Federal building to a new facility necessitated a comprehensive study to determine the appropriate disposition of the post office and courthouse. After careful analysis it was concluded that retention of the building and conversion of the vacated postal space for other agency use would not be feasible because of: (1) excessive cost as related to the amount of usable space to be made available; (2) age, condition and items of functional obsolescence which make the building inefficient and expensive to maintain and operate; and (3) the fact that the building, as remodeled, would not satisfy the needs of the U.S. courts and other agencies requiring general-purpose space, thereby necessitating the provision for housing the remainder of agency space requirements in a new building to be constructed by the Government or by private interests. Further, structural features of the post office and courthouse building preclude alterations to provide suitable quarters for the activities of the U.S. court that would be adequate in size and consistent with present standards. The Government-owned property is bound by public streets on three sides and the adjacent land in the rear is occupied by the local city hall. Site limitations make consideration of a third extension of the Federal building impractical.

The alternatives for resolving Federal space problems in Lincoln have been fully explored. It has been determined that a project contemplating the construction of two separate facilities would furnish the most practical means for providing current and foreseeable needs of the Post Office Department, U.S. courts, and other Federal activities requiring general-purpose space. The site for the proposed post office building will provide adequate parking and maneuvering areas as well as a vehicle maintenance facility. The proposed courthouse and Federal office building will be located on a site on the fringe of the central business district and includes provision for a possible downtown postal station as well as required space for the U.S. courts and other Federal activities requiring general purpose space. It will provide adequate and suitable space for current and foreseeable agency requirements, increased effectiveness of agency operations and provide greater convenience to the public.

A problem of major proportion in Lincoln is the need to provide vehicle parking facilities in the vicinity of the proposed Federal building. Public transportation facilities are grossly inadequate to service the highly developed downtown business area, with resultant increased use of private vehicles for transportation. Only limited commercial parking space at a reasonable cost is available for the use of the Federal agencies. In view of the anticipated difficulty in developing a single site of sufficient size, in the central business area, to satisfy both building and parking requirements, this planning concept is based upon the utilization of two noncontiguous sites, each one city block in size. This concept would also afford tangible benefits in avoiding any deterrents to the landscaping to the proposed building as well as the intangible values derived in keeping vehicle traffic congestion in the immediate area to a minimum.

The city ordinances governing off-street parking on the perimeter of the central business district of Lincoln, where it is contemplated the proposed new building would be located, require one parking space for each 600 square feet of floor area. On this basis, about 475 parking spaces would be required. However, careful analysis indicates that approximately 430 parking spaces would provide adequate off-street parking facilities for official, visitor, employee and interagency Motor Pool use. It is proposed to satisfy this requirement through provision of a basement garage for about 50 vehicles and surface parking for about 60 vehicles on the building site, with the remainder of the parking space to be provided at the proposed parking facility.

Post Office Building

	Proposed new building	Comparable leased space	Savings through new construction
(1) Estimated amount of annual rental, $283,725; invested in—			
(a) Rental of leased space (unserviced) for 50 years		$14,186,250	
(b) Project cost (site, design, and improvements)	$3,694,000		
(c) Interest at 4¼ percent for period required to amortize Government project cost	1,797,052		
(2) Total investment	5,491,052	14,186,250	$8,695,198
(3) Repair and upkeep for 50 years at $0.40 per square foot	2,522,000		−2,522,000
(4) Total 50-year cost	8,013,052	14,186,250	6,173,198

Accordingly, consideration will be given to a building site of approximately 90,000 square feet and a noncontiguous vehicle parking site of approximately 90,000 square feet.

No basement is contemplated in the post office building and therefore no provision has been made for fallout shelter. However, provision has been made in the estimated cost for the courthouse and Federal office building for fallout protection, in accordance with Office of Civil Defense Technical Requirements for Fallout Shelters issued August 1964.

4. ANALYSIS OF PROVIDING SPACE BY NEW CONSTRUCTION COMPARED WITH LEASING

An alternate method of providing suitable space in lieu of that proposed herein is by the leasing of privately owned space. The following is a comparison of the cost of the proposed construction with the cost of leasing.

	Proposed new building	Comparable leased space	Savings through new construction
(a) Annual cost	$160,261.00	$283,725.00	$123,464.00
(b) Per square foot	1.27	2.25	.98

NOTES

A. Estimated useful life of new building—50 years.

B. Amortization of the project cost of $3,694,000 at 4¼-percent interest will require 19.4 years of annual payments of $283,725, the rental rate for comparable leased space.

C. Square footage in building—148,300 gross area; 126,100 net area.

D. Normal operation and maintenance excluded since it would be the same in either situation.

Courthouse and Federal office building and parking facility

	Proposed new buildings	Comparable leased space	Savings through new construction
(1) Estimated amount of annual rental, $1,294,150; invested in—			
(a) Rental of leased space (unserviced) for 50 years		$64,707,500	
(b) Project cost (sites, design and improvements)	$14,890,000		
(c) Interest at 4¼ percent for period required to amortize Government project cost	5,980,911		
(2) Total investment	20,870,911	64,707,500	$43,836,589
(3) Repair and upkeep for 50 years at $0.50 per square foot	11,765,000		−11,765,000
(4) Total 50-year cost	32,635,911	64,707,500	32,071,589

	Proposed new building	Comparable leased space	Savings through new construction
(a) Annual cost	$652,718	$1,294,150	$641,432
(b) Per square foot (average)	1.39	2.75	1.36

NOTES

A. Estimated useful life of new buildings—50 years.

B. Amortization of the project cost of $14,890,000 at 4¼ percent interest will require 16.1 years of annual payments of $1,294,150, the rental rate for comparable leased space.

C. Square footage in buildings—635,700 gross area; 470,600 net area.

D. Normal operation and maintenance excluded since it would be the same in either situation.

5. CURRENT HOUSING COSTS [1]

	Post office building		Courthouse and Federal office building	
	Area (square feet)	Annual cost	Area (square feet)	Annual cost
(a) Leased space: Rent and other costs	6,000	$9,000	156,312	$396,353
(b) Government-owned space: Operation, maintenance, and upkeep costs	49,419	99,127	42,365	84,977
Total		108,127		481,330

[1] For agencies to be housed in the new post office building and the new courthouse and Federal Office Building.

6. PROPOSED PLAN FOR HOUSING FEDERAL AGENCIES

A comprehensive plan for housing Federal agencies in the locality is attached (exhibit A). Upon completion of construction, assignment and reassignment of space will be made in accordance with existing law.

7. STATEMENT OF NEED

It has been determined that (1) the need for space of the Federal Government in this area cannot be satisfied by utilization of existing suitable property now owned by the Government, and (2) suitable rental space is not available at a price commensurate with that to be afforded through the proposed action.

Submitted at Washington, D.C., on June 28, 1965.

Recommended:

WILLIAM A. SCHMIDT,
Acting Commissioner of Public Buildings Service.

Approved:

LAWSON B. KNOTT, Jr.,
Administrator of General Services.

Mr. ALLOTT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Chair wishes to state that the Senate has under consideration an amendment of the Senator from Nebraska [Mr. HRUSKA]. The Chair would have to hold that that amendment is not in order because it attempts to amend the same place in the bill that has earlier been amended.

Mr. ALLOTT. Mr. President, I ask unanimous consent that the amendment be temporarily laid aside—there is a technical difficulty in addition to this—with the understanding that we may amend later, regardless of the amendment which has just been adopted.

The PRESIDING OFFICER. Is there objection? None is heard, and it is so ordered.

Mr. MAGNUSON. We will write new language at the proper place.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. CLARK. Mr. President, I send to the desk two amendments, numbered 1 and 2. I ask that the amendment No. 1 be read by the clerk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 32, between lines 11 and 12, it is proposed to insert the following:

"FEDERAL-STATE TRAINING PROGRAMS

"For matching grants to States for authorized training and related activities, and for expenses of providing technical assistance to State and local governmental or public bodies (including studies and publication of information), as authorized by title VIII of the Housing Act of 1964 (20 U.S.C. 801–805), to remain available until expended, $10,145,000: *Provided,* That not to exceed $145,000 of this appropriation shall be available for administrative expenses."

Mr. CLARK. Mr. President, if I may have the attention of the distinguished Senator from Washington, I should like, first, to join in the paeans of praise which have been accorded to him this afternoon for the wonderful work he has done in bringing the bill to the floor of the Senate in such excellent shape. I am particularly pleased with the fine work he did in retaining contract authorization for the urban renewal program, which was under heavy attack in the other body. I observe that the Senator from Washington is displaying his usual

good humor, and I hope that, as a result, he will look with favor upon the pending amendment, the history of which is as follows:

When I first came to the Senate in 1957 and was made a member of the Subcommittee on Housing of the Committee on Banking and Currency, of which the distinguished Senator from Alabama [Mr. SPARKMAN] is the chairman, the Senator from Alabama and I came to the view, I having recently served as mayor of Philadelphia, that there was a grave shortage of urban planners of all sorts available for the continually growing urban planning work required of State and local government, and not only of city planners, but of metropolitan and area planners, as well.

Planners of all sorts were in short supply at a time when it was becoming increasingly important to raise the level of State and local activity in the field of community planning.

From 1957 through 1964, we made effort after effort to obtain authorizations, first, for the in-service training of planners assisted with Federal funds; and second, for a modest program of fellowships and scholarships, to enable young men and women to go to institutions of higher learning to become trained in this particular skill. Finally, in 1964, we were successful in obtaining an authorization for funds both for a program for in-service training, totaling $10,145,000, and a more modest program for fellowships for city planning, amounting to $530,000. The programs were approved by the House and the Senate and were passed as a part of the Housing Act of 1964 and signed by the President.

Unfortunately, when the appropriation bill came along, the House Committee on Appropriations refused to fund either of the programs, stating that in their judgment what Congress had decided upon and the President had approved were not good programs, and that the House would not allow any money for them.

EXHIBIT A.—*Lincoln, Nebr.—Comprehensive housing plan*

Department or agency	Present housing (net square feet)				Proposed housing (net square feet)					
	Total	Personnel	Government owned	Leased	Total	Personnel	Retained G/O [1]	Retained leased [2]	Proposed projects	
									PO	CT-FOB
Post Office Department	56,169	490	56,169		123,003	692			116,253	6,750
Post office garage	6,000	7		6,000						
U.S. courts	8,483	7	8,483		18,500	12				18,500
U.S. attorney/marshall	2,596	3	2,596		5,000	10				5,000
Agriculture	94,088	446	12,171	81,917	103,250	593				103,250
Civil Service	1,297	3	1,297		1,400	3				1,400
Commerce	5,817	26		5,817	5,500	27				5,500
Defense	2,856	13	2,856		2,110	13				2,110
General Services Administration	720	5	720							
Health, Education, and Welfare	5,052	31		5,052	8,125	40				8,125
Housing and Home Finance Agency	504	3		504	600	4				600
Interior	9,711	58	861	8,850	15,400	64				15,400
Interstate Commerce	667	3	667		700	4				700
Justice	[3] 1,198	3	498	700	500	3				500
Labor	339	2	339		400	2				400
Selective Service System	6,016	15		6,016	6,650	17				6,650
Smithsonian Institute	21,000	28		21,000	21,000	30				21,000
Treasury	[3] 6,177	25	5,127	1,050	5,500	30				5,500
Veterans	25,406	117		25,406	24,000	120				24,000
Vacant, attic space	13,579		13,579							
Subtotal	267,675	1,285	105,363	162,312	341,638	1,664			116,253	225,385
Special purpose and/or location	171,995	393	77,739	94,256	171,995	393	77,739	94,256		
Total space	439,670	1,678	183,102	256,568	513,633	2,057	77,739	94,256	116,253	225,385

Analysis or proposed projects	Post office building (net square feet)		
	Total	PO	CT-FOB
Agency space		116,253	225,385
G/O space to be replaced	56,169		49,194
Leased space to be replaced:			
General type			156,312
Garage	6,000		
Agency expansion	54,084		19,879
Reserve for expansion		(4)	27,365
Service areas			21,500
Conference			3,900
Cafeteria			7,500
Credit union			500
Communications			1,300
Health unit and vending stand		(4)	1,500
Retail stores			5,000
Congressional			1,800
Custodial and storage		(4)	16,000
Dispatch office and garage			16,500
Vehicle parking facility			112,500
Vehicle maintenance facility		5,550	3,200
Subtotal, net assignable		121,803	422,450
Postal mechanization		4,300	(5)
Aisles and corridors		(5)	48,100
Total net area		126,103	470,550
Rounded		126,100	470,600

[1] Retained G/O buildings, special purpose and/or location:

Identity:	Square feet
Agriculture forage lab	9,440
Defense Reserve Training Center	68,229
Total	77,739

[2] Retained leased, special purpose and/or location:

Identity:	Square feet
Post Office Department, branch substations	45,172
Agriculture	33,701
Commerce, Weather Bureau	568
Defense, Army Reserve Training Center	4,384
Federal Aviation	10,431
Total	94,256
G/O building to be disposed of: Post office and courthouse building	105,363

[3] Includes vehicle storage area.
[4] Included in agency space above.
[5] Not available.

I made an earnest effort, when the supplemental appropriation bill was before the Senate in April, to have these items funded. That effort failed. I then testified before the Senate Committee on Appropriations, urging that funds for both programs be voted. I now find to my deep regret that although they were recommended by the President and the Budget Bureau, although the Director of the Housing and Home Finance Agency, Mr. Weaver, testified, in support of this appropriation, and despite the fact that I myself testified to the same effect, the Senate committee was unwilling to fund these programs, which, as I say, have been approved by the President and have been passed by Congress.

It seems to me that an interesting issue is raised. These were programs that were developed in the Senate. If we want to use the word, they were "invented" by the Senate. They were approved by the House. The President signed the bill. Now the House Committee on Appropriations will not fund them. That is the right of the House Committee on Appropriations. I agree that if they do not like a program that Congress and the President have approved, they have the legal right to say, "No." But that does not mean that the Senate must automatically follow suit—particularly where one of its own programs is involved.

Mr. President, I ask unanimous consent that the justification for both proposals prepared by the HHFA, which are contained in the Senate hearings, beginning at page 1023 and continuing to page 1032, be printed at this point in the RECORD.

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

FEDERAL-STATE TRAINING PROGRAMS

JUSTIFICATION BY HHFA

The budget amendment would restore the $10,145,000 (of which $145,000 is for administrative expenses) not allowed by the House. The funds requested would permit the Agency to implement the program enacted in the Housing Act of 1964 which provides for the training of professional and technical staff in various fields serving State and municipal governments.

In section 801 of title VIII of the Housing Act of 1964 "The Congress finds that the rapid expansion of the Nation's urban areas and urban population has caused severe problems in urban and suburban development and created a national need to (1) provide special training in skills needed for economic and efficient community development * * *. It is the purpose of this part to assist and encourage the States, in cooperation with public and private universities and colleges and urban centers, to * * * provide special training in skills needed for economic and efficient community development to those technical and professional people who are, or are training to be, employed by a governmental or public body which has responsibility for community development * * *."

The Housing and Home Finance Agency's programs have met an increasing number of specific problems demanding the talents of professionals trained in city planning, urban renewal, housing, transportation, code enforcement, and many other similar skills. The large-scale demand for some of these specialists has been of fairly recent origin, arising with the increasing complexity of urban programs and services.

Training under title VIII would be restricted to such areas in contrast to the general higher education programs proposed in the "higher education bill," S. 600. Title I of this bill would authorize support of university extension and continuing education in a wide range of fields. Extension service would assist in refresher training of teachers, social workers, and pharmacists, for example. It would also assist private civic groups, give training to the elderly, and to culturally disadvantaged adults.

Title VIII of the 1964 Housing Act by contrast would train only employees of local governmental bodies and of these only those engaged in "developmental" programs such as urban renewal. The higher education bill, title I does not focus on training in these specialized areas. The language of the bill also clearly states that nothing in this title shall modify authorities under title VIII of the Housing Act of 1964, or other Federal training programs previously authorized.

Therefore, even if the higher education bill is enacted, title I will be concerned primarily with activities outside public bodies and the areas which title VIII of the Housing Act is authorized to assist.

The title VII program would not open up a Pandora's box of training of all types of State and local workers. The Housing and Home Finance Agency, in administering the program, would have a vital interest in seeing that program funds are utilized to train people that are needed to administer housing and urban development programs.

The Congress recognized the need for such training and for research in related problem areas when it enacted title VIII as part of the Housing Act of 1964. The Congress thereby established that the support of such training activities as are contemplated under the title VIII program are a legitimate and appropriate Federal activity. Therefore, it is recommended that funds be provided so the program can get underway.

The need for a title VIII program has been well documented. According to the Municipal Manpower Commission Report of 1962, local government's demand for professional and technical staff will increase by 40 percent between 1960 and 1970. By 1980, local governments will have to recruit as many as 300,000 for administrative, professional, and technical positions. In a survey made in 1964 the American Society of Planning Officials found over 500 unfilled positions for urban planners alone. A study by the Municipal Manpower Commission found comparable shortages in other urban specializations, especially executive positions in urban programs. Federal aid programs for urban planning and developments have contributed and will continue to contribute to a demand for the services of professional and technical staff in all of the various fields which serve State and municipal governments.

The training of professionals to meet these demands has lagged far behind the need for their services. Several States (California and North Carolina, for example) have conducted studies in recent months on both the shortages of trained community development personnel and existing training programs in the area. Each study showed severe shortages in a wide range of skills. They found that although there are programs in existence for training of some State and Federal officials, training for community programs and local government personnel are nearly nonexistent.

Title VII of the Housing Act of 1964 enacted two new programs of Federal aid to help meet this need—the Federal-State training programs and the program of fellowships for city planning and urban studies. The fellowship program for which a description and request for appropriation are presented in the next chapter of this justification, provides fellowships for graduate training of city planners and other specialists and technicians in housing and urban development. It represents an effort to attract more young students into careers in the field in urban planning and development. The Federal-State training program, described on the following page, is directed toward further training of persons who have already chosen careers in community development.

Program description

This is a program of matching grants to States to assist them in developing special training programs for technical and professional people who are, or are training to be, employed by a governmental or public body which has responsibilities for community development. These grants may also be used to support State and local research into community development problems. The program will encourage carrying out such research in conjunction with and as a part of the State's training program. The objective is to stimulate the development by States of combination training-research programs which will provide training and retraining through the study of real problems in community development.

The program will emphasize inservice or midcareer training for persons employed in State or local agencies engaged in community development work, with attention being given also to training of persons who are planning to enter this field of endeavor. Inservice or midcareer training may take the form of workshops, summer courses, and other teaching programs which will be made available to employees of public bodies. Training eligible for assistance may include training of persons in technical or professional skills in any of the fields needed for orderly community development, including urban planning, code administration and enforcement, sanitary engineering, tax assessment, and the like.

Participating States will be required to submit a plan for a program designed to meet the particular needs of that State for increasing manpower capability in community development and for developing new or improved methods of dealing with community development problems. The State plan must—

(1) Set forth the proposed use of the requested funds and the objectives to be accomplished;

(2) Explain the method by which matching funds will be provided;

(3) Provide adequate fiscal control and fund accounting procedures;

(4) Designate a State officer or agency to administer the program, and

(5) Provide for reports containing such information on the program as the administrator may require.

Preparation of State training programs

In the 8 months since Congress enacted the 1964 Housing Act many States have begun preparation to participate if and when appropriations are made by the Congress. Twenty States have designated a State agency to prepare a training plan and have notified HHFA of their preparatory activity. Each State has been encouraged to make a careful study of its training needs and potential training facilities. California and North Carolina have completed such studies.

The following is a listing of States where action is underway to prepare for training in community development should Federal support be made available.

State	Agency preparing plan	Stage of development
California	University of California	Preliminary plan received.
Georgia	University of Georgia [1]	Do.
Illinois	Board of Economic Development	Do.
Iowa	State Development Commission [1]	Statewide meetings and discussions in progress.
Kansas	Kansas State University [1]	State plan being compiled.
Kentucky	University of Kentucky	State plan being developed.
Massachusetts	Department of Commerce and Development	Plan being developed.
Michigan	Department of Economic Expansion	Preliminary proposals received.
Minnesota	University of Minnesota	State plan being compiled.
Missouri	Administrative Assistant for Urban Affairs	Preliminary plan submitted.
Nebraska	Board of Nebraska Resources [1]	State plan being compiled.
New Jersey	Department of Conservation and Economic Development.	Statewide discussions in progress.
New York	The State Education Department [1]	State plan being complied.
North Carolina	Department of Conservation and Development.	Preliminary plan submitted.
Ohio	Ohio Board of Regents	Statewide meetings held.
Oklahoma	University of Oklahoma [1]	Preliminary plan received.
Pennsylvania	State Planning Board [1]	Statewide discussions underway.
Tennessee	Special Assistant to the Governor	Do.
Washington	Department of Commerce and Economic Development.[1]	Do.
West Virginia	Department of Commerce	Do.

[1] Tentative designation of administrative agent.

EXAMPLES OF PROPOSED TRAINING

California

(1) Short, intensive training programs on urban development problems for persons having primary responsibility for policy decisions regarding development;

(2) Short-term training programs and part-term continuing course work for city and county managers, engineers, city and regional planners, budget and finance officers, and others who carry major administrative responsibility in local government; and

(3) Similar programs for training technical personnel in zoning, building, and housing code administration, transportation and traffic planning, and urban renewal and related activities, in the newest methods in their respective fields.

In cooperation with the League of Cities and the County Supervisors Association, the University of California and the State college would organize a small traveling faculty which will offer short training programs in urban development in several parts of the State. Oncampus and extension division courses will also be offered.

North Carolina

As a second example, the tentative North Carolina program identifies a need based on a questionnaire survey, for inservice training in 17 specialties in 40 municipalities in the State. Another questionnaire identified the State and local agencies in academic institutions in the State which could participate in providing the needed training. The preliminary State plan reflects the needs and resources identified in these surveys.

Examples of the kinds of programs which are planned to be initiated include:

Short courses for professional city and regional planners to provide intensive instruction in such areas as techniques of transportation planning, use of data processing for urban planning, methods of urban analysis, etc., to be given by the Department of City and Regional Planning of the University of North Carolina.

Five-day training sessions for code inspectors, to be established by the North Carolina League of Municipalities with instructors drawn from college faculty, State enforcement agencies, etc.

Studies of the content and administration in North Carolina cities of housing codes, zoning ordinances, subdivision regulations, and building inspection, with the objective of encouraging localities to review these codes and ordinances, trim them to their essentials, and then do an effective job of administering them.

Oklahoma

Planning and urban renewal training program:

Purpose: To update the knowledge and skills of persons employed by public planning agencies.

Training agency: University of Oklahoma.

Eligible participants: State, local, and city employees of public agencies having responsibility for planning.

Fiscal management and public administration training program:

Purpose: To update information about technical phases of administration, such as budgeting, fiscal control, and planning, to those having extensive responsibility in public administration.

Training agency: University of Oklahoma.

Eligible participants: Chief administrative officers of city, State, and county agencies.

Minnesota

Training for municipal and village officials:

Purpose: To provide training to officials of small municipalities responsible for the developmental phases of administration.

Training agency: University of Minnesota.

Eligible participants: Persons employed as city or village officials.

Training for municipal water and sewer supervisors:

Purpose: To relate their responsibilities and the process of urban development.

Training agency: University of Minnesota.

Eligible participants: Persons employed in public agencies as water and sewer superintendents.

Georgia

Electronic data processing for municipal planning, housing, finance, and general executives:

Purpose: Introduce the benefits of applying systems analysis and electronic data processing to local government information systems.

Training agency: Georgia Institute of Technology.

Eligible participants: Executives of public agencies having responsibility for administering programs in these fields.

Urban planning development course for local and regional planners:

Purpose: To provide a comprehensive refresher course in urban planning.

Training agency: Georgia Institute of Technology.

Eligible participants: Local and regional planners employed by a public agency.

ADMINISTRATIVE EXPENSES

The appropriation and limitation of $145,000 for administrative expenses is based on a staff of 10 to initiate and administer this program. The staff will include a program director, six professional and technical staff members, and three secretarial and supporting positions.

The functions to be performed by this staff will include—

(1) Developing policies and detailed procedure for the operation of the program, including application and contract forms and instructions, eligibility criteria, and the like.

(2) Advising States on Federal requirements for participating in the program and providing professional and technical advice on the development and initiation of State plans.

(3) Reviewing applications for grants and accompanying State plans for conformity with program and budgetary requirements.

(4) Reviewing State programs in progress to assure they are being carried out in accordance with approved State plans and Federal requirements.

(5) Evaluating experience under State programs and research activities and analyzing, abstracting, and preparing for distribution material of value as technical assistance to States and units of local government, as authorized by the act.

EFFECT OF HOUSE ACTION

The House refusal to provide funds for the program negates the action Congress took when it enacted title VIII as part of the Housing Act of 1964. In this title Congress recognized the need for training of professional and technical staffs in all levels of State and municipal government, and established the principle that support of such training is a legitimate and appropriate Federal activity.

FELLOWSHIPS FOR CITY PLANNING AND URBAN STUDIES

HOUSE REPORT

(Pertinent excerpts, H. Rept. 320, p. 11)

Justification

No funds were provided by the House and the budget amendment proposes an appropriation of $530,000 of which $30,000 is for administrative expenses. The appropriation would allow the Agency to implement the program as enacted in the Housing Act of 1964.

As indicated in the preceding section on the Federal-State training programs, the supply of professional and technical personnel is lagging far behind the rapidly expanding needs of our urban centers.

Title VIII of the Housing Act of 1964 enacted two new programs of Federal aid to help meet these needs—the Federal-State training program and the program of fellowships of city planning and urban studies. The Federal-State training program, already described, is directed toward assistance to State programs of training and research in subjects essential to orderly community development. The program of fellowships for city planning and urban studies, described below, represents an effort to attract more young students into careers in the field of urban planning and development.

ACTION, the nonprofit organization concerned with community development, reported in a recent study "a prime need to establish several hundred fellowships to sustain talented graduate students in urban renewal and redevelopment, public administration, urban transportation, housing and land economics, and urban sociology (as well as in urban planning * * *)."

University officials state that there are two or three times as many qualified applicants in urban development and planning as can be supported through existing endowments. Many for whom financial assistance cannot be provided seek out other opportunities and

are lost to the growing field of urban planning and development.

There are now 35 schools offering graduate degrees in city planning, and producing between 200 and 300 planners per year. It is estimated that they could turn out twice that number if sufficient financial aid to students were available. Planning schools cannot now get students in sufficient numbers because other fields offer more and better graduate fellowships. Three universities expect to launch planning programs within the next 2 years.

In addition to the emerging national interest in the problems of urban planning and growth, the Federal Government has a very substantial financial stake in the competence of planning and administration at State and local government levels. The prudent expenditure of large sums of Federal funds depends first and most importantly on the training and ability of local officials. This consideration is not limited to housing and urban renewal, but applies equally to such major and diverse programs as highway development, airport construction, urban mass transit, air and water pollution control, and many others. Federal interests, therefore, will be directly served by a program to encourage talented students in institutions of higher education to choose and prepare themselves for careers in the various skills essential in urban planning and urban development activities at the State and local level.

Program description

The fellowships awarded under this program will be for graduate study for careers in city and regional planning, housing, urban renewal, and community development. Applications will be accepted for training in public or private nonprofit institutions of higher education having programs of graduate study in the field of city planning or in related fields, including architecture, civil engineering, municipal finance, and public administration.

Applicants will apply to the school of their choice, and accredited institutions will submit a limited number of applications to HHFA. Students will not apply directly to HHFA; applications will undergo a preliminary review by the school to which application was made.

Persons will be selected for fellowships solely on the basis of ability, and upon the recommendations of the Urban Studies Fellowship Advisory Board which is required to be established by the authorizing law. The Board, to be appointed by the Housing and Home Finance Administrator, will consist of three persons from public institutions of higher learning; three from private nonprofit institutions, who are the heads of departments which provide academic courses appropriately related to the fields in which fellowships will be awarded; and three persons from national organizations which are directly concerned with problems relating to urban, regional, and community development.

It is expected that each fellowship award will be for $3,000 and will be renewable for a second year.

Fellowship grants

Section 810 of the Housing Act of 1964 authorizes annual appropriations of $500,000 for a 3-year period starting July 1, 1964.

The $500,000 appropriation requested for fiscal 1966 will support 80 to 85 fellowships of $3,000 per annum.

Administrative expenses

The appropriation and limitation of $30,000 for administrative expenses in fiscal year 1966 would provide a staff of three employees to institute and administer this program. This staff would be employed in program policy and procedural steps, informational activities, receipt and analysis of proposals, and the making of fellowship grants as provided by the statute. The requested appropriation would also cover the expenses of the Urban Studies Advisory Board authorized in section 810(b) of the act.

It is respectfully requested that the Senate amend the pending bill to provide $530,000 so the initial steps may be taken to implement the program as authorized in the Housing Act of 1964.

Mr. CLARK. Mr. President, I should think that when what might be called a sort of junior legislative crisis of this sort is reached, the easiest thing to do is to have the body which initiated the program, which has been approved and signed by the President, continue to press for the funding of the program.

If in conference, after having made the strong arguments which are available in support of the appropriation, the Senate conferees were not successful, I suppose that in the end we should have to yield. One would hope that if the House would not accept the entire amount, it would accept a part of the amount. But I hope that the Senator from Washington and the Senator from Colorado will stand behind the Senate, which initiated the programs, and take to conference the two amendments which I have sent to the desk.

Mr. MAGNUSON. Mr. President, I would do as the Senator requests if I had full control of the matter. However, the House eliminated both of these items. Some people appealed to me in the beginning. However, I had a long discussion in the subcommittee and the full committee. The members were practically unanimous in not wanting to do this, particularly with regard to the Federal-State training programs. They had many reasons. These reasons were pointed out by some Members. The fellowship program, I believe, received even less support than the Federal-State training program.

I should like to have had something to do with this in the beginning. I should like to be as accommodating as I can.

These were two programs which the overwhelming majority of the committee, in both the full and the subcommittee, disapproved of by a show of hands.

I could not represent them on this bill if I were to do otherwise.

I hope that the program will be presented again to the House in such a way—perhaps through a supplemental bill—that we could at least start a portion of this program in operation. I think it would be very desirable.

Mr. CLARK. Mr. President, the Federal-State training program, which is the subject of the pending amendment, is also contained in the Housing Act of 1965. The amount authorized has been increased from $10 to $30 million. In the act of 1964, we had a 1-year authorization.

In addition, in its report on the Housing and Urban Development Act of 1965, which will be before the Senate later this week, the Committee on Banking and Currency said, "This program is needed to help local programs become more effective and economical and to strengthen generally the capabilities of local government. Your committee wishes to express its concern that although the Housing Act of 1964 authorized $10 million for grants under this program, funds have not yet been appropriated."

With all due deference to the Senator from Washington, I understand his point of view. He must take the position advanced by his staff and the committee members. However, under the circumstances, and I point out I have been involved in this matter for 9 years, I shall have to obtain a decision from the Senate which would not be possible now in the light of the very few Senators on the floor at the moment.

I have a commitment to my friend the Senator from Wisconsin [Mr. PROXMIRE] that I shall not take too much time on these amendments at the moment. The Senator from Wisconsin has a much more important matter to present.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CLARK. Mr. President, if I withdraw for the time being the first amendment, which has been read, have I a right to reoffer it at any time before third reading?

The PRESIDING OFFICER. The Senator would have such a right.

Mr. CLARK. Mr. President, for that reason, with the full intention of offering both of the amendments, and hopefully getting a rollcall vote before the bill is agreed upon by the Senate, I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. KUCHEL. Mr. President, I send to the desk an amendment on behalf of the distinguished minority leader [Mr. DIRKSEN] and myself. I ask that the reading of the text of the amendment be waived and that the amendment be printed in the RECORD.

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

The amendment, ordered to be printed in the RECORD, is as follows:

On page 7, lines 9 and 10, strike out "for subsidy for helicopter operations during the current fiscal year, $80,785,000", and insert in lieu thereof the following: "for payment to Los Angeles Airways, Inc. and $385,000 for payment to Chicago Helicopter Airways, Inc. for subsidies for helicopter operations during the current fiscal year, $81,170,000."

Mr. KUCHEL. Mr. President, I say with regret that the time has apparently arrived when the law of this land with respect to the Civil Aeronautics Board responsibility to continue the American investment in the unique development of helicopter transportation connecting the cities and airports in a given metropolitan area is grinding to a halt. Much progress has been made, but more needs to be done if this forward-looking mode of transportation is to be placed on a sound basis. For half of the next fiscal year the committee saw fit to offer to support the helicopter operation approved by the CAB for Federal support in my own State.

This amendment would provide for the same proportion of support for the Chicago operation.

I have spoken to the committee members and to the Senators in charge of the bill, and on behalf of my colleague, the distinguished minority leader, and myself, I ask that the amendment be agreed to and be taken to conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from California.

Mr. MAGNUSON. Mr. President, it is with some reluctance that the Senator from Colorado [Mr. ALLOTT] and I have come to this agreement. However, I believe that we now seem to be reaching the objective that the majority of the committee wanted to reach, that of getting out of the helicopter subsidy. The New York helicopter operation has been taken over by Pan American Airways, and the Los Angeles operation was given some funds to continue until January 1. A proposal is pending by which American Airlines or some other airline would take over the Los Angeles operation. It would seem to me that we ought to give the same treatment to the Chicago operation, which was having a tougher time than the other two operations.

They are all having a hard time. However, the situation with reference to the Chicago operation was even worse than that of the others. We would have to take this proposal to conference.

The House was adamant. I should be glad to accept the amendment, if the Senator from Colorado would.

Mr. ALLOTT. Mr. President, I have no reluctance to accepting the amendment. However, I would not want to do so with any idea that it will be easy to sustain. We have had very much trouble with these matters for the last 5 years in conference with the House. With that understanding, I have no objection to taking the amendment to conference. However, it will be a very difficult matter.

Mr. MAGNUSON. Mr. President, I yield to the Senator from Illinois.

Mr. DOUGLAS. Mr. President, I support the amendment which the Senator from California has offered to provide for an interim subsidy to maintain the helicopter system in Chicago. It is very generous of him in view of the fact that the helicopter service for Los Angeles was continued, but it was not continued for Chicago.

It is characteristic of the fairness of the Senator from California to try to help us in this matter. I believe that sometimes the difficulties of life in a huge metropolitan area are not fully considered.

We do have subsidized feeder lines running generally from north to south. Fortunately the transcontinental airlines from east to west, although formerly subsidized, are not now subsidized.

This goes on year after year. There seems to be a great reluctance in connection with the subsidization of helicopters, which are feeder lines within a metropolitan area. The problem is becoming increasingly serious with the development of jet transports, because the airports are being moved farther and farther out from the center of the cities.

Our O'Hare Airport is perhaps 15 miles from the city. We need feeder service to get from the city to the airport. We do need feeder service to get from the airport to the city. If our second airport, the old Midway Airport, were to be revived, which we hope it will be, we would have an added distance between our two airports. The helicopter service would be a natural facility in such an event. If, in the meantime, the service has been discontinued—which I am afraid it will be—we would have nothing to fall back upon.

Our metropolitan area is about as large as that of Los Angeles. Cook County itself has 5¼ million people. We have another 1 million or 1¼ million people in the counties immediately ringing Cook County.

I support the amendment offered by the distinguished Senator from California. I thank him and say that I hope very much that the amendment will be agreed to and taken to conference and that, whatever designs the House committee may have on this particular feature, I hope that the Senate conferees will be able to prevent them from committing mayhem.

Mr. HARTKE. Mr. President, I support the amendment offered by the Senator from California [Mr. KUCHEL], on behalf of himself and the Senator from Illinois [Mr. DIRKSEN], to include an appropriation of $385,000 in subsidy for Chicago Helicopter Airways. Such a sum is needed to allow them to phase out subsidy operations by January 1, 1966. The case is exactly parallel to that of Los Angeles Airways, and there is just as much needed for the interim 6-month assistance for Chicago as for that approved by the committee for the California operation.

Chicago Helicopter Airways has for quite some time operated a service to Gary, Ind., including mail service. But it is not this part of the operation which is involved in the need for a continuing subsidy. The need arises in good part out of the lapse of operations at Midway Airport, which is beginning again this year to receive air passengers after a 2-year period of having had no passengers whatsoever. As the traffic at Midway goes up in the next 5 years to an estimated 8,820,000 passengers or 30 percent of the Chicago total, the traffic by Chicago Helicopter Airways between O'Hare and Midway will again become a major vital part of its operations.

By early 1966 it is expected that the 1965 Midway total of only 1 percent of Chicago air traffic will be increased, so that the total for next year will be 15 percent. Half of the 3 million passengers expected at Midway will be connecting passengers, while in New York connecting passengers form only less than 25 percent of total traffic and in Los Angeles less than a third. Of the 1,500,000 1966 Midway connecting passengers, experience shows that about half or 750,000 will have to connect with flights at O'Hare. If Chicago's helicopter service should carry a third of these, its 1965 interairport traffic will be about the same as the number of passengers actually carried in 1960 before the Midway operations began phasing out. It is estimated that the 1967 Midway traffic will approach 6 million in 1967 and that by 1970 there will be 8,820,000 passengers through Midway, or 30 percent of the total Chicago traffic. But until early 1966, the very meager use of Midway reduces the opportunity of the helicopter service to be self-supporting. At the same time, its healthy maintenance is needed for the future of Chicago's air developments. Congestion at O'Hare is increasing, and the helicopters are essential for moving transfer traffic between the two airports in the future.

So, Mr. President, I agree with the proposed amendment to this bill to provide the $385,000 of interim assistance for the next 6 months. This is far less than the $758,000 approved by the committee for Los Angeles and scarcely more than half of the $775,000 requested by the CAB for the Chicago service. I might add that no reason is stated by the committee for its failure to recommend this appropriation, even though the Bureau of the Budget recommended slightly more than the $385,000 now asked.

The O'Hare congestion is obvious when it is noted that in 1965 that single airport will handle as many passengers as will use the three airports serving New York. Revival of Midway is necessary, and its revival will eliminate the subsidy need. But for the next 6 months that need is not yet obviated. I hope the wisdom of this move will be apparent to the Senate, and that the amendment will be adopted.

HELICOPTER SUBSIDY TO BE TERMINATED—AT LONG LAST

Mr. PROXMIRE. Mr. President, for a number of years, a few colleagues and I have repeatedly pointed to the inequities involved in Federal helicopter subsidies. Now it seems the subsidies will, at long last, be terminated.

More than 10 years ago the subsidies began, ostensibly to serve as temporary aid to an infant industry and as financial support for an experiment in a new form of urban transportation. As the years rolled on the infant industry passed through adolescence to maturity, still demanding to be coddled by Congress and nursed by the taxpayer. Every year new stories were told of the great public benefits being derived from the subsidies. Every year new excuses were invented to explain why the helicopter lines were still not solvent. Every year solemn promises were made that in just 1 more year profits would start appearing. Every year, acting under the influence of what the distinguished senior Senator from Georgia once called some form of hypnosis, Congress accepted the stories, excuses, and promises. The taxpayer was made to shell out a total of over $50 million for the subsidies.

Now, in crystal-clear language, the Senate Appropriations Committee has recommended termination of the subsidies during this fiscal year. No funds are recommended for subsidies in New York or Chicago. A phaseout subsidy of $785,000 is recommended for the Los Angeles operation. The fact that it is the final helicopter subsidy to be paid under this program is mighty good news.

The PRESIDING OFFICER. The question is on agreeing to the amend-

ment of the Senator from California [Mr. KUCHEL].

The amendment was agreed to.

Mr. KUCHEL. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

Mr. PROXMIRE obtained the floor.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that I may yield to the Senator from Colorado [Mr. ALLOTT] without losing the floor.

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

Mr. ALLOTT. Mr. President, I send to the desk several amendments which I ask unanimous consent to have considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendments will be read.

The legislative clerk read as follows:

It is proposed, on page 19, line 8, to strike out the figure and insert in lieu thereof "$178,684,000".

On page 21, after line 12, it is proposed to insert: "Post Office building, Lincoln, Nebraska, $2,902,000".

On page 22, line 24, to strike out the numeral and insert in lieu thereof "$18,611,000".

The PRESIDING OFFICER. The question is on agreeing to the amendments en bloc.

The amendments en bloc were agreed to.

Mr. MAGNUSON. Mr. President——

The PRESIDING OFFICER. The Senator from Wisconsin has the floor.

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

Mr. PROXMIRE. I yield, without losing the floor.

Mr. MAGNUSON. I think the record ought to show, on these two items, that they are items which stood out in priority more than any other places where such buildings were needed. The record should also show that we spend, on the average over the years, from $170 to $190 million on public buildings, Federal courthouses, and post offices, and public buildings for the whole of the United States.

This figure of $170 to $190 million, depending on the year, is probably lower, percentagewise, in comparison to the size of the country and the size of our national budget, than in any other country of the world.

There are many places where there are Federal buildings, some of which are old and almost antique. Some of them are merely leased. We do not save money by paying rent. We can amortize the cost of the building in 15, 20, or 25 years, and those buildings are constructed to last long periods of time.

So, in urging these two items, we are not doing a great deal for the public building program of the United States. There is a criterion which the General Services Administration uses. It applies certain priorities. Those priorities do not come to the Senate because a certain Senator may live there or because it happens to be someone's hometown or home State. The General Services Administration has pretty well established criteria that are applied to buildings all over the United States. Those who need them must stand in line and wait.

The Senator from Colorado [Mr. ALLOTT] and I and the distinguished chairman of the House committee never even know what buildings are going to be stated in that year's priority until the Bureau of the Budget acts upon the matter. Once in a while we have to add to it, and sometimes we cut some of it, but, generally speaking, that is the procedure. We accept that procedure, because otherwise we would have to come back to Congress and try to establish priorities, on the basis of Senator to Senator, and all the remaining problems that would arise. So we pretty much leave it to what we think is a very objective way in which the General Services Administration establishes the priorities.

I am never embarrassed, and neither is the Senator from Colorado or the Senator from Massachusetts, when, in this process, one happens to turn up in our States, when it is not due to anything we have done. It is merely due to the fact that the criteria fitted the proposal. The building was needed, and we could save money in the long run.

Mr. YARBOROUGH. Mr. President, will the Senator from Wisconsin yield?

Mr. PROXMIRE. Mr. President, I shall be glad to yield to the Senator from Texas, but there have been Senators who have waited on the floor until I could call up my amendment to reduce the NASA appropriation. Consequently, I shall yield once more to the distinguished Senator from Texas, and then I shall have to offer my amendment.

Mr. JAVITS. Mr. President, will the Senator yield briefly to me?

Mr. PROXMIRE. Yes.

Mr. YARBOROUGH. Mr. President, while the distinguished Senator from Washington [Mr. MAGNUSON] is speaking on the floor on the matter of buildings, I wonder if the distinguished chairman of the subcommittee would give me his consideration for a moment.

Mr. MAGNUSON. I did not hear the Senator.

Mr. YARBOROUGH. While the Senator is talking about the matter of public buildings, I congratulate the distinguished Senator from Washington, chairman of the Independent Offices Appropriations Subcommittee, for the inclusion in this bill of the funds for building the Dallas Federal Center. I doubt that there is any more needed or justified Federal office building project in the country than this one in Dallas. It has been delayed over 10 years in getting the construction started—it was authorized by Public Law 419 in 1954—while the Government is paying $1,375,000 in rent each year for the agencies that need the space. The building will pay for itself in a very short while—it has an amortization period of only 12 years.

The chairman heard extensive testimony on this building during his hearings. I wish to ask the distinguished Senator if during those hearings he heard any meritorious reason why the Dallas Federal Building should not be constructed now.

Mr. MAGNUSON. I heard of no valid reason why it should not be constructed. It should have been constructed 5, 6, or 7 years ago. It was in the priority criteria. The Senator from Texas knows there were some other factors involved, but if there ever was a building needed, it is the one in Dallas, and if there has ever been a place where we can save money, where we are renting all over the place, it is in that city. We intend to try to prevail, and we will try to keep it in the bill.

Mr. YARBOROUGH. I thank the Senator. It is in the budget. It was taken out by the House. The Senate committee put it back in. I wanted to bring up this colloquy because of the preceding colloquy in which the Senator had mentioned priorities. The building in Dallas certainly meets those priorities and criteria and requirements for construction. Does it not?

Mr. MAGNUSON. It meets every criterion, and has for a long time. The need is growing greater and greater. I hope the item can be kept in the bill.

Mr. YARBOROUGH. I thank the Senator for the very carefully conducted hearings.

Mr. MAGNUSON. The Senator from Texas has been trying so long and so diligently that, if for no other reason, I would like to keep this item in the bill so he can get to some other business.

Mr. YARBOROUGH. I also wish to thank the Senator for the San Antonio building authorization. This VA hospital is badly needed for San Antonio and indeed for all of south Texas. It will be located adjacent to the new south Texas medical school which is now being constructed in San Antonio, and with this affiliation, should provide top quality medical service. I have worked for this hospital now for 8 years, all my years in the Senate, and I am very gratified that the appropriation for this hospital will now be made and that this hospital, which has been a dream for so long, will soon become a reality.

Mr. PROXMIRE. Mr. President, I yield now to the Senator from New York.

THE HELICOPTER SUBSIDY

Mr. JAVITS. Mr. President, the helicopter subsidy was just discussed in some detail. I was necessarily absent, attending a hearing by the Judiciary Committee on the nomination of Judge Coleman. I should like to state why no amendment was moved to bring the New York Airways operations into the helicopter subsidy, as was done on the floor in regard to the amendment with respect to the Chicago lines. As the Chairman knows, Pan American Airways and Trans World Airlines have entered an agreement approved by the CAB on June 25, to provide funds for New York Airways.

I am pleased to say this because it indicates positive results from an initiative made in order to work out our situation in New York, if it could be done. The New York Airways, which operates the service, will now be party to a contract with Pan American and with TWA with respect to continued operation of the helicopter service. According to the CAB order of June 25, that contract is

conditioned upon the fact operations shall not be eligible for any claim for subsidy under section 406 of the Federal Aviation Act.

I ask unanimous consent that the CAB order of June 25 together with a letter from the CAB addressed to me in response to questions raised about the order may be made a part of my remarks.

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

ORDER NO. E-22359 OF THE U.S. CIVIL AERONAUTICS BOARD

(Adopted by the Civil Aeronautics Board at its office in Washington, D.C., on the 25th day of June 1965. Petition of New York Airways, Inc., Pan American World Airways, Inc., and Trans World Airlines, Inc., for disclaimer of jurisdiction under or exemption from section 408 of the Federal Aviation Act of 1958, as amended, docket No. 16216; petition of New York Airways, Inc., for an order to show cause, docket No. 15661; agreements filed pursuant to section 412(a) of the Federal Aviation Act of 1958, as amended, between New York Airways, Inc., and Pan American World Airways, Inc., and Trans World Airlines, Inc., agreements CAB 17221-A13, 18376.)

ORDER GRANTING EXEMPTIONS, APPROVALS, AND CONSOLIDATION

There is before us an application filed by New York Airways, Inc. (NYA), Pan American World Airways, Inc. (Pan American) and Trans World Airlines, Inc. (TWA), requesting a disclaimer of jurisdiction or in the alternative, as exemption from the requirements of section 408 of the act with respect to certain agreements between the carriers. In addition, the carriers have filed agreements, more fully described below, for approval pursuant to section 412 of the act.[1] These are designated as agreements CAB Nos. 17221-A13 and 18376.

The agreements now before us provide as follows: Pan American and TWA will lend a total of $1,035,000 to NYA; Pan American to furnish $635,000, and TWA $400,000. Assuming that the various financial measures are consummated, NYA's debt structure would be as follows:

	Principal amount	Percent of total
The Chase Manhattan Bank (5¾-percent note)	$1,278,092	37.80
6-percent convertible subordinated debentures due June 1, 1979	903,600	26.72
PAA (5¾-percent note due Dec. 31, 1966)	635,000	18.77
TWA (5¾-percent note due Dec. 31, 1966)	400,000	11.83
Stockholders (5¾-percent notes due Dec. 31, 1966)	165,000	4.88
Total	3,381,692	100.00

[1] The original filings in this docket were made by NYA and Pan American and requested Board action with respect to earlier versions of the subject agreements. There is no necessity to discuss the provisions of these earlier versions of the subject agreements, and we will limit our discussion to the final agreements between the parties. Comments to the original filings were made by Delta Air Lines, Inc., Trans Caribbean Airways, Inc., and United Air Lines, Inc. These carriers did not oppose favorable Board action on the agreements but did question the wisdom of exempting Pan American from the provisions of section 408 of the act in order to permit the carrier to acquire control of NYA. These carriers urged that the Board insure NYA's continued independent and impartial status as an air carrier.

Pan American and TWA will acquire certain options to purchase a specific number of shares of NYA stock and if exercised, the carriers' equity positions in NYA would be as follows:

[In percent]

	Total authorized shares (a)	Issued and outstanding (b)
PAA	19.43	24.69
TWA	12.24	15.56

However, it is agreed that TWA may acquire additional stock or stock options so that its total ownership of stock and options will equal Pan American's stock interest in NYA.

Pan American and TWA also have agreed to underwrite certain NYA operations. Under the NYA-TWA agreement NYA shall continue to provide regularly scheduled common-carrier helicopter service at the approximate level it provided as of June 11, 1965, with its four Vertol 107 helicopters. Such service shall operate between Newark, Wall Street, and Kennedy and LaGuardia Airports. The level of service can be increased or decreased, but all such changes must be agreed upon by TWA and NYA. Current fares shall continue in effect and NYA must consult TWA before filing any tariff revisions. NYA has agreed to serve the LaGuardia and Kennedy Airports through TWA's terminal facilities at each airport.

TWA agrees to provide financial support for these operations pursuant to an arrangement under which NYA will be enabled to break even without Federal subsidy, if it maintains its historic cost level. At such time as the NYA operations supported by TWA begin to realize more than an 8-percent return on the investment devoted to such operations, NYA would be obliged to pay TWA that portion of the standard NYA fare which TWA had absorbed as part of any joint fare. In addition, the parties agree to use their best efforts to reduce NYA's operating costs and promote helicopter travel.

The term of the agreement is for 1 year from its effective date with provision for two additional 1-year periods at the option of TWA. The agreement also provides that NYA will not for a period of 1 year after the effective date of the agreement institute any service directly competitive with the operations which TWA is underwriting between Newark, Kennedy, and LaGuardia Airports and Wall Street Heliport or between such points as Westchester County and the New York-Fairfield County, Conn., area. However, service to or from the Pan American Building Heliport or West 30th Street Heliport or Teterboro Airport (other than Newark, Kennedy via West 30th Street) shall not be deemed directly competitive. If after the expiration of the 12-month period NYA institutes any directly competitive service, the maximum net cost per flight hour to TWA under this agreement shall be reduced to no more than the actual net cost to TWA experienced during the next preceding 2 calendar months.

The Pan American-NYA agreement submitted for our consideration is an amendment to the operating and lease agreement previously the subject of Board action.[2] Pan American will acquire a total of three Vertol 107 helicopters and will lease such helicopters to NYA. In effect, the operations contemplated are those within the scope of the operating and lease agreement as more fully described in Order E-20380, except that NYA is not required to provide services competitive with those supported by TWA or services to the Westchester-Fairfield County area. The primary focus of these operations appears to be services between the heliport on the Pan American building and Pan American's terminal at Kennedy Airport.

[2] Agreement CAB No. 17221-A8; Order E-20380, January 21, 1964.

The financial support to be provided by Pan American will cover NYA's fully allocated costs, the same provision as appears in the TWA-NYA agreement limits Pan American's support if NYA realizes greater than an 8-percent return on investment. In addition, as in the NYA-TWA agreement Pan American's support is limited if NYA institutes services competitive with those supported by Pan American.

The request for a disclaimer of jurisdiction will be disposed of first.[3] The financial and support agreements, at the very least, establish a prima facie case of control within the meaning of section 408 of the act. TWA's and Pan American's power to make day-to-day operational decisions relating to NYA's operations, as well as the financial interests they will have in NYA, do not permit us to grant the request for a disclaimer of jurisdiction.[4] Consequently, the request for a disclaimer of jurisdiction must be denied and the agreements disposed of on their merits.

We are asked to permit two direct air carriers to acquire control of another direct air carrier without following the hearing requirement of section 408 of the act. Normally we would summarily deny such relief. However, the petition comes before us in the context of an extraordinary situation. The Board has heretofore discussed the need for continued helicopter service in the light of increasingly restrictive congressional actions with respect to subsidy support for these carriers.[5] Since the date of these orders, subsidy funds ran out and Congress failed to appropriate money to continue subsidy payments for the period from April 12, 1965, to the end of fiscal 1965.[6] Thereafter, a motion to include an appropriation of $2,100,000 for subsidy payments during fiscal 1966 was defeated in the House.[7]

From the pleadings before us it is apparent that the cutoff in subsidy payments has placed the future of NYA's service in jeopardy. For example, the May 27, 1965, agreement provided for the temporary advance to NYA of $120,000 to meet payroll and other immediate obligations. NYA's requirement for financial support is demonstrated by the fact that for calendar years 1962-64, the carrier's operations, each year, resulted either in a slight operating profit or substantial losses despite a total subsidy payment for the 3 years of $6,072,070. In short, it is clear that without some type of immediate

[3] All interested carriers were informally contacted and requested to file their comments, if any, by June 21, 1965. To date no filings have been received.

[4] In fact, the nature of the operational relationships is such that there is serious question whether Pan American and TWA will not be engaged in air transportation within the meaning of section 401 of the act. See Order E-20380, page 6. We recognize that there may be a distinction between the Pan American and TWA participation which could lead to a different decision on this jurisdictional point. However, there is no need to resolve the difficult issues presented herein as we will grant exemptions to both carriers.

[5] Orders E-21798, E-21799, and E-21800, Feb. 16, 1965.

[6] H.R. 7091, Apr. 29, 1965, CONGRESSIONAL RECORD 8861-8867 and 8989-8993.

[7] H.R. 7997, CONGRESSIONAL RECORD 10152-10169.

support and financial assistance program, NYA may be forced to suspend operations at an early date.

Under all these circumstances we believe that we are presented with an exceptional situation and one in which the balance of public interest considerations warrant the granting of a temporary exemption from section 408. We are cognizant of the substantial regulatory problems raised by the instant control relationships and the strictures of section 408 of the act. However, we deem it significant that the relative positions of TWA and Pan American in NYA will be such as to prevent either of them from dominating the affairs of NYA and the TWA agreement will permit a continuation of NYA's scheduled service at the June 11, 1965, level. Realistically the choice appears to be either the grant of some measure of relief or the demise of NYA as an operating entity. Viewed in these terms we are convinced that we must allow implementation of a program which holds some promise of affording NYA an opportunity to develop a viable operation, while preserving the opportunity for ourselves to give the arrangements the type of close examination contemplated by section 408 of the act.

To accomplish the foregoing we have decided to grant the requested relief on an interim basis and also to expand the pending proceedings in docket 15661 to include the issue of whether the subject agreements should be approved under sections 408 and 412 for the full term of the agreements and if so whether any conditions should be attached to our approval.[8] Although this represents a departure from our customary procedures under section 408 of the act, this is not the first time, in face of an acute emergency situation, that we have granted relief pendente lite, a full evidentiary proceeding.[9] It should be emphasized however that such action has been taken only in the most unusual circumstances such as here where the cessation of the services afforded the public by a certificated carrier is at stake.

As is clear from the foregoing discussion, we would not even seriously consider granting the requested relief if NYA was still receiving subsidy support sufficient to assure continued meaningful operations. Therefore, we shall condition our actions herein so as to preclude the payment of any subsidy for operations conducted pursuant to the agreements now before us.

From the foregoing we find and conclude that the agreements are not adverse to the public interest or in violation of the act, and that they should be temporarily approved pursuant to section 412(b) of the act subject to the conditions set forth below. We find that the matters set forth in the original and amended petitions and the documents appended thereto establish that enforcement of the provisions of sections 401 and 408 of the act would be an undue burden upon the carriers by reason of the unusual circumstances affecting their operations and would not be in the public interest. In reaching this conclusion we have taken into account that no other carrier has alleged that it would be adversely affected by our action and that to require a hearing under sections 401 and 408, at this time would vitiate the agreements, and perhaps, result in the demise of NYA.[10] Of course, our action herein is for interim purposes only, to permit temporary relief in an emergency situation, and is without prejudice to the full exercise of the Board's powers under sections 408 and 412 to take whatever action it may deem to be in the public interest after a hearing has been held on the question of approving the agreements.

Accordingly, it is ordered:

1. That agreements CAB Nos. 17721–A13, and 18376 be and they hereby are temporarily approved under section 412 of the act; provided that:

(a) Such approval is not to be deemed a determination as to the reasonableness of the terms of the agreement for ratemaking purposes; and

(b) Operations conducted pursuant to said agreements shall not be eligible nor form the basis of any claim for subsidy under section 406 of the act;

2. That Pan American and TWA be and they hereby are temporarily exempted from the provisions of sections 401 and 408 of the act to the extent necessary to implement the agreements described above;

3. That the authority and approval granted herein shall be effective on the date of this order and shall continue until final decision of the issues raised by docket No. 16216 and agreements CAB 17221–A13 and 18376;

4. That the agreements filed in docket No. 16216 be and they hereby are consolidated into docket No. 15661 and that the proceeding pending in such docket include the issues whether such agreements should be approved under sections 408 and 412 of the act for their full term and if so whether any conditions should be attached to such approval and also whether relief from section 401 of the act is required and if so, should be granted if the agreements are approved;

5. That Pan American and TWA be and they hereby are made parties to the proceedings in docket No. 15661; and

6. That jurisdiction of the Board be retained over this proceeding for the purpose of reviewing at any time the approval and exemptions granted herein and for imposing from time to time such further terms and conditions on said approval and exemptions as the Board may find to be just and reasonable; and

7. That to the extent not granted, the relief sought by the carriers be and it hereby is denied.

By the Civil Aeronautics Board:

HAROLD R. SANDERSON,
Secretary.

CIVIL AERONAUTICS BOARD,
Washington, D.C., July 9, 1965.

Hon. JACOB K. JAVITS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR JAVITS: Certain questions have been posed by your office concerning the effect of the temporary approval of the agreements between Pan American World Airways, Inc., Trans World Airlines, Inc., and New York Airways, Inc., in Board Order E–22359, June 25, 1965. The questions and answers we are able to provide at this time are as follows:

Question. If subsidy is appropriated for payment to New York Airways by the Congress (on the same basis as the proposed appropriation to Los Angeles Airways) would Order E–22359 preclude the payment of any subsidy to support the operations covered by the agreements which were the subject of that order?

Answer. Ordering paragraph 1(b) of Order E–22359, which grants temporary approval of the agreements between New York Airways, Trans World Airlines, and Pan American World Airways, reads as follows: "Operations conducted pursuant to said agreements shall not be eligible nor form the basis of any claim for subsidy under section 406 of the act." Under this paragraph New York Airways cannot receive any subsidy for the operations conducted pursuant to those agreements.

Question. Are there operations conducted by New York Airways other than those which are the subject of the agreements, temporarily approved by Order E–22359, which would not be subject to the condition contained in paragraph 1(b) of that order?

Answer. New York Airways conducts no other operations at this time.

Question. If subsidy is appropriated by the Congress and if it were paid by the Board would the agreement terminate by its terms or would the Board take action to terminate the agreement?

Answer. There is no provision in the agreement calling for its termination if subsidy were available or paid to New York Airways. We cannot determine at this time whether the Board or the carriers would take any action with respect to the agreements if Congress appropriated subsidy funds for New York Airways.

Question. If subsidy were appropriated by the Congress would the Board have to pay subsidy to New York Airways?

Answer. On the basis of the current scope of New York Airways operations, and paragraph 1(b) of Order E–22359, no subsidy would have to or could be paid to New York Airways. Although it is possible for New York Airways to institute services to other points, not now served, and to which it is certificated, and which are outside the scope of the agreements, the Board would not be automatically required to pay subsidy for such operations.

I trust that this letter satisfactorily answers your questions concerning the meaning of Order E–22359.

Sincerely yours,

JOHN W. DREGGE,
Director, Community and Congressional Relations.

Mr. JAVITS. In the conclusion of the CAB letter there is a statement as to the New York Airways operation, and the subsidy program to the effect:

On the basis of the current scope of operations and paragraph 1(b) of Order E–22359, no subsidy would have to be or could be paid to New York Airways.

I hope very much that this matter will work out for New York. It may, indeed, be some indication of how the situation will be worked out for other communities. I hope very much, too, that some of our communities will take heart from this fine effort, and that Congress will consider that the program funds for helicopter subsidies were well spent.

Let me say that I cannot fail to hear about the operations in South Vietnam, which so heavily involve the safety of our personnel in helicopters, without being thankful that with the strong right arms of the Senator from Oklahoma [Mr. MONRONEY], the Senator from Colorado, [Mr. ALLOTT], the Senator from Washington [Mr. MAGNUSON], and other Senators, we were able for such a relatively long period of time to keep the services operating, in order to learn

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[8] We also wish considered in that proceeding whether or not TWA and/or Pan American will require authority under sec. 401 of the act, or an exemption from such provisions in order to fulfill the agreements.

[9] See for example, Order E–17811, Dec. 8, 1961, affirmed *National Airlines, Inc., et al.* v. *CAB*, 306 F. 2d, 753 (CADC), 1962. Orders E–16803, May 12, 1961, and E–21992, April 5, 1965.

[10] In addition, the Board will expect that during the interim period, the schedules of NYA serving the TWA terminals will give due regard to the needs of all passengers employing the service, and not merely the needs of TWA passengers.

everything that could be learned about helicopters in the course of operation. I believe that New York is certainly evidencing its good faith in this regard by endeavoring to find some way to keep these services going without a subsidy.

FLIGHT SERVICE STATIONS

Mr. President, one other observation, I should like to compliment the committee on the provision made with respect to the so-called flight service stations operated by the Federal Aviation Agency.

The Agency is admonished to carefully study any proposed closing to assure that the needs of general aviation are fully protected. The committee will hold the Agency to the assurances given by the Administrator during our hearings, and will expect both the committee and the Congress to be informed of the Agency's plans in this matter, and of any cost savings expected if closures are proposed.

This is a constructive provision. It will result in close committee scrutiny of the FAA plans concerning these facilities and in avoiding much in the way of improvident closings.

I invite attention to a review of the announced closings of 42 flight service stations undertaken at my request by the Comptroller General in late 1964 which indicated that there were some major factors not considered in the closing of certain of these stations, and that efforts in meeting local aviation weather observation and service needs must be exercised in this regard.

Mr. President, I ask unanimous consent to have printed in the RECORD the forwarding letter from the review of the FAA's proposal to consolidate certain flight service stations, prepared by the Comptroller General.

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

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, D.C., September 16, 1964.

DEAR SENATOR JAVITS: Our review of the Federal Aviation Agency's proposal to consolidate certain flight service stations disclosed that the Agency did not fully consider the effect of the closing on the weather observation system of the United States before reaching a decision to close the stations. Also, the Agency did not determine, before it proposed to close the stations, whether the part-time facilities to be established would be able to provide the necessary services at the locations to be consolidated or reach a decision on the type of remote control equipment to be used at the closed stations. As a result of these and other matters, we are unable to express an opinion as to the reasonableness of the savings that FAA estimates will be realized from the closing of the flight service stations.

The Federal Aviation Agency has stated that technical advances in communications and in the air traffic control system made the consolidation possible and that the services now rendered by the flight service stations could be provided in a more efficient and economical manner. The flight service stations now provide the aviation community with inflight and terminal services. The original consolidation plan for 42 stations, announced by the Agency on February 4, 1964, was to transfer the inflight functions to other locations by the use of remote control equipment and to discontinue the terminal services. Subsequent to this announcement the structure of the existing flight service station system was completely redesigned, and the Agency now anticipates closing 137 stations during fiscal years 1966 and 1967. The inflight functions of the stations to be closed will be transferred as originally planned. However, new plans have been devised to provide limited terminal services at the closed stations. The Agency has estimated that it will derive annual savings of about $6.2 million from the revised consolidation plan. Before any savings can be realized, however, the need for weather information at the closed stations must be resolved between the Federal Aviation Agency and the U.S. Weather Bureau.

For the original 42 stations selected to be closed, the Weather Bureau agreed to gather weather data, when or where needed, by other means. In the subsequent redesign of the flight service station system, however, the Federal Aviation Agency did not consult with the Weather Bureau to determine the need for weather observations at the stations selected to be closed, nor did it consider any additional costs that may be incurred by the Weather Bureau. Furthermore, the Federal Aviation Agency assumed that at some locations existing Weather Bureau stations would provide airmen with certain services that were previously provided by the flight service stations. We were advised by Weather Bureau officials that the redesign of the flight service station system might completely change the entire weather observation system in the United States. They informed us also that, until the Federal Aviation Agency advised them of the details of the redesigned system, it was impossible to determine what additional facilities or personnel the Weather Bureau would have to provide. They stated also that, because the structure of the system had been completely redesigned, the agreement reached on the consolidation of the 42 stations was no longer in effect.

We have summarized in this report data prepared by the Federal Aviation Agency as supplemented by information obtained during our discussions with Federal Aviation Agency and Weather Bureau officials. At the request of your staff, however, the contents of this report have not been transmitted to officials of either the Federal Aviation Agency or the Weather Bureau for their review and comment. Therefore, in any further use made of this report, recognition should be given to the possibility that additional pertinent information might have been obtained if formal agency comments had been requested. We plan to make no further distribution of this report unless copies are specifically requested, and then we will make distribution only after appropriate approval has been obtained or public announcement has been made concerning the contents of the report.

Sincerely yours,

JOSEPH CAMPBELL.

Mr. JAVITS. I am very grateful to the Senator for yielding to me.

Mr. PROXMIRE. Mr. President, I call up my amendment which is at the desk, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. The Senator from Wisconsin proposes an amendment, on page 37, line 17, to change the period to a comma and add, "and the aggregate amount of these appropriations so made is hereby reduced by a sum equal to 5 per centum of such aggregate amount."

Mr. PROXMIRE. Mr. President, I offer the amendment in behalf of the Senator from Pennsylvania [Mr. CLARK], the Senator from Oregon [Mr. MORSE], the Senator from Illinois [Mr. DOUGLAS], and myself.

Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. YOUNG of Ohio. Mr. President, will the Senator from Wisconsin yield to me briefly, without losing his right to the floor?

Mr. PROXMIRE. I am happy to yield to the Senator from Ohio, under those conditions.

Mr. YOUNG of Ohio. Mr. President, I shall, directly, after the Senator from Wisconsin has finished offering his amendment to the bill, request the yeas and nays on an amendment which I shall offer.

If this is out of order. I shall do so later.

The PRESIDING OFFICER (Mr. BASS in the chair). The Senator from Ohio cannot do this without unanimous consent, because his amendment is not now before the Senate.

Mr. YOUNG of Ohio. Mr. President, I ask for the yeas and nays.

Mr. MANSFIELD. Mr. President, I would have to object to that request, but on that basis if Senators will raise their hands——

Mr. ALLOTT. Mr. President, I will not object to the Senator having a yea-and-nay vote, but I will object to unanimous consent at this time.

The PRESIDING OFFICER. Objection is heard.

Mr. PROXMIRE. Mr. President, I know it is not a propitious time to find justification for the kind of reductions in the space program my amendment would provide because we have had such spectacular success in the last few weeks in space.

A few months ago, the Russians sent their astronaut walking in space, and then we followed with our astronaut walking outside the space capsule, as reported in millions of American homes. Our astronauts did a great job. They showed that there is a close and exciting competition going on between the Soviet Union and America.

We are also very much aware that within 48 hours we may be receiving pictures from Mars that may reveal far more about that planet than we have known in the past, with all the fascinating speculation and conclusions regarding the possibility of life on Mars, and whether its canals have been actually constructed by intelligent beings, or whether on Mars, whose atmosphere may be somewhat like our own, life may be possible in some form.

There is a great deal more to look forward to in the near future, such as rendezvous in space, and future moon landings. In a short time orbiting will be taking place on virtually a once-a-month basis.

We also know about the fantastic television coverage of space accomplishments. Everyone in America has been made aware of this from the networks, which have been on the air for many hours, reporting what is going on to the entire country.

I am not interested in stopping the space effort in any of its accomplish-

ments in space. We feel, however, that this is one program in which there has been a great deal of waste. We feel that it is a program which has been most generously funded for many years, that it is a program which can stand some reduction.

The reduction I am proposing in the amendment—which I believe to be a very modest reduction—should be considered a part of the continuing effort of Congress to keep Federal Government expenditures within reasonable bounds.

The amendment would reduce NASA appropriations by 5 percent, for a total of $260 million.

My amendment to reduce the NASA appropriations should be considered part of the continuing effort of Congress to keep Federal Government expenditures within reasonable bounds. The amendment would reduce NASA appropriations by 5 percent—by a total of approximately $260 million.

Adequate congressional control over expenditures of agencies such as NASA is extremely difficult. It may even be impossible with the congressional organization and procedures now existing. Proposals before the Joint Committee on Congressional Organization, such as those calling for creation of a Science Advisory Panel and a Budget Advisory Panel hold promise of much needed reform. For, without authoritative technical information provided from sources independent of the executive agencies and departments, individual Senators and Congressmen, and Congress as a whole, must accept as articles of faith the explanations and justifications for budget requests provided by the executive branch.

NASA is the prime example of an agency whose expenditures Congress has difficulty in controlling, let alone fully understanding. To say this is not to criticize NASA or its officials. It is, quite obviously, to criticize ourselves for failure to provide such reforms as I have just mentioned.

NASA has an able Chief Administrator. Naturally, and properly, and with notable success, he has sought to attract the best scientists and administrators in the Nation to NASA. Like all officials worth their salt, they believe in the objectives of their agency. They have sought from Congress funds sufficient to meet those objectives without concern for either project costs or total agency expenditures.

My amendment is based upon two contentions. First, that certain project costs within the NASA program could be reduced. Second, that expenditures for space activities are consuming too great a proportion of our national resources—and by resources I mean monetary, material, and manpower resources.

Mr. President, I ask unanimous consent to have printed at the conclusion of my remarks two articles critical of NASA's use of funds. The first of these articles is written by Prof. Frank Drake, associate professor of astronomy at Cornell University and a member of the Astronomical Facilities Panel of the National Academy of Sciences Committee on Science and Public Policy. Previously he was head of telescope operations at the National Radio Astronomy Observatory at Green Banks, W. Va., and chief of the lunar and planetary sciences section of the Jet Propulsion Laboratory at the California Institute of Technology. Professor Drake's article was published in the January 2, 1965, issue of Saturday Review magazine.

Mr. President, I suppose there is no place in the country where more NASA research money has been expended than in the California Institute of Technology, so that Professor Drake has had ample opportunity to witness firsthand, on a practical basis, how the space program has been operating.

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

(See exhibit 1.)

Mr. YARBOROUGH. Mr. President, will the Senator from Wisconsin yield?

Mr. PROXMIRE. I am glad to yield to the Senator from Texas.

Mr. YARBOROUGH. The Senator from Wisconsin has just mentioned the moneys spent in research by NASA. Was the distinguished Senator in the Chamber a few days ago when we were voting on the Long amendment to the NASA authorization bill, in which we attempted to protect the rights of the people of the United States to patents for discoveries which were made by NASA research?

Mr. PROXMIRE. Yes, indeed; the Senator from Wisconsin was very happy to see the excellent fight made by the Senator from Texas and the Senator from Louisiana, to provide that the public would have the rights for which they are paying protected in the future. I was disappointed that the amendment was defeated.

Mr. YARBOROUGH. What was the position of the NASA officials while this fight was going on?

Mr. PROXMIRE. The Senator from Texas, I am sure, can enlighten the Senate far better than can the Senator from Wisconsin.

Mr. YARBOROUGH. NASA was fighting against protection for these people.

Mr. PROXMIRE. The Senator is correct.

Mr. YARBOROUGH. NASA fought the Long amendment. The NASA leaders and officials did not want the people of the United States to have the benefits of these discoveries that were found and made with the people's money. They made a strong fight against the Long amendment. As a result, I think there were only 24 votes in favor of the Long amendment, because NASA fought the research money that the Senator is talking about. They are using $4 billion of the pepole's money in one item alone. NASA used every means it could to defeat the Long amendment, to keep the people of the United States from benefiting from these discoveries.

Mr. PROXMIRE. The Senator from Texas is making an excellent point. The argument is that Congress is appropriating under the bill an enormous amount for research—$4.5 billion—and that is more than 90 percent of the bill. It seems time, as the Senator has pointed out, to protect the taxpayers in the rights which every investor would insist on under similar circumstances.

I thank the Senator for making this appropriate point.

Mr. YARBOROUGH. I am in favor of this research, but I believe that those who are in charge of research owe a high duty to see to it that the rights of the taxpayers are protected. They should be the last people lobbying to give away the rights of the people. They should have been working to protect those rights. Instead, they were on the other side. The leaders of NASA showed a lack of public consciousness when they failed to fight for the protection of the people of the United States.

Mr. PROXMIRE. I thank the distinguished Senator from Texas.

Mr. President, Professor Drake describes NASA's overemphasis on space hardware and underemphasis on earth receiving stations has led to inefficiencies in the planetary probe programs. As I said on Wednesday, within a very short time the Mariner space vehicle will fly past Mars and, we hope, transmit information to receiving stations on Earth. Unfortunately, as Professor Drake points out, little effort has been devoted to developing adequate receiving stations. For relatively little money and effort, vastly more efficient receiving stations can be built. Such receiving stations would enable much more information to be received than is now possible from a space probe vehicle of a given cost.

The second of these articles is from U.S. News & World Report of November 23, 1964. It deals with the controversial and by now well-known, proposed NASA Electronics Research Laboratory to be built in Boston. NASA wishes to spend many millions of dollars—the estimates range as high as $40 million—to locate the Laboratory within walking distance of the Massachusetts Institute of Technology, rather than on a site several miles from MIT already owned by the Federal Government.

Mr. President, by reducing the total funds available to NASA, my amendment would compel the agency to pay much more attention to the costs of individual projects. It would compel the agency to design projects capable of achieving adequate results at lowered costs. My amendment is of the kind often called an economy amendment. Ernest S. Griffith, formerly Director of the Legislative Reference Service and author of the excellent and widely read book, "Congress: Its Contemporary Role," has said, concerning this type of amendment:

> The fact of the matter is that it is good for an agency to go through this type of wringer occasionally, provided it is not repeated too often and does not go too far.

Mr. President, this is one of the few agencies of Government that has not gone through the so-called wringer. In the first years when the agency had appropriated to it $900 million and then $1 billion, and then it rose to $3 billion and to $5 billion, the Bureau of the Budget had to keep its hands off the appropriation. This is the only agency which was not reviewed by the Bureau of the Budget. Subsequently it has been

reviewed, but the Bureau of the Budget has not insisted on anything like the cuts it insists on for the Defense Department which the Defense Department has undergone at the hands of Secretary McNamara.

It is my understanding that he had been requested last year to ask for an appropriation of $65 billion, and he cut it back to $50 billion.

NASA never has been asked to make this kind of cut.

The purpose of my amendment is to put pressure on the agency so that it may become as efficient as it possibly can. This is the only way Congress can do it. It leaves the discretion up to the Administrator to make the cuts where they can be made most effectively.

Mr. Griffiths adds that such an amendment forces reexamination of agency policies "regardless of vested interests and sacred cows. What eventuates is likely to be more streamlined as well as more economical."

This is the aim of my amendment, Mr. President, to facilitate streamlining in NASA regardless of vested interests and sacred cows.

My second contention is that we are devoting too large a portion of our national resources and energies to such space adventures as putting a man on the moon. We are spending vast sums of money on space programs while economic and social needs go unfulfilled in our country—right here on earth. Enthusiasm has overcome our judgment, causing us to forget the advice given centuries ago by Euripides:

> Slight not what is near
> By aiming at what's far.

Last year over $5.25 billion was appropriated for NASA. This year the Agency has asked for $5.18 billion. The House has allowed $5.16 billion. The Senate Appropriations Committee is recommending $5.19 billion. Although it would be utopian to suggest that a large reduction in this amount is now feasible, a reduction of the magnitude I am proposing world enable greater effort in such areas as education, defense, and industry.

The drain on our manpower resources caused by NASA's activities is equally disturbing. Scientific and engineering personnel have been hired by NASA in such numbers that the reservoirs of skilled manpower available in defense, in industry, and in teaching have been drastically reduced. Some persons have predicted that before the end of this decade NASA will have acquired the services of a far larger proportion of American scientists. Already, for example, it is employing more than 10 times as many scientists as the number working in the National Institutes of Health on health and medical problems faced by those of our citizens who will remain here on earth.

It is the responsibility of Congress, and of Congress alone, to allocate national resources among national programs. The space program is getting too much of our Nation's resources. Other programs are getting too little. My amendment would reduce the amount of funds devoted to the space effort and enable greater emphasis on other programs.

It is not the responsibility of Congress to supervise in detail specific projects within the space effort. Such supervision is the responsibility of NASA's Administrator, for whom, as I have said, I have very high regard. My amendment would leave to the Administrator's discretion the allocation within NASA of the budget reduction.

We believe that too much money is now being spent on the space effort. We believe that greater efficiency and greater economy could be achieved within NASA.

The situation as it now stands can hardly be a source of comfort to those of us throughout our land who must pay the bill. Most of us would be proud to endorse a program of space exploration if the program is kept in the proper perspective and not allowed to impair other essential goals.

We believe that greater efficiency and economy can be achieved in NASA. The situation as it now stands can hardly be a source of pride to those who must pay the bill.

Most of us would be proud to endorse a program of space exploration if the program were kept in proper perspective and not allowed to impair other essential goals.

EQUITABLE DISTRIBUTION OF NASA RESEARCH FUNDS

Mr. President, there is an extremely important sentence in the committee report accompanying the independent offices appropriation bill. It concerns space research contracts awarded by the National Aeronautics and Space Administration. It reads:

> The committee favors an equitable distribution among the States in the awarding of grants and contracts for research.

Several weeks ago, during debate on the NASA authorization, I urged the inclusion of such language. At that time I indicated the unease of those of us from the Midwest over the fact that approximately 80 percent of NASA research contract dollars are spent in coastal States. I commend the senior Senator from Washington for his willingness to include in the committee report the sentence I have quoted.

There is evidently a tendency, on the part of some persons, to misconstrue the intent of this "geographical" provision. It is essential that NASA obtain the highest return possible for every dollar it spends. This conviction is the basis for the amendment I have introduced to reduce by 5 percent the amount the committee has recommended for NASA's operations during fiscal 1966. It is equally essential, however, that space research contracts not be awarded to certain institutions only because those institutions have received contracts in the past. When institutions in other areas of the Nation are equally able, or more able, to fulfill the contracts, every effort should be made to award contracts in these areas.

Furthermore, it is a fact of life that research contracts must be pursued. Contracts do not give themselves away to shy wallflowers. The mere condition that States and institutions desire contracts is not enough. Vigorous campaigns must be mounted to demonstrate beyond doubt that desire is backed up by both resources and ability.

EXHIBIT 1

[From Saturday Review, Jan. 2, 1965]

OUR WEAKNESS IN SPACE

(By Frank Drake)

The automatic spaceship Mariner 4 is well started on the way from Earth to Mars. If it hold to its present course, the ship will sail between the two planets, at a distance of 5,400 miles from the sourthern hemisphere of Mars, in mid-July 1965. If all the instruments aboard perform according to instruction, nine different scientific observations will be taken simultaneously. Eight of the nine will give simple "yes," "no," or "I count this many" answers to questions previously posed. These will affirm or deny what scientists already believe to be true about Mars. So all will add something to current understanding of Mars. But it is the ninth instrument that promises the greatest potential excitement of the Mariner 4 voyage. It is the only one possessed of great versatility in detection of the unexpected.

This ninth instrument has the function of the human eye. It is a TV camera. During the half hour of Mariner 4's closest approach to Mars, the TV eye will record what it sees for eventual transmission to Earth.

Readers of Saturday Review have studied in these pages some stunning examples of Ranger 7's brilliant TV picture-taking mission on the Moon last summer. In about 15 minutes—half the time allotted to Mariner 4's TV assignment—4,316 photographs were snapped and returned home. In the clearest of them objects only 3 feet in size were visible.

Now fair allowance must be made for the fact that Mariner 4 will snap its photos of Mars while passing thousands of miles from the surface of Mars, whereas Ranger 7 did its lunar picture-taking en route to a crash landing on the Moon. Furthermore, Mars will be 150 million miles away from Earth next July while the Moon was only 238,000 miles away from Earth when Ranger 7 landed. Nevertheless, it is disappointing to discover that the best we can expect from Mariner 4, with twice the exposure time of Ranger 7 is a total of 22 photographs, none intended to show any detail of the Martian scene sharper than details of the Moon's face now revealed in pictures taken through the strongest earthbound telescopes.

The prospect is especially frustrating because we now actually possess the practical means of obtaining pictures of Mars with clarity equal to that of the Ranger 7 pictures of the Moon.

Why aren't we going to get them?

The answer is that we lack a reasonable system of interplanetary expense accounting derived from the principle that the one meaningful purpose behind exploration of the space beyond our home planet is acquisition of knowledge.

Spending for design and construction of ever more powerful rockets for exploratory voyages makes sense only insofar as the rockets can gather proportionately more knowledge recoverable by man.

Our recent preoccupation with the Moon has obscured this fundamental truth. The Moon is so close to us that communication of data has never been a serious problem. Our signal transmission and reception devices are, in fact, capable of handling information that cannot yet be obtained from the Moon because our rockets are not yet sufficiently powerful. It would, for example, be possible to transmit consecutive TV pictures of the entire equatorial circumference of the Moon—if we had rockets with enough thrust

to enter the lunar neighborhood and then maneuver into orbit around the Moon in a plane suitable to the equatorial picture sequence.

As our spaceships venture farther from home, however, the situation changes. The same rocket that reaches the Moon can carry the same payload to Mars with only 9 percent more push. Though similar proportions might be expected to hold in the sending of news from the spaceship back to Earth, they actually do not. The messages weaken according to the square of the distance. Thus, when Mariner 4 passes Mars next July, the Mariner will be 570 times farther from Earth than Ranger 7 was when the Ranger met the Moon. But the radio signals from Mariner 4 at that point in space and time will, because of the inverse square law, be 325,000 times fainter than were the signals Ranger 7 sent from the Moon.

An obvious solution to this communication problem would be to step up the power of the radio transmitter aboard Mariner 4. However, the Mariner's present transmitter weighs 300 pounds and accounts for half the total weight of the spacecraft. Mariner's scientific instruments, on the other hand, weigh only 60 pounds. To make room for a radio big enough to compensate for the signal attenuation would be impossible—even a trivially modest increase in transmitter would require serious reduction or perhaps even abandonment of the observing devices, the source of the messages, the justification for the voyage.

An alternate solution to the communication problem can be explained by a close analogy. Suppose you are listening to someone speak in a language with which you are only mildly conversant. If sentences are rapidly rattled off, the slurring of the words, the hissing of the voice, the clickings of the tongue against the teeth, the redundant parts of speech all clutter the context of the message. But if the speaker enunciates each word slowly, the difficulty in understanding disappears.

The same phenomenon occurs in transmission of radio messages. The faster messages are sent, the larger grows the number of different wavelengths conveying them, and the more noise is introduced. When the rate of speed of transmission is reduced, the number of message carrying wavelengths is fewer, allowing the information content of the waves to stand out more clearly against the surrounding noise. In other words, the slower the data travels, the easier it is to read.

This technique of conveying information very slowly will be used in transmission of Mariner 4's TV pictures of Mars. Since there is no way to reduce the number of picture elements, or spots of light and shade, beyond a certain minimum without destroying the informative value of the picture. Mariner 4 will actually record 250,000 bits of data for each photograph. These bits will be put on magnetic tape at the rate of 10,700 per second. The record on the tape will later be played back to Earth at the rate of 8.33 bits per second, so that reproduction of each picture will occupy 8 hours and 20 minutes. If Mariner 4 were to transmit nothing but pictures (in reality, much other data also must be sent), the process would fill every available minute for more than 10 days.

All of this week-and-a-half's work could be packed into one photograph of quality comparable to that of the pictures Ranger 7 radioed from the Moon. But suppose that one photo turned out to cover a region of Mars outside the sunlit region, or covered by clouds, or just plain uninteresting. The chances of disappointment inherent in such a one-shot gamble would seem excessive. The alternate risk of taking a score of pictures of lesser quality offers some statistical insurance that at least a few of them will provide interesting though unclear details.

I believe I have established the point that the plans for Mariner 4's voyage—a very expensive scientific expedition—were controlled not by the scientific requirements, or by the ability of the spaceship to carry the necessary photographic equipment (a more powerful telescopic lens and a device to compensate for image motion, both of acceptable weight, would be enough to produce TV pictures of Ranger 7 clarity), or by ability to launch and guide the spaceship. The design of Mariner's key experiment was dominated by feeble communication between Mariner 4 and Earth.

If acquisition of knowledge had been the foremost determinant, Mariner 4 would have been assured full opportunity to return a great amount of data. Certainly some experiments can be so designed as to permit transmission of results in short and simple form. These include measurements of magnetic field, temperature, pressure, and cosmic radiation. But these experiments ask specific questions of nature—the answers to which we already glimpse. The more interesting problems of science are always the ones in which we hardly know what to expect; to solve them, we must collect a great deal of data in order to be sure we have the full story. For example: What is the structure of the surface of Mars? What is its chemical composition? Does life exist on Mars; if it does, what is its nature?

To answer such questions, we must examine Mars with high-resolution TV, automated microscopes, and general-purpose infrared and X-ray spectographs. All these instruments acquire large quantities of data, much of which is worthless but some of which is priceless. Consider the millions of bits of information in the thousands of pictures Ranger 7 sent back, showing only barren landscape on the moon. Then suddenly, in one corner of a few pictures, a huge rock mass appeared in a crater. Here is a vital clue to understanding of the moon. It was an unexpected thing in a sea of monotony.

The present moment is a most appropriate time for discussion of this matter. For although the era of interplanetary exploration was opened by Mariner 2's trip to Venus in 1962, only with the voyage of Mariner 4 do we begin to extend the range of man's reaching outward from the Sun. It is on Mars, more than anywhere else in the solar system (and less so on Venus) that we may expect to find another world most like our own. It is there we will find what twists of fate, what peculiarities of the laws of physics and chemistry, what bizarre events in the history of the solar system, shaped other worlds. From this, we will come to understand our own world, which in itself does not provide enough ready evidence to elucidate clearly its own past. On Mars, Venus, and Jupiter (and not on the Moon) we will find an atmosphere, and will be able to study the many consequences of atmospheric influence on the planet, the effect on the chemical evolution of the outer planetary layers, the results of uninterrupted shielding of the surface of the planet against usually destructive ultraviolet light and cosmic rays.

Of paramount importance is the nature of life to be found there, or, if there be no life, the nature of any biologically relevant materials whose chemical structure, abundance, and location will tell us how life develops on a planet or why life will not develop.

It is quite possible that, because of its small mass (one-half of the mass of the Earth) Mars does not have enough gravitational pull to hold a suitable atmosphere for chemical evolution to occur. Thus it may be necessary to go on out to Jupiter (or perhaps back to Venus) to find what really happened on the primitive Earth. Jupiter today still possesses an atmosphere which we believe is quite similar to that of the early days of Earth, before the free oxygen that supports life generally today became plentiful. It's in an atmosphere like Jupiter's, containing large quantities of hydrogen, methane, ammonia, and other compounds still represented in the Earth's atmosphere, that chemical reactions which eventually lead to living things are thought to take place.

If we must go to Jupiter for the basic data about life's remote beginnings, the radio messages from there will be 10 times fainter than messages from Mars. So the argument with which I shall conclude this paper becomes even more cogent.

Every new planet we explore will first have to be approached by unmanned landers. As these spaceships penetrate the atmosphere of a planet, we will need to know everything that is happening: how hot the ship is, what air resistance it is experiencing, and what can be seen below the ship as it descends. All this data should be received on Earth as soon as it's acquired. Otherwise, the information may be lost in some unexpected catastrophe. Only if we have the the information in hand can we learn how to do better the next time if a catastrophe does occur.

Our present inability to accomplish live data transmission is already jeopardizing plans for landings on Mars in 1969 and later—landings that are in every other way feasible.

Has the National Aeronautics and Space Administration, in its headlong race against the Soviets to the Moon, developed a form of tunnel vision in which rocket power is an obsession, blotting out proper consideration of other key aspects of space exploration? Certainly it can be argued that NASA has not carefully designed the overall planetary exploration program. NASA has failed to analyze every project with the goal in mind of acquiring the maximum amount of scientifically pertinent data at the lowest cost. Such analyses should be carefully made to seek the optimum combination of rocket, spacecraft, and communication system which best achieves this goal.

As obvious as this seems, the situation with Mariner 4 leads to the conclusion that the proper optimization has been badly missed. The neglected component in the formula is the radio communication system. Earlier in these pages it was demonstrated that an increase in radio power on the spacecraft is not a good solution because that would entail unacceptable reduction in the scientific observing instruments aboard. There is no such limitation on the radio receiving facilities back here on Earth, the so-called deep space net.

The net presently consists essentially of three 84-foot diameter radio telescopes located near Goldstone, Calif.; Woomera, Australia; and Johannesburg, South Africa. At least one of the three will always have a spacecraft in view. There are two spares at Goldstone. These instruments have been so highly developed that they can detect weak signals better than any similar large parabolic antennas in the world. The personnel at California Institution of Technology's Jet Propulsion Laboratory who operate these listening stations for NASA manifestly excel in a field where there is very enlightening competition from some of the most clever members of the scientific world.

But no amount of skill can make an antenna seem appreciably larger. And the stark reality is that the data which can be recovered from a planetary explorer is directly proportional to the energy collecting area of these ground antennas of the deep space net. These antennas contain a total of a few hundred square yards of collecting area, about the same size as a tennis court. With this one set of disproportionately small electronic ears, we are gathering the information relayed back to us by many hundreds of millions of dollars worth of lunar and planetary spacecraft.

This procedure would be irreproachable if the space exploration system were optimized

in the forementioned sense—if, in fact, diverting more funds to the deep space net would so reduce the capabilities of the space vehicles that a net loss in data would occur. But even the crudest economic analysis shows this is not the case. A gross inequity exists.

Each of the 85-foot antennas costs $1 million, according to JPL. (They could presently be duplicated for about $700,000.) Thus the total capital investment in the deep space net antennas is $3 million. True, there are other costs, such as electronics and buildings, which total $15 million, and operating costs which JPL has estimated will add $30 million more over a period of 10 years. But these latter costs do not depend on the size of the antenna and do not influence the amount of data the net can recover from a spacecraft. One may note already a serious imbalance here—$45 million might be spent to utilize $3 million worth of antennas. Yet it is the antennas alone on which the data recovered depends. The $3 million is by far the most relevant figure.

It is hard to say precisely what the optimum relative allocation of effort in space exploration should be, but we are clearly far from it. As an example, it would be impossible to double the funds provided for deep space net antennas and yet reduce the funds available for space vehicles in the next 10 years by perhaps as little as 1 percent. The total data accrued would be nearly doubled because of the direct dependence of the data acquisition on the collecting area of the deep space net. Mariner 4, for instance, could handle twice as many TV pictures or the same number of twice-as-good pictures. It is not unreasonable to think that the appropriate increase in resources allotted to the deep space net would be by a factor of more than 10 but probably less than 100.

Some improvement in the deep space net has already been undertaken. A year ago construction was started at Goldstone of a 210-foot antenna costing about $12 million. This antenna, due to be completed in 1965, will increase our data capacity six times, which is still far from enough. Presumably the 210-footer will be matched in time at the two other deep space net installations.

Further development of the deep space net is tenable only if additional resources will lead to proportionately greater antenna collecting area. There is a real problem here. If we think in terms of building ever bigger parabolic antennas, we soon reach a point of rapidly diminishing returns. Single antennas much larger than 210 feet become inordinately expensive. Cost analyses indicate that the price rises quite accurately as the cube of the antenna diameter.

Does this mean that additional support for the deep space net might really be ineffectual? Experience justifies a negative answer to the question. For some years, radio astronomers have been searching out ways to circumvent the inevitable cube law in antenna costs. A workable and in many ways desirable solution has been found. As one might guess, it is the aggregation of large collecting area by electrically connecting many smaller antennas. Since the total collecting area is then proportional to the number of antennas connected together, the total cost is directly proportional to the collecting area. This is far better than the cube law, and as good a bargain as anyone could hope for.

Although such an arrangement is simple in principle, the electrical interconnection of many antennas into a so-called array must be done very carefully. The radio waves from distant spacecraft, when captured by the antennas, generate high-frequency electrical waves at the antennas. These are carried by cables to a central point where all the waves are added together. The technological feat which must be accomplished is the bringing of all the wave crests simultaneously to this central point over circuits hundreds of yards long.

The radio waves always arrive at different antennas at different instants. So the lengths of the cables which interconnect the antennas are adjusted to compensate. However, because of the spacecraft motion and the rotation of the earth, the intervals between the times when the waves arrive at the antennas are continuously changing. This demands electrical circuitry that gives the effect of continuous change in the length of the cables connecting the antennas.

Despite the nightmare this description suggests, the problem has been solved. At Stanford University, an array of thirty-two 10-foot antennas has been successfully coupled and an ingenious calibration system developed to allow the required performance. For many years at the Owens Valley Observatory of the California Institute of Technology, and more recently at the National Radio Astronomy Observatory at Green Bank, W. Va., large antennas also have been connected successfully, even though at NRAO they are more than a mile apart.

Very recently, the radar industry has produced a system called the "adaptive array." In this technique, the waves coming from each antenna are compared, and the result used to drive a servomechanism which automatically adjusts the signals from the antennas to produce an optimum addition. One of the great advantages of this system is that it corrects for all disturbances to the incoming waves, including even the effects of clouds and other irregularities in the atmosphere.

From the cube law of cost for parabolic antennas, the nimble-minded might quickly conclude that it is better to assemble a given collecting area by using a gigantic number of very small antennas. Actually, this is not the best solution because each antenna must have a very sensitive and expensive amplifier on it, and the cost of the amplifier stays the same no matter how small the antenna is. Studies made at the NASA Langley Research Center and at the Stanford Research Institute conclude that the minimum cost for a given total collecting area is achieved if antennas about 85 feet in diameter are used. By coincidence, this is the same size as now used in the deep space net, and at many other radio observatories. Here is something of a delight—it is as though a deeply intellectual study had been made to determine the very best design for an automobile, and the epitome hit upon was sitting in the driveway, available by the dozens at the nearest auto dealer.

Recalling the preceding discussion of Mariner 4 one concludes that the space program could well use an array containing a hundred or more 85-foot antennas. One array might cost $40 million—still only a few percent of what will almost certainly be spent on planetary exploration in the next 10 years. Taking into account the fact that one such array cannot constantly monitor a spacecraft, about 50 times the data-gathering ability of the present deep space net would then be assembled. The lunar feat of Ranger 7 could be duplicated at Mars or Venus. We would no longer be dismayed by the feeble signal strength from a Jupiter probe. As data requirements increased, the abilities of the array could be enhanced in direct proportion to additional expenditures simply by adding more identical antennas. Five hundred 85-footers would probably be close to optimum.

Such a breathtaking instrument would not only assure an adequate communication link with our farflung spacecraft, but itself would be capable of making celestial observations of a quality far better than any existing or planned radio telescope. This one array of instruments could observe the sun, moon, and planets in detail, as well as the exotic and exciting objects which populate the radioastronomer's universe. These last include the gas clouds of the Milky Way, the basic stuff from which stars and planets are made, and the remnants of supernova explosions. Beyond the Milky Way, we would see clearly the tantalizing radio galaxies, including the new famous quasi-stellar radio sources, about which we understand little except that they are the most spectacular phenomena yet discovered: perhaps manifestations of gravitational energy heretofore unsuspected.

We cannot procrastinate—an instrument of the size described here takes years to produce in fully working form. Yet it is clearly needed if the great and unique promise of planetary exploration is to be fulfilled.

Until a balanced program is achieved, until our radio telescopes are worthy of our rockets, our greatest potential achievements in space will not be realized. It is time to get on with the job. While you have been reading these words, a spacecraft has flown several thousand miles closer to Mars.

[From U.S. News & World Report, Nov. 23, 1964]

WHY BOSTON IS PUZZLED BY A FEDERAL ECONOMY MOVE

(Almost no one is pleased—and many are angry—at a decision by Washington to build a big space complex on high-priced land near Boston that now is occupied by thriving industries. Critics call it a classic case of bureaucracy at work. The argument: The Government could have saved millions on the project—but chose the expensive way instead.)

CAMBRIDGE, Mass.—A sudden storm of controversy is erupting over a new $61 million U.S. space center to be built here.

At the center of the storm is the Electronic Research Center, a complex of Federal buildings and laboratories to develop new equipment for U.S. space missions.

The Government wants to build the new space complex on land now occupied by thriving industries in the heart of Cambridge. That means that 94 private firms, which employ nearly 4,000 persons, will be evicted.

About 3 miles away is the Watertown Arsenal, already owned by the U.S. Government, which is soon to start closing down on orders from the Pentagon. The arsenal contains more than twice the land in the Cambridge tract, and would probably be available for the space center at a fraction of the cost.

EMPIRE BUILDING

Some Cambridge officials say the case is a classic example of inefficiency and empire building by agencies in the Federal Government. They point out that the plan to locate the space center at the industrial Kendall Square area in Cambridge will cost the United States up to $40 million to buy private property, tear down existing buildings, and move the industries to new areas.

Leveling the U.S.-owned land in neighboring Watertown, on the other hand, would probably cost less than $1 million.

Government planners in Washington don't want the Watertown Arsenal. They argue that Kendall Square is the best spot for the space center because it is next door to the Massachusetts Institute of Technology and its big laboratories.

Officials of the National Aeronautics and Space Administration, which will build the center, are alarmed about the controversy. They fear that the fight now brewing could delay construction for many months, and might force them to pick a less desirable location.

An earlier feud over the new electronics center has already caused delay.

The first fight was in Congress. Some legislators last year attacked selection of the Boston area for the center as a political payoff to Senator EDWARD M. KENNEDY, the late

President's brother. After weeks of wrangling, the House and Senate Space Committees approved the Boston selection.

Among the locations NASA considered was the Watertown Arsenal, which got word last April that it was to be shut down by the Army. The arsenal is 10 minutes along the banks of the Charles River by car from Kendall Square and, like Cambridge, is in the heart of the Boston metropolitan area.

Residents scarcely know when they have driven from one community into the other, they are so much alike. Both Watertown and Cambridge are part industrial and part residential, and both are served by a variety of highways, rail and buslines. Both are a few minutes from downtown Boston.

THE PRICE OF WALKING

Why, then, did NASA choose the Cambridge site when it could have saved millions of dollars at Watertown?

Because, say NASA officials, it is worth every extra million to locate the center within easy walking distance of some of the best research facilities in the world at MIT.

"When you consider all the money involved in the total space program and the convenience of being able to walk between these areas, you begin to see it is worth it," emphasizes Franklyn W. Phillips, assistant director for administrative operations at the center.

Mr. Phillips maintains the United States will eventually save a great deal by speeding up exchanges among scientists from NASA, MIT, and Harvard, which is also nearby.

SOME KIND OF A DEAL

There are influential men in Cambridge and Watertown who contend that this is not the full answer. Alfred E. Vellucci, vice mayor and one of nine city councilors of Cambridge, makes this charge:

"There's some kind of a deal between NASA, MIT, and the urban-renewal people. The natives of Cambridge suspect collusion and conspiracy, and maybe even some empire building."

Mr. Vellucci contends that Cambridge, a city of about 108,000, cannot afford to evict a large part of its industrial base, especially in exchange for a U.S. agency that will pay the city no taxes.

Dr. James R. Killian, Jr., chairman of the corporation of MIT, says talk of a "conspiracy" between NASA and MIT is "a ridiculous and irresponsible statement." He says that he and James E. Webb, NASA Administrator, conferred before the Kendall Square selection was announced, but said that Mr. Webb wanted only "to make sure that MIT has no objections to NASA's locating here."

The school, he says, has no financial interest in the land that would have to be bought for NASA. He also contends MIT would be affected only indirectly by having the space center as a neighbor.

"The principal interest MIT has in this case," he says, "is in being able to help in improving the economic climate of Cambridge and in upgrading the area. NASA would attract lots of new taxpaying enterprises here."

IRRESPONSIBLE EXPENDITURE

A group representing the 94 firms—the committee for the preservation of Cambridge industry—charges that "the irresponsible expenditure of public funds, first to purchase and then to bulldoze out of existence the heart of Cambridge's industrial area, cannot be defended."

The Cambridge group points out that "many of the plants slated for destruction are large, successful steel, chemical and electrical businesses, some of which have been in existence for many decades, while the nearby Watertown Arsenal and Boston Naval Shipyard, both Government-owned facilities and presumably available to NASA, are distressed."

The 94 firms have annual sales of $75 million and a yearly payroll of $18 million. According to estimates, their combined real estate is worth about $20 million.

Cambridge Mayor Edward A. Crane disagrees with the businessmen, is in favor of tearing down Kendall Square. He sees it as a case of a "rundown, seedy, third-rate industrial area." He points out, too, that the space center is expected to employ about 2,000 persons by 1970. It will have an annual budget—including the placement of electronics contracts with private industry—of about $77 million a year.

WHO'S TO PAY?

One major source of controversy is the question of who will pay for relocating the businesses in Kendall Square. Mayor Crane says the firms will be moved to new locations at no expense to the owners.

The businessmen, however, question whether this promise can be kept. Under present plans, no firm can collect more than $25,000 in tax money for moving expenses, and one manufacturing company estimates that moving would cost more than a million dollars.

Most costs in buying the land and getting it ready for new construction will be borne by the Federal Government's Urban Renewal Administration. A smaller share would be paid by the city of Cambridge.

Estimates for buying and leveling the 42-acre Kendall Square site—of which 29 acres would be used by the space center—range from about $20 to $40 million. Private interests would develop the remaining 13 acres.

The 94 firms have started court action to try to prevent redevelopment of the area before it starts. They contend it is a respectable industrial area, with virtually none of the "blight" usually associated with such localities, and should be left intact. The court action poses a serious threat of further delay to NASA, which hoped to start building next year.

TEN-MONTH LAG

Vice Mayor Vellucci estimates that NASA is already 10 months behind in its plans for the center. He adds:

"Russia will be up to the moon by the time they get this thing going—if they keep thinking of using Kendall Square. They could already be building if they had gone to the arsenal."

Arsenal employees insist there was some kind of deal worked out by various branches of the Federal Government in selecting the space center. Manuel Donabedian, the president of the Watertown Arsenal Local of the National Association of Government Employees, explains it this way:

"When the Government decided that NASA was coming to the Boston area, they originally picked the arsenal as the location. That meant the arsenal as it is now had to close.

"When the arsenal employees started complaining about shutting down, the Government could see big delays ahead, and NASA washed its hands of the whole thing and went to another location. But now Washington is committed to closing us, and this original NASA deal is the primary reason."

There is no other reasonable explanation for the closing, Mr. Donabedian claims. He says the arsenal, opened in 1816, is one of the most valuable and efficient arms-development plants in the country. Seventeen million dollars was spent over the past 5 years to modernize it.

Secretary of Defense Robert S. McNamara contends that the arsenal is no longer needed. Defense officials said last April, when the closing was announced, that shutting down the Army facility would save $5.3 million a year.

Defense officials have promised to reassign most, if not all, of the arsenal's 2,306 employees to other Government jobs. But reassignment for many employees would mean moving from Boston, and some say they will quit before that. Arsenal officials estimate that 300 to 500 of the present employees could be kept on in administrative and maintenance jobs if the space center were located at the Watertown facility.

As controversy in the case grows, workers in the Kendall Square area are putting together petitions against the space center, while arsenal employees are seeking to take their arguments directly to Secretary McNamara.

When the arsenal is closed, some of the property will be retained by the Army, leaving about 60 acres for disposal by the Government. No one knows what the Government will do with the land.

In both Cambridge and Watertown, there is puzzlement—and chagrin—over decisions from Washington that seem to please very few people.

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

Mr. PROXMIRE. I am happy to yield to the distinguished Senator from Pennsylvania.

Mr. CLARK. As a cosponsor of the amendment, I should like to make it clear that I have no criticism of the way the NASA operation is being conducted. It may well be that in an agency that large, further economies are always possible. We have the example before us of what our extraordinarily able Secretary of Defense has done with the defense program. But I do not feel that I know enough about the subject to be critical of the way NASA is spending these huge sums of money. My reason for being a cosponsor of the amendment of my able friend, the Senator from Wisconsin, is the second reason that he gave, and that is that in my opinion, we are getting our priorities all out of order in America today and in the Congress of the United States.

I sometimes wonder about the mad rush to get to the moon before the Russians and to get our Mariner near Mars before someone else does, and to build up our defense expenditures to the astronomical extent that we have done. I appreciate the need for very substantial defense expenditures in connection with the proceedings in Vietnam. But I believe that in our race to the moon we have our priorities out of kilter.

That point was made several years ago by the able chairman of the Foreign Relations Committee, the Senator from Arkansas [Mr. FULBRIGHT]. On various occasions he has attempted to point out that, although our budget goes up and up through the years as we find new ways to kill people, and begin to venture into outer space in a sort of Buck Rogers fashion, the scores of problems which confront us here on earth continue to cry out for a solution. The programs we need in order to make us a compassionate and educated Nation are being starved because of the high priority we have placed on these other national ambitions; namely, to win first prize in space, and to be the strongest military country in the world. I do not mean to

imply that we will not need our military might until we can come to some sensible disarmament agreement with the Russians and, perhaps also, the Chinese. I merely wish to point out the social costs of our high military expenditures. In view of these exorbitant social costs, and the dangers inherent in the present balance of terror, I do not believe that we are doing nearly enough on our side to achieve those agreements.

In the pending bill we see what to my way of thinking is a very unsound philosophy of governmental spending. The Senator from Wisconsin is aware, as other Senators on the floor of the Senate are aware, that much of the money needed to rebuild our cities, to give every American that "decent home" which the late and great Republican Senator Taft stated in the Housing Act of 1949 to be our national ambition, will not be used for that purpose because of the priority given to getting a man on the moon.

We realize that we are appropriating far larger sums than ever before for education, but we are not appropriating enough. The able chairman of the subcommittee, who is handling the bill, has only recently refused, for reasons which I understand, to take to conference a program of $500,000 a year for fellowships and scholarships needed to help fill the great demand for persons skilled in the important area of metropolitan area, city, county, and urban planning. That is a mere $500,000, yet it will not be appropriated, although the President recommends it and the Congress has authorized it—and yet we are asked to appropriate $5,190 million for the space program.

Let us look at the problem of education. We passed a good bill at the start of this session, but we have been held down by a $100 million administration budget ceiling. We shall be putting more money to work in a higher education program before we get through, but there is not a Senator in this body who thinks these programs are big enough or anywhere nearly big enough to give to every American boy and girl the kind of education to which they are entitled by reason of their natural abilities.

Mr. TOWER. Mr. President, will the Senator yield for a question?

Mr. CLARK. I will in a little while, if the Senator will indulge me; I should like to continue my argument, and then I shall be glad to yield to him.

I say to my friends from farm areas, "You are not getting enough money to solve the farm problem." I say to my good friend the junior Senator from Georgia [Mr. TALMADGE], who is in the Chamber, and who has had a series of very important farm bills which he has tried to get through the Senate during the time he and I have served in the Senate—well-thought-out, carefully considered bills—that we have had to cut back these appropriations, and make our farmers content to be other than first-class American citizens, in order to be sure that we get a man on the moon before the Russians do.

How about the poverty program? Does any Senator in this body think that the relatively insignificant amounts of money, compared to the space appropriation, which we are about to appropriate to create that Great Society—a society without poverty—are adequate for that purpose? I believe that we all know that they are not, even in the subsidiary field of manpower training and retraining, where we must provide useful skills to individuals, some of whom have as practically their only employable asset a strong back and a weak mind, so that they encounter great difficulty in obtaining and holding jobs in our constantly increasingly technical society.

We pinch a penny here and pinch a penny there; we do not provide appropriations which are necessary. We do not give the authorization which is desirable. We are trying to get full employment in this country. Our unemployment rate is the highest of any civilized country in the world. Are we appropriating the money necessary to deal effectively with the employment problem in this country? No. We are putting it in the program to get a man on the moon.

What are we doing about Appalachia? What are we doing about the upper lakes region in upper Wisconsin, Minnesota, and the other areas where there are poverty-stricken individuals? Something, but not nearly enough. How about the public works program? I see in the Chamber the able Senator from Michigan, the chairman of the committee handling that subject. He and I know that we ought to be putting $2 billion into public works instead of less than $1 billion.

Why do we not spend it where it is needed? Because we want to get pictures of Mars. We want to put a man on the moon. We want to beat the Russians in space.

I should like to beat the Russians in space, too. But I should like to take care of some Americans on earth first.

How about the conservation of our natural resources? What are we doing about air pollution control? Something, but not much.

What are we doing about water pollution? Lake Erie is so polluted now that the fish in it are being killed. What are we doing about cleaning up the pollution of Lake Erie? Nothing. Why? Because it is said that we do not have enough money.

The Susquehanna River is filled with acidic elements. The Monongahela River is rapidly becoming an open sewer.

What are we doing to clean up those precious natural resources? Nothing. Why? Because we have to get a man on the moon.

What are we doing about mass transit? A little, but not much. We all know that the able junior Senator from Rhode Island [Mr. PELL] has a plan for speeding up mass transit between Boston and Washington. Why has that program not moved forward more quickly than it has? Because we will not put more money into it. We must put a man on the moon.

What are we doing about stream regulation? What are we doing about the drought which is sweeping across the eastern part of the Nation? The Tocks Island Dam will not be built for 4 years. That facility would give the Delaware River enough water so that the people in Philadelphia and New York would not soon have to start drinking salt water—and possibly polluted salt water. Why? Because there is not supposed to be enough money.

How about foreign aid? That is a very unpopular subject in this body. And yet we know that the rich nations are getting richer and that the poor nations are getting poorer. In fact, an amendment which recognized that fact was adopted by the Senate as a part of the foreign aid bill a few weeks ago.

So we find now that we are not able to do enough for the people on earth to ameliorate their misery, to show some sense of compassion, to do something for human beings, because we have to see that we get a man on the moon ahead of the Russians.

Mr. President, I am almost through. The Senator from Wisconsin has rendered a great public service in proposing the amendment. A 5-percent cut in the NASA appropriation is a relatively small amount. The appropriation would be $5,190 million. The Senator wishes to cut that by 5 percent, or hardly more than $250 million.

I support the amendment and I am a cosponsor of it. I have done so, not because I have the slightest criticism of the way the NASA administration is spending its money. So far as I know, NASA has the ablest administrators in the world. I have enormous respect for James Webb. I believe that the people who are working for him are very able people. But I agree with the Senator from Wisconsin that they are siphoning off far more than their proper share of our national wealth—and far more than their proper share of trained manpower in this country, as well.

As chairman of the Subcommittee on Manpower and Employment of the Committee on Labor and Public Welfare, I know that we need teachers of engineering. We need chemists; we need biologists; we need physicists; we need space scientists. We need them in all of our universities and in hundreds, if not thousands, of our great corporations. But they cannot get them. Why? Because we are trying to put a man on the moon.

I am happy to support the amendment, because I hope it will give some indication of a desire on the part of at least a few Members of this body to return to a sensible, commonsense method of dealing with our national priorities and our national interest.

I thank the Senator for yielding.

Mr. PROXMIRE. Mr. President, I believe I still have the floor. Did the Senator from Texas wish to ask the Senator from Pennsylvania a question?

Mr. TOWER. No.

Mr. PROXMIRE. I thank the Senator from Pennsylvania from the bottom of my heart for his brilliant, ad lib, impromptu speech. It is most useful. I agree with about 95 percent of it. I do not agree with all of it. Perhaps he and I disagree on the defense part. I believe this Nation is right in what we are spending for defense.

Mr. CLARK. So do I, for the time being.

Mr. PROXMIRE. I feel that that appropriation is correct. One area in particular where I believe we are on all fours, and as to which I agree with the Senator wholeheartedly, is that there is no question, when we spend $4.5 billion of $5.2 billion on research and development, and when we take 7 percent of our scientific manpower, including virtually all of the cream of the scientific manpower in this particular area, and draw them into NASA, that it is bound to have, at least temporarily, an adverse effect on graduate education. It is bound to have an adverse effect on defense; it is bound to have an adverse effect upon industry.

Perhaps we can afford to pay a part of this price in order to continue, because there are fallout benefits, and it is a great feeling to know that we are competing successfully with the Russians. But it seems to me that the best way Congress can insist on getting efficiency in an extremely complicated, technical area is to reduce the appropriation by let us say 5 percent, and then let the organizations find ways in which to economize. This has been done in connection with other programs. It is handled with a maximum of discretion. It seems to me to make sense.

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

Mr. PROXMIRE. I yield.

Mr. SYMINGTON. With respect to efficiency, as the able Senator knows, both the House committee and the Senate committee went over the bill in detail. We considered it project by project, and then reduced the requested amount by many millions of dollars.

From the standpoint of operating a business, a bank, or a government with efficiency, fields in which the Senator from Wisconsin is unusually well acquainted, would it be wise for the chairman of a bank, or the president of a corporation, to come in some morning and say, "You are spending too much money. Cut all salaries and expenses by 5 percent." Would this be wise as against a corporation's analysis project by project, on a critical basis, after listening to all the reasons and agreeing or disagreeing as to the amounts presented?

Mr. PROXMIRE. No, indeed. That is why my amendment provides discretion for the Administrator to make the cuts where they will do the least harm and can most economically be made.

The Senate committee, after the hearings held by the House, reduced the appropriation by approximately 2 percent, from $5,280 million to $5,190 million or something of that kind.

Mr. SYMINGTON. About $69 million.

Mr. PROXMIRE. A little less than 2 percent. That is correct. It seems to me that it is perfectly proper for a board of directors to tell his chairman or tell the executive officer of the business that they are satisfied that there are too many examples of waste in the business operation so the board of directors will not say, "Cut everybody's salary 5 percent," or to cut all expenses by 5 percent. What the board might say and what my amendment does say is, "We want you to come up with another recommendation for expense that is 5 percent below what you recommended to us."

The Senator from Missouri is much more familiar than is the Senator from Wisconsin with waste in this program. We have seen the waste that has occurred in every university. Talk with anyone who has worked with NASA; he can give examples of it. I am not trying to substitute any specific proposals on the floor of the Senate that would bind the Administrator; I merely say that, overall, he should submit a lower budget.

Mr. SYMINGTON. I will make a short statement on this bill on my own time. But based on remarks made here, we should understand that even if we decide it would be better for this country to let the Russians get to the moon before the United States, we would still spend, according to the testimony of the experts, between 90 and 95 percent of our total space budget, in order to complete the rest of the program.

In other words, going to the moon will take a maximum of between 5 and 10 percent of the total space budget. Will not the Senator agree that whether or not we go to the moon first, what we are really talking about is whether we should try to establish and maintain a position as first in space, as we have tried and succeeded in so many other fields which affect mankind?

Mr. PROXMIRE. I do not know what the Senator is referring to when he says it costs only 5 to 10 percent of the total NASA budget to go to the moon. The Apollo project would cost 50 to 60 percent of the total appropriation; perhaps it would cost a great deal more than that. The Apollo project has been sold to all of us as the man-to-the-moon project.

Mr. SYMINGTON. The Apollo project will cost about $2,900 million of the total $5 billion budget. But the testimony of both Director Webb and his assistant, Dr. Seamans, who impress me as two of the most able men I have met in Government service, is that 95 percent of all the money spent on this entire program, would be spent anyway, even if we decided not to go to the moon at all.

I believe the Senator from Wisconsin will agree with me the Russians are ahead of us today in thrust. All of the expense incident to our additional thrust effort is included in the Apollo project cost, but is essential for any continued space exploration.

Mr. PROXMIRE. As the Senator knows, the Russians may be ahead in thrust, but we are ahead in many areas. We have made more probes, more orbits, and more sophisticated studies; we have a great deal more knowledge and scientific information about space. Whether we would continue to spend 95 percent of this appropriation, if we should decide not to go to the moon, seems most unlikely to this Senator.

I am inclined to believe that we could justify a greater investment in military space activities, but it seems to me that we could reduce the space activities by 5 percent and still not seriously handicap the effort.

Mr. STENNIS. Mr. President, will the Senator from Wisconsin yield about 3 minutes to me to make a comment? I must attend a hearing on an important subject and shall have to leave.

Mr. PROXMIRE. I yield.

Mr. STENNIS. I receive much information about the space program in connection with the military program. I learn it from the angle of the Space Administration and from the angle of the military. I can definitely assure the Senator from Wisconsin and other Senators that, in my opinion, there is coordination and cooperation between the Department of Defense and the Space agency that is highly profitable to both. It will be of assistance to the military program, both presently and for the future.

That is particularly true of the new steps we have been taking and the new threshold that we reached in the latest orbit of the two astronauts. I express my great appreciation for the way the administration of this agency has been conducting the program from the very beginning—not only Mr. Webb, but also others connected with the program.

I have watched this program grow from the time we held military hearings immediately after Sputnik I went up. I attended the hearings on the first authorization bill. I marveled then, and frankly I did not believe that they could carry out the program which was outlined. However, events have occurred almost exactly as they predicted, with a small difference in time.

I do not believe that any bill which comes to the Senate is more carefully gone over by a committee than the measure dealing with the Space Administration. I am referring to the money authorization.

The House has an excellent committee, the authorization committee, the Committee on Science and Astronautics. They do marvelous work the year round. The results of this work show up clearly in conference.

The Senate also has a fine committee. The Senator from New Mexico [Mr. ANDERSON] is on that committee. The Senator from Maine [Mrs. SMITH] is the ranking Republican member of the committee. The other Senators are excellent Senators and make a real contribution. The committees have been over the bill. They have combed the items. They have worked on the bill. The Senator from Washington [Mr. MAGNUSON] and the Senator from Colorado [Mr. ALLOTT] are well versed in this matter.

I assure the Senate that these figures have been carefully gone over, combed, rubbed out, reconsidered, and placed back again, and reduced as much as I would dare to do.

I am particularly interested in the field which may make such a major contribution to our security program. I do not believe that we have any choice. We cannot afford to let anyone else become superior to us in space. We must be preeminent. It is costing a great deal of money. However, we cannot take any chances.

The figure requested by the administration has already been reduced. There will be discretion as to how the money shall be used, and whether all of it should be spent. However, merely to take a lick in the dark, with a 5-percent across-the-board reduction, I submit to the Senate, would be a great error.

I hope that the Senate will decisively defeat the amendment.

I thank the Senator.

Mr. PROXMIRE. Mr. President, I agree with the Senator from Mississippi that the Aeronautical and Space Sciences Committee is a blue ribbon committee. Some of the most eminent Members of the Senate are on this committee. However, my own belief has been that the Aeronautical and Space Sciences Committee, both in the House of Representatives and in the Senate—referring to the authorization committee—like so many other committees, have become identified with the field. They are great enthusiasts for the program. Perhaps that is how it should be. However, I believe that the Senate should take a little more dispassionate and objective view.

These are outstanding Senators, every one of them. They are very able. However, I still believe that it would be proper to reconsider the matter.

Mr. STENNIS. Mr. President, let me point out that the Senator from Washington [Mr. MAGNUSON] and the Senator from Colorado [Mr. ALLOTT] are on the Committee on Appropriations.

Mr. PROXMIRE. They are all outstanding Senators.

Mr. STENNIS. Mr. President, this is by no means a formality with these men. They are experienced in this field as well as in others.

I thank the Senator.

Mr. TOWER. Mr. President, in response to the remarks of the Senator from Mississippi, I know of no other member of the Armed Services Committee, whether it be the House or the Senate committee, who is more hard-nosed about military expenditures than my distinguished friend the Senator from Mississippi. I say that in a complimentary way.

The Senator from Mississippi scrutinizes the figures. He understands the pattern of military expenses. He is a hard man to convince. If the Senator from Mississippi can be convinced that we are not spending too much money on our national defense program, every Senator can rely on his judgment.

I have been somewhat amazed at some of the arguments made, particularly by my able and learned friend, the Senator from Pennsylvania, whose fine intellect I have always respected and admired.

I have always thought of him in terms of being a man who thinks that we should seek knowledge for the sake of knowledge; a man who would prefer to support what we might call basic research as opposed to 100 percent research or applied research; a man who has a great intellectual curiosity of his own; a man who would favor an increase in the improvement of a number of the programs in outer space.

I believe that we should take note of the fact that, although we may be spending more for this item than we are spending for certain individual programs, such as education, water pollution, housing, and various welfare programs, the Federal Government is not the only entrant into the spending field. Think of the hundreds of millions of dollars being spent by every State and local government. Think of the churches, the private organizations, and the private foundations which are spending money on education.

We are spending vast sums on education—elementary education, secondary education, and higher education.

We are spending far more money on education than we are spending on our exploration of outer space.

The antipoverty program is not the only program that is designed to attack poverty. The public housing program, old-age assistance, the social security program, and all those programs are designed to combat poverty, combat want, and elevate the standard of living of all our people.

We are spending literally billions of dollars to accomplish these purposes. I refer not only to the Federal Government, but also to the State and local governments and private agencies. If we were to add up the total that is spent for all these programs, we would find that it would dwarf the expenditures that we proposed to make for NASA.

The exploration of outer space is a peculiar function in the field of the operation of the Government. The State and local governments are not involved. Churches and private foundations are not involved. Private corporations are involved to a certain extent. However, the amount of research which they do in connection with their work in outer space, along with certain private foundations and institutions, is small by comparison. For the most part, the exploration of outer space is a peculiar function of the Government of the United States. It is the only entity in the country that has the resources, the strength, the power, and can marshal the resources to explore outer space.

Contrary to what the Senator from Wisconsin and the Senator from Pennsylvania seem to think, I believe that we are not moving fast enough in outer space. I believe that we should be gathering more knowledge faster.

We should certainly be thinking very seriously in terms of intensifying our attempts to utilize space for defense purposes or for military purposes. We can be assured that the Soviet Union is doing exactly that.

We must consider the kind of competition that we are up against in terms of the Soviet Union.

The Soviet Union denies butter to its people in order to buy guns. The Soviet Union is not concerned with creature comfort for its people or a higher standard of living. The Soviet Government would like its people to live better so that they would be happier and work harder.

However, they are fighting for a program that is dedicated and channeled in one direction, and that direction is to achieve military superiority over the Western World.

They are aware of the great potentiality for outer space. The question is not whether the knowledge will be used for military purposes. The question is when and by whom. I submit that the United States had better get there first. We cannot have a Great Society unless we have a secure society. We cannot have a secure society if we fall behind in the efforts to master and to apply science to the technology of national defense, of production, of distribution, and of communications.

For those reasons, I believe that we should be intensifying our space programs and not retarding them. We should be proceeding much faster on the MAL. I know that is not associated with the civilian aspect of NASA. However, certainly this is an integrated program which is directed by NASA and which has a direct bearing on the success of the manned orbital laboratory program.

Even the most sophisticated and arrogant scientists in the world will tell us that there are some things that a man-devised machine cannot do, and that only man can do.

We must have a manned orbital laboratory in outer space and be as sophisticated as we can, and marshal our resources and make sure that we stay on top.

I hope that the amendment of the Senator from Wisconsin will be defeated.

Mr. CLARK. Mr. President, will the Senator yield so that I may reply to what the Senator from Texas has said?

Mr. PROXMIRE. I yield.

Mr. CLARK. Mr. President, there is much that my friend, the Senator from Texas, said with which I am in agreement.

I am strongly in favor of continuing the space program. So far as I am concerned, I am quite content to have the Senate authorize the expenditure of well over $4,800 million for this program.

The purpose of my comments and many of the comments made by the Senator from Wisconsin is merely to call the attention of the Senate to the problem of priority. We also wish to call the attention of the press to the problem. However, I note that the press gallery is practically empty at this time.

We have now arrived at a stage in our development where we have a potential in our Federal Government's ability to do what it is we would like to see done. We are straining our Federal resources quite substantially when we run our administrative budget up to around $100 billion.

There are those, of whom the Senator from Texas is one, who would like to see that budget substantially reduced. Personally, I would like to see it increased by 10 percent. I know in this regard I am not in agreement either with my friends, the Senator from Texas or the Senator from Wisconsin, so I say we have to determine among priorities. We cannot do everything we must do. We have to pick and choose. We have to decide how much of our money goes for space

money, how much to our States for education.

We get help in these matters from State and local governments, but we are looking for authorities from all sorts, local, State, and Federal. For instance, we are engaged in missions on earth now because some persons have not received a "fair shake," where opportunity has been blighted, where a person may not have health because he is not getting adequate medical care.

I honor the views of the Senator from Texas. I suggest to him that we could move a little more in the direction of bettering the welfare of the people.

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

Mr. PROXMIRE. I yield.

Mr. TOWER. I think it is incumbent on the Nation that has the lowest human misery to take the lead in the exploration of outer space. Other nations cannot do that. Other nations must therefore spend their money in attempts to raise their standards of living, because the standards of their people are so much lower than those of ours. So it is incumbent on us to spend a large portion of our budget on these matters because we are relatively better off.

I am not suggesting that we should ignore the social and economic problems on earth. We must address ourselves to them, but we must realize that ours is not only a national but an international responsibility.

Mr. CLARK. It is a question of judgment also.

Mr. PROXMIRE. I agree with the Senator from Pennsylvania. This would be limited to $4,900 million—think of that—$4,900 million. With that kind of money we could build a great $100 million university in 49 of the 50 States. And this is just a 1-year appropriation for NASA. This is what NASA will have left after my amendment is adopted if it is adopted. Certainly we are not trying to cripple or starve this program. We are trying to impose some discipline, some real economy in a program that badly needs it.

Mr. SYMINGTON and Mr. HOLLAND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. HOLLAND. I wanted to ask the Senator a question.

Mr. SYMINGTON. I am glad to yield.

Mr. HOLLAND. I will be glad to wait until the Senator concludes his statement.

Mr. SYMINGTON. I thank the able Senator.

Mr. President, this discussion has worked into a question of relative priorities. I would associate myself with the remarks made by the distinguished Senator from Texas [Mr. TOWER] and the distinguished Senator from Mississippi [Mr. STENNIS]. It seems to me the program we consider today is a program for the betterment of the people of the United States just as much as would be a program for more and better education. The national debt today is some $325 billion. Of that amount $182 billion has been given to other countries, I think, when we give that amount to others we have the right to pursue our way in what President Kennedy called the "great new ocean" of space in his masterful first presentation to the American people of the space program.

The independent offices appropriations bill for 1966, as approved by the Senate Appropriations Committee, provides $5.19 billion for the National Aeronautics and Space Administration, some $70 million below NASA's budget request, and $91,000 less than the Congress authorized, and the President approved, only last month.

It has been my good fortune to participate as an ad hoc committee member under the Senator from Washington. I want to congratulate my distinguished colleague, and also the ranking member of the committee, the Senator from Colorado. This bill has been looked over very thoroughly.

This $5.19 billion figure was arrived at only after weeks of hearings before the House and Senate Space Committees. It was passed with but 11 dissenting votes in the House, and only 4 negative votes in this body.

Mr. President, this overwhelming vote of confidence in NASA is deserved.

The long series of hearings convinced the members of the Senate Space Committee that NASA is currently in the middle of a well designed, well organized, and efficiently managed program which will make the United States the world's leading spacefaring nation.

These years of hard work and wise investment are now bearing fruit.

We have successfully completed two two-man Gemini flights, vital not only for a manned lunar landing, but also to determine man's ability to live in an orbiting laboratory for long periods of time.

When those who, for one reason or another, oppose the United States attempting to obtain a preeminent position in space, and concentrate their criticism on the man on the moon program, I present again that the Director of NASA said 90 percent of this money would be spent if we did not go to the moon at all. Dr. Seamans stated 95 percent of the money would be spent if we did not go to the moon at all. Therefore, it is not a question of whether or not we put a man on the moon. The space program has to do with the control of weather, and therefore health, and crops, and therefore prosperity, as well as so many other facets, which have to do with the welfare of our people.

As I speak now, Mr. President, the Mariner IV spacecraft is closing in on Mars. Within a few days, hours, we can expect to know more about that mysterious planet than ever before. Starting day after tomorrow we will be getting pictures of Mars back from Mariner IV.

NASA recently launched the 10th of its highly successful series of Tiros weather satellites, and the Weather Bureau plans to have an operational weather satellite system in being by the first of the year.

Two operational communications satellite systems now exist:

One—Syncom II—is keeping the Defense Department in contact with our field operations in Vietnam.

What could be more important today, at this very moment as we sit in this Senate Chamber, than proper contact with field operations in Vietnam, where enemies of this country are daily taking the lives of young Americans.

The other—Early Bird—is a commercial system spanning the North Atlantic; and those of us who have seen the advantages which come to the people of the world from improved contact, almost instant dissemination of information around the world as a result of this satellite, can only hope and believe that it will become a great and vital instrument for the preservation of world peace.

Mr. President, it becomes more obvious with each passing day that the ultimate benefits of the space effort will be incalculable in terms of dollars and cents.

We talk about $4 billion but let us not forget that the gross national product of the United States today is nearly $2 billion a day. Therefore, what we are really discussing here is, Can the United States—the richest country in world history—afford 2 days of its annual gross national product to be first in the space field?

That is what we are talking about today.

I believe that any cut in NASA's budget, combed over carefully by the Astronautics and Space Committee headed by the very able Senator from New Mexico, and carefully by the experts in the appropriations field headed by the Senator from Washington, would cripple the entire concept of the United States achieving first place in space.

Should such a cut come from Gemini and Apollo, the manned space programs that are determining our space future, that seem also to be proving man in space is vital to our national security? I think not, and am confident a large majority of the Senate agree.

Should we cut the kinds of unmanned space programs which have produced Tiros, Syncom and Early Bird units doing so much for the security of the United States and the world?

Or, should we cut the NASA programs of direct benefit to our universities and our industries, such as the sustaining education and technology utilization programs?

Mr. President, there is no great problem in this country of really well-educated people in these modern arts and sciences being able to obtain a position. The problem is to educate people so they can perform skilled work in the new industries which now dominate the industrial complex of this and other highly industrialized countries.

There are those of us who believe America's future position in the world depends a great deal on its future leadership in the space field. Congress has, from the beginning of the space age 8 years ago, played a historic role in helping to organize our national space program, and in supporting it year after year. It was one of the wisest decisions we ever made.

Many Senators in the Chamber today can well remember all the warnings made concerning what might happen if the space program did not work out.

As we watched Astronauts McDevitt and White operating the other day, we could have a sense of gratification that we in the Senate have had confidence in this program since its beginning.

We dare not risk the security of our Nation and the judgment of posterity by voting to cripple a great program at this crucial point in its development.

For these reasons, I respectfully urge the Senate to reject any crippling amendments, and to support H.R. 7997 as approved by the Appropriations Committee of the Senate.

Mr. HOLLAND. Mr. President——

The PRESIDING OFFICER (Mr. MONDALE in the chair). The Senator from Florida is recognized.

Mr. HOLLAND. Mr. President, I feel in my heart, as between the two great bodies of Congress, that the Senate should have the greatest personal pride in the space program, and the greatest personal confidence in the leadership which that program is receiving.

The President of the United States—and I speak now not from a partisan standpoint—is a former Member of the Senate who took a leading part in setting up the beginnings of the space program. We all know of his interest and enthusiastic support of the program. Likewise, the Vice President of the United States, a former Member of this body, who ardently supported the program, is now Chairman of the Space Council and is doing an active job in overseeing and checking all stages of the space program. He was at the two recent Gemini launchings in the State of Florida, which I in part represent.

He has been at every critical incident affecting the space programs since he became Vice President. Of all the people in the United States, Senators have the greatest reason to feel a personal contact with, a personal responsibility for, and a personal confidence in the great space program.

Mr. President, I have not mentioned the fact that we confirmed the leadership of the program on the administrative level, but I believe that I have mentioned enough to show that we have the most intimate connection with the program of any group of citizens in the United States. We should have the greatest interest in it and the greatest understanding of what it proposes to do.

From that beginning, let me briefly mention certain points which perhaps have been mentioned by other Senators but which I wish to mention from my own point of view.

One is the vast appeal that the space effort has for the people of the United States, the vast interest they have in it, the vast pride they have in it.

I have been to two of the manned space launchings at Cape Kennedy. We cannot be there in the early morning gray, looking at the tens of thousands of people who are gathered there with automobile license plates literally from all over the Nation to watch another step to be taken in this important program without realizing something of the vast drawing power that the program has and the vast appeal it has for our people. Also the vastly different sort of satisfaction and feeling it gives to them as contrasted with some of the other very difficult and, in my opinion, very important efforts into which we have entered, which have been mentioned, such as foreign aid, our experiences in South Vietnam and the Dominican Republic, and elsewhere in the world.

However, this is something in which people have vast faith. It inspires them. It lifts them up.

I have not seen the figures, but I have not seen a television set operating during the period of the recent manned space flight which was not tuned in on a transmitting station which was showing all that could be shown about the flight and everything that could be known. I doubt if any other spectacle in our Nation, unless it be a presidential inauguration, could compare in its drawing power to that event when Astronauts McDivitt and White soared into space. We sent them into space through means undreamed of by anyone on earth other than the Jules Vernes of a few years ago.

Mr. President, when our people have this great confidence, this great faith, and draw this immense inspiration from the space effort, I do not wish anyone to forget that this has a similar appeal to other people throughout the world.

I had the pleasure and privilege of being host to 51 of our friends from the Canadian Parliament and their wives—incidentally, one of which is the president of their senate and one the speaker of their house of commons—when they went down to Cape Kennedy last year, not at a time of a launching but merely to see the wonderful things which are going on down there.

I have not seen such thrilling interest shown in anything that our country has done in the span of my life as was shown by that group of eminent visitors, as they were allowed to see the things there, along with the pleasure and inspiration that they received from seeing it, and the great sense of satisfaction that they had from being allowed to go in everywhere and have their pictures taken in every conceivable sort of exposure against the great satellites that were pointed against the sky.

It has received equal attention all over the world through our communications satellites. Through these we have communicated back and forth, both with Syncom or Early Bird and with the traveling variety. The same is true of our Weather Bureau observers, as well. Through these we have contributed to the knowledge of weather conditions not only in our own country, but all over the world.

One of the things in which nations of the world work together is in the exchange of weather information.

When one of our missiles was headed for the moon not long ago, it allowed pictures to go on the screen, and they were transmitted live by television stations, not only all over this country, but through this country, all over the world, to show what happened just before impact, almost exactly on the target, that had been picked by the scientists as the place where that missile should land.

Of course, Senators know of the great interest, not only to scientists, but to all people, and to the humblest people, folks who do not understand all the implications of everything in those pictures, in the ability of our Nation to strike a target spot, and to transmit, not only to our own people, but to the whole world, more intimate knowledge of the surface of the moon than we had ever heretofore dreamed of possessing.

We have done a great number of things in that program. I have not mentioned our probe toward Venus and the probe toward Mars, which we hope will bring us pictures in a few days.

The point I make is that we have an activity which has thrilled our own people and thrilled the people of the world and has commanded confidence and inspiration and patriotic interest, and has thrilled the personal interest of our people in a way such as few things—no other thing in my lifetime—has commanded.

Those who think the program has not been successful in various particulars do so without having had knowledge of the facts.

As to the post-Apollo features of this program which have been carefully worked out in many respects for a long time by scientists, not only have the Bureau of the Budget, the President, but also the committees of Congress and Congress by its actions, postponed and slowed down and delayed those projects, along with vast items of expenses that were connected with them. We have not felt it was wise to postpone or unduly delay or slow down the matter of the accomplishment of the Apollo project and the man-on-the-moon project, because that is the immediate objective upon which the eyes of our people are focused, and upon which the announcements of our scientists have been based for so long.

It would be a very wrong thing to postpone the fulfillment of that dream of a nation by cutting a program which was designed to accomplish that particular act in the swiftest possible time and with the least possible expense.

Over and over again it has been made clear to the members of our committee, the Space Committee, that postponement means additional expense, that delay beyond that which is planned means greater expense than we would otherwise incur.

I now hurry to my next point. Those who believe that this project can be reasonably combed down to a smaller amount—my distinguished friend from Wisconsin proposes that it be cut 5 percent—do not recognize the fact that it has already been combed down, that it has been combed down over $69 million from the estimate which was arrived at in the beginning by the Space Administration and sent to the Congress by the President.

Our friends overlook the fact that this is one of the few projects, one of the few fields, in which we have an annual authorization bill before the annual appropriation bill comes up. Such is not the case with many large appropriation bills, as in the case of Agriculture and

in the case of most independent agency bills, as, for instance, in Defense. In those cases the appropriation bills are not preceded by special annual authorization bills.

In this instance the bill for the authorization pended a long time. It was carefully examined. It was cut down by $69,694,800 from the estimate which first came from the President. Any cut beyond that is a cut which exceeds the cut that the combined wisdom of the House committee, the Senate committee, the House itself, and the Senate itself will make, and is a sort of shot in the dark effort, and a rather blind effort.

All I can say, after this careful annual combing, this careful annual authorization of just a few months ago, is that it would be unwise to superimpose another cut of over $200 million upon the cut of nearly $70 million already made in the budget.

Mr. President, this cut is proposed to be made solely against the research and development part of the project. Senators must have noted how greatly the construction part of this project has already been cut down. It has been cut, as I recall, to about one-fourth of what it was last year or over $200 million. Research and development have to do with the attainment of our ideals, with the attainment of the results, with particular reference at this time, of course, to the moon shot.

I wish to call this to the attention of my distinguished friend from Wisconsin. I am sorry that my friend is not listening, and I remind him that my friends will not accomplish a reduction by closing their eyes to arguments on the floor of the Senate, because the Senator from Florida participated very actively, as a member of the Space Committee, in bringing about the authorization both in committee and at times in the conference in which he participated. I call attention to the fact at this time that the research and development budget, after it was announced and arrived at in the authorization bill, came to $4,536 million. The House, with its well-known proclivity for revision, was able to find only $15 million which was appropriate for reduction. It reduced the amount to $4,521 million, a $15 million cut.

The committee, in its judgment—and it had the benefit of the presence of both the distinguished Senator from New Mexico [Mr. ANDERSON], the chairman of the Space Committee, and the distinguished Senator from Missouri [Mr. SYMINGTON], when he presided over the hearings on the authorization bill—felt that that $15 million cut was unwise. We propose to restore it to the total of $4,536 million, which was the result of the authorization bill.

So far as I am concerned—and I place no emphasis on location and no emphasis on politics and no emphasis on anything else—I believe this is something, in a time of great stress and frustration for our Nation that many of our people have found appeals to their imagination, appeals to their patriotism, appeals to their interest, and appeals to their confidence.

They have renewed faith in our scientific accomplishments. They have renewed faith in our material accomplishments in the building of the great missiles which perform so perfectly. They have renewed confidence in the humanity of our Nation, which stretches out all around the earth, with a series of observation posts far different from our competitor, who does no such thing, because we have so much deep desire to have no man lost.

We show that confidence in everything we do in the program. We have shown enough confidence in ourselves to announce to the public every one of the firings, before they take place, and allow them to be followed at times by hostile eyes in submarines which lie a little farther out than the international line in the Atlantic Ocean off Cape Kennedy.

So here is something which we can build to, which I believe we should build to. If we should reduce the program with the possibility of disastrous results coming from that reduction, we would be answerable for the loss of confidence, interest, faith, and inspiration which have come to our people out of this great effort.

I have seen a good many things happen which our Nation has undertaken during the course of more than 70 years. I have seen nothing else which appealed to our people as does this particular program.

I appeal to the Senate not to reduce the program blindly merely in the hope of having the record show that we cut 5 percent off the project, when we do not have the faintest idea as to what would be the result of such reduction.

I commend the two Senators who have furnished such wise leadership on the question, the Senator from Washington [Mr. MAGNUSON], the chairman of the committee, and the Senator from Colorado [Mr. ALLOTT], the distinguished minority member of the committee, for insisting that we return to the figure so carefully and painstakingly arrived at by both Houses and by the committees of both Houses in relation to the authorization measure.

I hope that the Senate in this important, meaningful field of research and development, will stick to that authorization figure and support the judgment of the many Members of the Senate and the House who have supported the program to that degree, remembering that they have not gone along blindly with the President's budget, but have, indeed, cut the total budget by nearly $70 million.

I thank the chairman.

Mr. MAGNUSON. Mr. President, so much has been said about the amendment that I believe we ought to get the subject into perspective.

The space agency program has been reduced by approximately $70 million. We were not quite sure that we should have made that reduction, for few people realize that the space agency itself does not spend the money.

About 92 percent of the appropriation is let out on contract to private industry. There is a spinoff of many things in private industry.

The argument has been made that we do not put to its best use the personnel that are used; but the personnel in contractual use develop many things that go to meet the needs of the Nation.

We see in newspapers such as the Wall Street Journal, the New York Times, and various metropolitan papers large advertisements which state, "Come to this company; come to that company." Those advertisements are usually for space contracts.

The program is not a crash program. It was never intended to be such.

As the Senator from Colorado [Mr. ALLOTT] will verify, over the years we have set out to establish some goals which we thought we could achieve without trying to push a program which would bring us into a race with someone.

A great deal has been said about going to the moon. If the moon did not exist, we would be doing a great deal of the work covered by the appropriation anyway. The military and medical spinoffs are very great. How shall we evaluate a program with all those imponderables involved? It is somewhat difficult. We go to the Bureau of the Budget and discuss a program with all of its unknowns. Perhaps a contract is let involving a problem that does not fit into something else. The pieces are not yet ready to be fit together to do the kind of job that will ultimately result. It is most difficult to evaluate.

Sometimes a suggestion has been made to the budget that a certain portion of the program will cost x number of dollars. It is found that in order to accomplish what it is desired to accomplish, the costs would be more. So there has been a certain flexibility. If the money is wasted, it is not wasted by the Space Agency itself in a particular portion of the program. It may be for some other reasons. They might even find a contractor who becomes inefficient. But he has the contract.

We have to fit it all together, not to race, but in order to maintain a schedule to do what we think is well within the capacity of the United States in this field.

So when an aggregate cut of 5 percent is proposed, I say that it is not a practical step, but would be an almost impractical space problem. In order to achieve an aggregate, the administrator would have to find in many given contracts all over the United States that one cost more than had been bargained for or estimated in a particular budget. It might be found that it would cost 5 percent more. That amount would then have to be made up. Another program would have to be cut 10, 12, or 15 percent. Then the components would not fit together and the schedule would not fit together. The timing would be off.

So the amendment would be quite impractical in that respect.

The Agency has tried to hold itself to what it spent last year. As I recall, it is a little bit under. A great deal of money is involved. If I thought it was to be used only to put a man on the moon, to beat Russia to the moon, I would slash

the Apollo program and all the rest by 50 percent.

But that is not all that is involved; the program goes beyond that. There are military aspects, some of which are classified, though not all, which become greater and greater as we put men into space.

We are now at a peak in the program. I think there is a plateau in what we shall have to spend year by year to keep this program going and to establish these goals.

I hope that the amendment will not be agreed to. It is a little difficult for us on the committee to know whether there is some waste, and whether we are expanding too much here or too much there. But I would rather err on the safe side and be sure that we go ahead with the program so that the components will fit together.

Many contractors have turned money back. That is why we have the provision that they can transfer up to 5 percent between parts of the program, because then they will find another part of the program where they honestly believe the contractor can do the job for x number of dollars, and they find perhaps that that costs 10 percent more because of the imponderables, the unknown.

So the program must be pretty flexible, and to cut the appropriation across the board percentagewise in some cases would seriously handicap the program. It might handicap only 85 or 90 percent of it, but we must have the whole 100 percent. Sometimes even a small contract can hold up the whole thing if the procedure is not followed correctly. So I hope the amendment will not be adopted.

I assure the Senator from Pennsylvania and the Senator from Wisconsin that there is great concern by the members of the committee that the program or its objectives are too great. I sometimes would like to sneak a little of the appropriation out for oceanography. I think that is a field. But we can have both. I have often said that we are going to know more about the back side of the moon than we know about three-quarters of the earth's surface. But oceanography is another program that we ought to embark upon, to keep moving in this fast-moving world. To me, it is just as exciting as space. Perhaps it may not be to others. However, I hope that both programs will be adopted.

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

Mr. MAGNUSON. I yield.

Mr. CLARK. I shall be glad to help the Senator from Washington squeeze out a little money for oceanography if he will help me to obtain $10.5 million for the program to help train city planners, and the like.

Mr. MAGNUSON. I was intrigued by the speech of the Senator from Pennsylvania. The bill provides funds for many kinds of agencies, including housing and education, for which cuts have been made, or at least where some of the administrators think they have not been given as much as they would like. That was done because it was necessary to provide some money for the space agency. But each was treated separately. If we have not provided enough for certain programs—and perhaps we have not, in some instances—that is because we tried to consider each program on its merits. I do not believe that because we have decided it is necessary to spend the amount of money we have provided for the space agency, other programs have suffered.

Let us be a little practical, too. When contracts to do the work are let to companies A, B, and C, 40 percent of the money will be returned to the Treasury. We should consider the amount of corporate taxes and income taxes that will be paid by keeping people at work. All the work will be done in this country, and employment will be furnished in a great, new, exciting field in a new era.

I hope we shall bear with the space agency. Its personnel is most conscientious. I feel certain that the day is not far removed when they can be even more specific about where we are treading into the unknown.

Mr. ALLOTT. Mr. President, I wish to address myself for a few minutes to the amendment offered by the Senator from Wisconsin. I admit, frankly, that in an area such as this no one can be exactly correct. We are working far into the future with many imponderables. But the committee considered this subject in great detail. The distinguished Senator from New Mexico [Mr. ANDERSON] and other Senators were present. We studied the matter in great depth.

I merely cite three figures which I think have not been set forth. The proposed NASA appropriation is now $60 million under the NASA appropriation for fiscal 1965. It is $70 million under the budget estimate. The additions made by the Senate Committee on Appropriations are only $30 million over the House figure.

I have great respect for the distinguished Senator from Wisconsin, but I say to him that having heard the testimony on this subject for many years, I do not know how a 5-percent cut could be applied to the whole bill, as his amendment would require.

A few minutes ago, the chairman of the subcommittee stated that if a 5-percent cut were made in one area we might find later that it would be necessary to add 15 or 20 percent in another area. We have tried diligently to balance these items as well as we could. While there might be a reasonable area of difference as between individuals as to the cutting of a particular item in the budget or the cutting of a particular program, I feel that a slash cut such as the Senator proposes can only hurt the program and perhaps result in the spending of more dollars in the long run.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin.

Mr. MORSE. Mr. President, I rise to support the amendment of the Senator from Wisconsin.

The only thing wrong with the pending amendment is that it should make a much bigger cut in the space budget. Rather than 5 percent, it should be 25 or 50 percent. I do not believe that there is any single program in the maze of the executive branch that is conducted on behalf of such vague objectives with such little return to the National Government as the national space program.

I believe that with our national delight in the unusual, the American people have become thoroughly taken in by the real life television spectaculars. What we really are seeing is probably the most elaborate, costly, and uneconomic venture of our lifetime, all for the purpose of gratifying our national ego.

Certainly there is a role for the Federal Government in the science and exploration of space. But a $5 billion budget for space is in the realm of the extravagant. Even the scientific undertaking of the Gemini program was well undermined and rendered ridiculous by the "tricks" of the space passengers in taking aboard forbidden fruit. The big joke about the sandwich smuggled aboard by those astronauts also made a big joke of the claim that all of this is being done in the name of dedicated science.

The exact control of diet, water intake, and of all contents, including dust, taken into the capsule—all at great cost and presumably of great significance—were made a mockery of by the game of outsmarting the men who were in charge of these things. I fear that that episode is more characteristic of the whole program than the public realizes.

I am for the exploration of space. However, I have never seen any evidence to justify the program that our Government has been conducting in the so-called race to the moon.

There is nothing sacrosanct about the figure of $5 billion that the committee has recommended. The argument is made that we cannot cut it by any given percentage. What is sacrosanct about that figure? Suppose it were $1 billion more? Would it be said that we cannot increase it by $1 billion more? If we fix the figure that we think is the one and only figure that makes it possible to conduct the space program, let us face up to it, it is a compromise figure. It is a figure that they decided they could get by with. So that is the figure that they are making their fight for or within the bracket of that figure.

We are entering into an era when we think the population of the United States will reach 300 million people at least by the end of the century, if not before. It is an age when the expenditure the United States has made to date on housing, education, water supply, transportation, and the other basic needs of our people will, in some cases, have to match in 40 years all that has been spent through our history on some of these activities.

The public needs of a population growing as fast as this one is growing in an urban and industrial society are not being met today, and they will not be met tomorrow unless we revise some of our predominating concepts of what is important and what is not.

The space budget should be cut much more than the amount proposed by the Proxmire amendment. The funds should

be applied to the development of our natural and civic resources.

There are many needs that we could list that would be justified much more from the standpoint of the welfare of the people of this country than the expenditure of the small amount of money that the Senator from Wisconsin wants to save.

I shall support his amendment. However, a much larger reduction of up to 25 percent or more ought to be made. Let me mention one item. When will we face up to America's water problem? It is much more important that we do some research in regard to the water problems of this planet than discover whether there is water on the moon or what we would do if we found that there was water on the moon.

Mr. President, I happen to be one who thinks that if, in our generation, we do not do something on really a crash basis to bring to an end the inexcusable pollution of the American water supply, if we do not do something to stop the decline of the falling water table that is taking place in large areas of the United States, we will not leave to future generations of Americans a very sound economy or a very healthy country economically, or in any other relationship of health.

Mr. President, when will we learn that we cannot afford to continue to do the damage to the water supply of this country that we are doing, and leave a country that will be characterized by a rising, climbing civilization? Rather than appropriate the huge sum of money for NASA, I would take a substantial part of it, certainly the small amount that the Senator from Wisconsin proposes, and invest it in a research program in regard to the matter of saving the water supply of the country for future American generations.

There is a long list of other domestic items that I could mention which are much more important to the future welfare and security of this country than is the NASA program.

We need to make a study, over the decades, of research into space. I shall vote for a reasonable amount of money to conduct such a program.

Mr. President, this large amount that is being asked for, in my judgment, is highly wasteful. It results from poor judgment and poor planning.

I do not believe that on a comparative basis it is in the best interests of the American people. The space budget should be cut much more than the amount proposed by the amendment offered by the Senator from Wisconsin. The funds should be applied to the development of our national and civic resources.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wisconsin. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. LONG. I announce that the Senator from Idaho [Mr. CHURCH], the Senator from Connecticut [Mr. DODD], the Senator from Tennessee [Mr. GORE], the Senator from Maine [Mr. MUSKIE], the Senator from Rhode Island [Mr. PASTORE], the Senator from Virginia [Mr. ROBERTSON], and the Senator from South Carolina [Mr. RUSSELL] are absent on official business.

I also announce that the Senator from Virginia [Mr. BYRD], the Senator from Indiana [Mr. HARTKE], the Senator from North Carolina [Mr. JORDAN], the Senator from Utah [Mr. MOSS], the Senator from Rhode Island [Mr. PELL], the Senator from Georgia [Mr. RUSSELL], the Senator from Alabama [Mr. SPARKMAN], and the Senator from Maryland [Mr. TYDINGS] are necessarily absent.

I further announce that, if present and voting, the Senator from Connecticut [Mr. DODD], the Senator from Utah [Mr. MOSS], the Senator from Rhode Island [Mr. PASTORE], and the Senator from Maryland [Mr. TYDINGS] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from California [Mr. MURPHY] and the Senator from Colorado [Mr. DOMINICK] are necessarily absent.

The Senator from Kansas [Mr. PEARSON] and the Senator from Wyoming [Mr. SIMPSON] are absent on official business.

The Senator from Pennsylvania [Mr. SCOTT] and the Senator from North Dakota [Mr. YOUNG] are detained on official business.

If present and voting, the Senator from Colorado [Mr. DOMINICK], the Senator from California [Mr. MURPHY], the Senator from Kansas [Mr. PEARSON], the Senator from Pennsylvania [Mr. SCOTT], and the Senator from Wyoming [Mr. SIMPSON] would each vote "nay."

The result was announced—yeas 16, nays 61, as follows:

[No. 179 Leg.]

YEAS—16

Boggs	Kennedy, N.Y.	Nelson
Clark	McGovern	Proxmire
Cooper	Miller	Williams, N.J.
Douglas	Morse	Williams, Del.
Fulbright	Morton	
Gruening	Mundt	

NAYS—61

Aiken	Harris	McNamara
Allott	Hart	Metcalf
Bartlett	Hayden	Mondale
Bass	Hickenlooper	Monroney
Bayh	Hill	Montoya
Bennett	Holland	Neuberger
Bible	Hruska	Prouty
Brewster	Inouye	Randolph
Burdick	Jackson	Ribicoff
Byrd, W. Va.	Javits	Saltonstall
Cannon	Jordan, Idaho	Smathers
Carlson	Kennedy, Mass.	Smith
Case	Kuchel	Stennis
Cotton	Long, Mo.	Symington
Curtis	Long, La.	Talmadge
Dirksen	Magnuson	Thurmond
Eastland	Mansfield	Tower
Ellender	McCarthy	Yarborough
Ervin	McClellan	Young, Ohio
Fannin	McGee	
Fong	McIntyre	

NOT VOTING—23

Anderson	Lausche	Russell, S.C.
Byrd, Va.	Moss	Russell, Ga.
Church	Murphy	Scott
Dodd	Muskie	Simpson
Dominick	Pastore	Sparkman
Gore	Pearson	Tydings
Hartke	Pell	Young, N. Dak.
Jordan, N.C.	Robertson	

So Mr. PROXMIRE's amendment was rejected.

Mr. ALLOTT. Mr. President, I move to reconsider the vote by which the amendment was rejected.

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

The motion to lay on the table was agreed to.

Mr. YOUNG of Ohio. Mr. President——

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. YOUNG of Ohio. Mr. President, I call up my amendment at the desk and ask that it be stated. However, before the amendment is stated——

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The legislative clerk proceeded to state the amendment.

Mr. YOUNG of Ohio. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be printed in the RECORD at this point.

The amendment offered by Mr. YOUNG of Ohio is as follows:

S. 343

On page 4, lines 16 and 17, strike out "$619,170,000" and insert in lieu thereof "$58,990,000".

On page 4, line 17, strike out "$16,000,000" and insert in lieu thereof "$9,250,000".

On page 4, line 20, strike out "$13,150,000" and insert in lieu thereof "$10,150,000".

On page 4, line 22, strike out "900" and insert in lieu thereof "700".

On page 5, lines 3 and 4, strike out "$55,200,000" and insert in lieu thereof "$30,200,000".

Mr. YOUNG of Ohio. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

ORDER FOR RECESS UNTIL 10 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stands in recess until 10 o'clock tomorrow morning.

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

INDEPENDENT OFFICES APPROPRIATIONS, 1966

The Senate resumed the consideration of the bill (H.R. 7997) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies and offices for the fiscal year ending June 30, 1966, and for other purposes.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that on the pending amendment offered by the Senator from Ohio [Mr. YOUNG], there be a time limitation of 40 minutes, 20 minutes under the control of the Senator from Ohio [Mr. YOUNG], and 20 minutes under the control of the Senator in charge of the bill, the Senator from Washington [Mr. MAGNUSON].

The PRESIDING OFFICER. Is there objection to the unanimous-consent agreement? The Chair hears none, and it is so ordered.

The unanimous-consent agreement was subsequently reduced to writing, as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That effective after the prayer on Tuesday, July 13, 1965, further debate on the amendment No. 343 of the Senator from Ohio [Mr. YOUNG] to H. R. 7997, making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1966, and for other purposes shall be limited to 40 minutes to be equally divided and controlled by the Senator from Ohio [Mr. YOUNG] and the Senator from Washington [Mr. MAGNUSON].

Provided further, That debate on the two amendments to be offered by the Senator from Pennsylvania [Mr. CLARK] Nos. 344 and 345 shall be limited to 30 minutes each to be equally divided and controlled by the Senator from Pennsylvania [Mr. CLARK] and the Senator from Washington [Mr. MAGNUSON].

Mr. MANSFIELD. Mr. President, there will be no further votes tonight.

Mr. CLARK. Mr. President, will the Senator from Montana yield?

The PRESIDING OFFICER. Will the Senator from Montana kindly clarify at what point the unanimous-consent agreement on time will commence?

Mr. MANSFIELD. At the conclusion of the prayer tomorrow morning.

I am glad to yield to the Senator from Pennsylvania.

Mr. CLARK. I have two amendments I should like to bring up tomorrow. I am not sure that I wish a yea-and-nay vote on them, but I would be happy to agree to a unanimous-consent agreement of 15 minutes to a side on both amendments.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I make such a request, and ask unanimous consent that on the two amendments to be offered by the Senator from Pennsylvania [Mr. CLARK]—if they are offered—that there be a time limitation of 30 minutes, 15 minutes under the control of the Senator from Pennsylvania, and 15 minutes under the control of the Senator from Washington [Mr. MAGNUSON].

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

COMMITTEE MEETING DURING SENATE SESSION TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on the Judiciary may meet all day tomorrow.

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

COMMITTEE MEETINGS DURING SENATE SESSION TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may meet until noon tomorrow.

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

THE 175TH ANNIVERSARY OF FOUNDING OF THE U.S. COAST GUARD

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 412, Senate Joint Resolution 83.

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

The LEGISLATIVE CLERK. Joint resolution (S.J. Res. 83), to authorize the President to issue a proclamation commemorating the 175th anniversary, on August 4, 1965, of the founding of the U.S. Coast Guard at Newburyport, Mass.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S.J. RES. 83

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is hereby authorized and requested to issue a proclamation commemorating the one hundred and seventy-fifth anniversary, on August 4, 1965, of the founding of the United States Coast Guard at Newburyport, Massachusetts, a service which for the past century and three-quarters has been dedicated to humanity through the saving of life and property at sea, and calling upon the people of the United States to observe such anniversary with appropriate ceremonies and activities.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 427), explaining the purposes of the joint resolution.

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

PURPOSE OF THE RESOLUTION

The purpose of the resolution is to authorize the President of the United States to issue a proclamation commemorating the 175th anniversary of the founding of the U.S. Coast Guard.

GENERAL DISCUSSION

For 175 years the U.S. Coast Guard has been serving this country with distinction. Established August 4, 1790, by the First Congress under the sponsorship of the first Secretary of the Treasury, Alexander Hamilton, the Revenue Marine, as it was then known, was assigned to put down smuggling in the young Republic. Shortly after its inception, the new fleet of 10 small cutters went into action against French vessels which were then harassing our merchant ships.

As a member of this Nation's Armed Forces, the Coast Guard has achieved an enviable record in our country's conflicts. In World War II, the Coast Guard engaged in convoy duty and antisubmarine patrol, manned transports and combat landing craft, and rescued thousands of survivors. Recently, 17 small cutters departed for South Vietnam to assist the U.S. Navy in patrolling the coast of that country.

Over the years the Coast Guard's work has broadened steadily until today it is our chief agency for promoting maritime safety and marine law enforcement. Its duties include an intensive merchant marine safety program, maintenance of a network of more than 40,000 navigation aids, search and rescue, oceanographic research, port security, ocean weather and fishery patrols, and operation of the International Ice Patrol. Its 31,500 officers and enlisted men are serving around the world, in the Arctic and Antarctic, the Atlantic and Pacific Oceans, the Caribbean, and the Mediterranean.

The Coast Guard has come a long way since those first small cutters were launched a century and three quarters ago. But its spirit is still summed up in its motto: "Semper Paratus."

AMENDMENT TO THE INTERSTATE COMMERCE ACT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 415, House bill 5246.

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

The LEGISLATIVE CLERK. A bill (H.R. 5246) to amend sections 20a and 214 of the Interstate Commerce Act.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which was ordered to a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 430), explaining the purposes of the bill.

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

SUMMARY OF PROPOSED LEGISLATION

Under sections 20a and 214 of the Interstate Commerce Act, carriers must obtain Commission approval and authorization for stock and security issues and for assumptions of obligations. The purpose of the bill, H.R. 5246, is to make certain that securities issued by the Federal Government, States, municipalities, or other governmental bodies which acquire the status of common carriers, are not subject to the requirements of these sections of the Interstate Commerce Act.

NEED FOR LEGISLATION

Public ownership of interstate transportation facilities has increased in recent years. A number of port authorities are now served by publicly owned and operated carriers. Examples of such carriers are the State-owned California Belt Railroad and the Port Authority Trans-Hudson Corp., a wholly owned subsidiary of the Port of New York Authority. Galveston, Tex., and Cincinnati, Ohio, each operate a line of railroad in interstate commerce.

The Commission considers that its approval should not be required for the issuance of transportation securities and the assumption of obligations by political entities or their instrumentalities. These financial transactions are generally backed by the credit of a governmental body and are not as subject to manipulation as those of private corporations.

Neither section 20a nor section 214 of the act exempts or authorizes the Commission to exempt, except for relatively minor transactions, any issues or assumptions of obligations. In the absence of an explicit statutory exemption, the legality of such transactions accomplished without Commission approval and authorization might be open to challenge in the courts. Enactment of this proposed legislation would eliminate any

possible question by specifically exempting these transactions from the requirements of sections 20a and 214 of the act.

CIVIL RIGHTS MOVEMENT

Mr. MAGNUSON. Mr. President, whether we approve or not, whether we think their actions are appropriate or not, whether we feel they are fueling the fires of hatred and bigotry or not, our young people—many of our best young people—continue their summer pilgrimages to the South to serve their consciences in the civil rights movement.

Last month, Noel Batdorff and her husband, Richard, Richard Swanson, and Virginia Cooper, all from Seattle, and Earl Rowley, of Wapato, Wash., were arrested in Jackson, Miss. This is what Mrs. Batdorff wrote home:

About 471 of us were arrested the first day, and we were all herded into some sort of arena, kept in a tight bunch in the middle and all the doors were closed except one (Jackson police have a passion for closing off air and ventilation).

It was very hot and muggy that day, so pretty soon we were sweltering—then the brutality started. * * * They were all wearing helmets with earguards, which they often flipped up, and then looked like some macabre mickey mouse. They soon clubbed one girl on the head, because she turned suddenly and faced them—that gave her a 1¼ inch gash on her forehead—later she had five stitches. They clubbed two other white men, one very badly, for no more reason than they had the white girl.

One Negro boy fainted, so we laid him on the floor and immediately the cops gathered and ordered him to stand up—he was really out—so I said, "He has fainted, can't you see?"—and one of the cops nearly exploded—he yelled "shut your mouth, you white * * *. I know your type, white trash, worse than these * * *" and started beating us back into line. We took the Negro boy and I suggested he be taken into the middle of the group where he could lie down in a space without being seen. I started walking round the outside of the group looking for people from our county project to try and get them together—and was spat at and whacked with clubs, but nothing serious. * * *

I was feeling quite sick with fright and awful wonderment at the cops' behavior. mental and physical. They looked like normal human beings, many were married and probably had kids which they dearly love, and yet to us they were as inhuman and as bestial as they could be. At times, I just stood and stared at them, unbelievably, which made them very nervous and worried. Not one cop ever met my gaze for more than a couple of seconds—then it would slither away and he would hastily join a group of his buddies and stand or sit making obscene remarks about how they would like to get me, or some other girl alone and give us the works—obscenity grew from obscenity until it was just nauseating it was so filthy.

What notorious crime led to this brutal treatment? The official charge read "parading without a permit."

Mr. President, is it too much to ask of the officials of the State of Mississippi that these people be treated with elemental humanity? Is it any wonder the parents of those who have gone to Mississippi ask, as Mr. and Mrs. William Swanson—whose son was among those imprisoned in Jackson—have asked: "Why no Federal protection is given to those young people whose only reason for being there is dedication to a cause which is right?"

The Department of Justice informs me that they are now pursuing 60 separate investigations to determine whether the police, jailers, and guards who participated in the maltreatment of their prisoners in the Jackson compound can be held criminally responsible for their brutal acts. As of today, none of these investigations has led to the filing of charges.

I have asked the Attorney General to report to me periodically on the progress of these cases. But, should the Justice Department ultimately prove powerless to punish these wrongdoers, then we must again look to the strengthening of our civil rights laws.

Mr. President, I ask unanimous consent to have the letters from Mr. and Mrs. William Swanson, Mr. and Mrs. Forrest Rowley, and Mrs. Ormond C. Nugent printed in the RECORD.

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

SEATTLE, WASH.,
June 23, 1965.

Hon. WARREN G. MAGNUSON,
Senate Office Building,
Washington, D.C.

DEAR MR. MAGNUSON: Our son Richard W. Swanson graduated from the University of Washington in 1964, since then has been doing graduate work at Washington State University. At the termination of the school year he went to Mississippi to help where he could in the implementation of the civil rights and voting law. Recently we heard that he has been arrested with several hundred other workers and is suffering untold human indignities.

Unlike last summer there has been practically no news about the condition of the workers in the South. We are at a loss to know why the news is being suppressed. In addition we cannot understand why no Federal protection is given to these young people whose only reason for being there is dedication to a cause which is right.

Sincerely yours,
Mr. and Mrs. WILLIAM SWANSON.

WAPATO, WASH.,
June 26, 1965.

U.S. Senator MAGNUSON.

DEAR SIR: Our son Earl Rowley is a civil rights worker in Mississippi and has been arrested, is in the Jackson, Miss., fairgrounds compound. We demand you go to the Justice Department and demand protection for our son and all the others there. On the news they tell us there is mistreatment of the people confined there.

Yours truly,
Mr. and Mrs. FORREST ROWLEY.

MERCER ISLAND, WASH.,
June 28, 1965.

MY DEAR SENATOR MAGNUSON: Am enclosing a letter from Mrs. Richard Batdorff, so you will know what is really going on down in Jackson, Miss.

Four Seattle young people were arrested—Richard and Noel Batdorff, Richard Swanson and Virginia Cooper. There has been scarcely any news in the Seattle newspapers.

It sounds like the German concentration camps, rather than any place in the United States. Apathy and lack of knowledge killed millions of people over there.

Please do anything that you can, such as, ask the Justice Department for immediate action to secure the release of those in jail, and to file suit enjoining local and State police from brutal tactics and the denial of constitutional rights.

Also, I would urge you to vote yes on the MFDP challenge.

Sincerely,
MARGARET NUGENT.

ACCOMPLISHMENTS OF THE PRESIDENT AND THE CONGRESS

Mr. BREWSTER. Mr. President, yesterday, two of America's most respected newspapers carried lead editorials praising President Johnson.

Certainly this praise was justified. The President is not only guiding our Nation through difficult times on the international front, but he is also building an unprecedented record of legislative accomplishments for his administration—one that will be long remembered.

This Congress, under the active leadership of President Johnson, has moved decisively in recent months to enact much needed legislation in the fields of health, education, and voting rights.

In the next few days, the Senate will consider needed legislation to create a Department of Housing and Urban Development and an omnibus housing bill. These measures will go far toward the development of a national policy for our growing urban areas that now are suffering from neglect and uncoordinated programs.

The President was given a clear mandate by the American voters last November to initiate a program to better deal with our pressing domestic problems. He is energetically carrying out this mandate with the support of this Congress.

Mr. President, I ask unanimous consent to have the lead editorials from the Baltimore Sun and the New York Times printed at this point in the RECORD.

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

[From the Baltimore Sun, July 11, 1965]

MEANWHILE, AT HOME

In the House of Representatives, in the Senate, and in the Vice-Presidency, Mr. Johnson's interests were mainly domestic, and it was on domestic issues that he exerted to the fullest his notable political talents. As President, too, there is little doubt that Mr. Johnson would prefer to deal first and principally with the problems of what he has called the Great Society—his vision of what this country can and should become. But a President can rarely do only what he prefers to do. In Mr. Johnson's case the many-troubled outside world has crowded into his time and demanded his urgent attention.

The President, of course, must have expected it to happen, for before becoming President he had thought much about the Presidency; and in moments of crisis which sometimes stretch to a great deal more than moments, he has acted decisively while still keeping his eye on the long goals of policy. It is so in Vietnam, and it is so in the Caribbean. Mr. Johnson does not pretend today, though there were times earlier when he did, that all goes well in Vietnam. He said on Friday that things would get worse there before they got better. As to the Dominican Republic, he must be well aware that the difficulties there, and in some other Latin American areas, are far indeed from straightened out.

It is worth noting, still, that with all this Mr. Johnson has demonstrated the large capacity, and the immense energy, to continue pushing his domestic programs. Two historic measures, the social security medicare bill and the voting rights bill, are near enactment, the first now having passed the Senate and the second the House, with differences in each to be worked out in conference committees. These alone would make a memorable year for any administration, and they are now to be added to the Johnson record of remarkable domestic achievement. The record in foreign affairs is not yet so clear, above all because the United States simply does not, and cannot, run the world, and because few of the troubles of the world are amenable to obvious solution. To them also, however, the President is devoting his capacities and his energies, because as President he must. He never supposed the Presidency would be easy, and wouldn't like it so well if it were.

[From the New York Times, July 11, 1965]

THE PRESIDENT AND THE CONGRESS

President Johnson disclosed last week that he would like to keep Congress in session until November to act on all of his legislative proposals. This was more threat than prophecy since an earlier adjournment is still probable, but behind Mr. Johnson's words lies a sound judgment about the nature of Congress.

Congress is not a machine processing so much legislation each year. Like other human institutions, it has its own tempo and tends to work in spurts.

Since he has the momentum of this Congress in his favor, the President is wise to extract the maximum advantage. He has three assets that are likely to diminish with time. The most important is the unusually large Democratic majority in the House—294 to 141—which the anti-Goldwater landslide produced and which may not survive next year's election. A second asset is his popularity in the country which conditions the atmosphere in Congress. Finally, he has an aura of success because of past victories.

To these factors, Mr. Johnson adds a fourth—his close attention to legislative detail and his tireless cultivation of individual members. But this skill and effort, important as they are, would yield far fewer results if the ranks of his loyal supporters in the House were diminished, if his personal popularity declined, or if defeats dented his prestige.

The recent record of Congress points up both the magnitude of its achievement and the precarious balance of forces that made it possible. Action was virtually completed last week on two of the most significant pieces of legislation in a generation—medicare and voting rights. They are of the same historic size as the first Federal aid program for elementary and secondary schools which passed earlier in the session. Also during this past week, the constitutional amendment on Presidential succession was approved.

The Senate has passed bills to establish regional medical centers, to reorganize the depressed areas program, to create a national arts foundation, and to combat water pollution. The House has approved the omnibus housing bill, with its controversial provision for rent subsidies, and the bill to set up a Department of Housing and Urban Development.

These victories have not all been easy. Approximately 60 conservative Southern Democrats in the House still vote against the Administration on most issues. When Northern and Western Democrats also defect, as 16 of them did on rent subsidies, the Administration must seek Republican help.

The old Republican-Southern Democrat coalition, once dominant in the House, tried to reassert its power on the voting rights bill, but the candid Southern expressions of support proved too embarrassing for many Republicans. On issues not so charged with moral significance, however, the potential for effective resistance clearly exists.

As he forces the pace of legislative action, the President risks an occasional defeat. But he knows that in the long run, inaction has more hazards. The 89th Congress is of that rare breed; it moves to a Presidential tempo.

PRESIDENT CALLS FOR INTERNATIONAL MONETARY CONFERENCE

Mr. JAVITS. Mr. President, on July 10, 1963, my Republican colleagues and I on the Joint Economic Committee submitted Senate Concurrent Resolution 53 calling on the President to convoke a well-prepared international monetary conference to review the adequacy of the existing international monetary system and to make plans for necessary reforms. It was again introduced on January 28, 1965, as Senate Concurrent Resolution 14 in this Congress. Exactly 2 years later, on July 10, 1965, President Johnson authorized Secretary of the Treasury Fowler to announce that the United States now stands prepared to attend and participate in an international monetary conference that would consider what steps might be taken to secure substantial improvements in international monetary arrangements.

I think that I can say that during these 2 years the Senate Joint Economic Committee minority fought hard for the United States to modify its stand and to take the initiative in modernizing the international monetary system. For the most part of the fight was a lonely one often against strong opposition from the Treasury.

I am gratified that the President has decided to take this step. An up-to-date international monetary system is an extremely vital element in maintaining world prosperity, in strengthening the ability of industrialized nations to buy goods of underdeveloped nations at a high level and to maintain full employment.

A well-functioning and adequate international monetary system is as vital to the survival and well-being of the United States and the free world financially as an unquestioned nuclear deterrent capability is militarily. And yet, the governments and financial leaders of the industrial nations till now have not faced the critical problem that must be solved if this system is to support those needs indispensable to the success of the free world.

The international monetary system has an enormous impact on economic conditions in both the developed and developing nations of the non-Communist world, on the well-being of their citizens and on their ability to meet the many and varied challenges of Communist power. It determines to a large degree our freedom to pursue policies of economic development and it has major impact on domestic political stability in many Western nations.

A fell-functioning and flexible international monetary system has a major impact on our ability to supply ever increasing volume of economic assistance to the developing nations which is essential to insure them a satisfactory rate of economic growth in a democratic framework.

The President's decision to call for an international monetary conference makes it entirely clear that time for leisurely debate over the character and timing of international monetary reform has run out. As the United States demonstrates its determination and ability to bring its persistent imbalance of international payments under control, problems caused by our very success—a reduction in world reserves and pressures on the pound sterling—require that we bring this debate to an end and to open full scale negotiations now over what is to be done to modernize the system. I agree fully with Secretary Fowler that a preparatory committee should prepare for the conference and that such a committee should be given its terms of reference at the earliest opportunity, hopefully no later than the next annual meeting of the International Monetary Fund in September. I also agree with him and urge him that he consult with members of appropriate congressional committees concerning the appropriate U.S. position and strategy at such a conference.

The problem confronting the international monetary system stated simply is that the rapid growth of international trade in the postwar period has not been accompanied by appropriate rise in international reserves. Since 1954, world exports have doubled—to $159.2 billion—but reserves of gold, dollars, pound sterling, and other forms of credit have increased by only one-quarter—to $67.3 billion. With the principal source of new reserves—the U.S. dollar—rapidly drying up as a result of U.S. balance-of-payments actions, the system lacks at present an acceptable means to supplement the vital reserve functions played by the dollar. The creation of new international reserves is largely an arbitrary process today—chiefly based on the U.S. balance-of-payments deficit—rather than a process tied to the requirements of the system.

The series of short-term measures, the temporary and voluntary actions taken by this Government have failed to deal with the need for long-term and basic reform, yet, in my view, these actions on our part have exaggerated the importance of the U.S. balance-of-payments deficit and strengthened the hands of some who would wish to use our present situation to undermine our role as leaders of the non-Communist world.

The United States has been slow to seek a solution to the international liquidity problem and has not shown adequate confidence in the enormous weight of our economy and its impact on the international economy. Our private investors own nearly $72 billion in earning assets abroad. In addition, the world owes the U.S. Government the principal and interest on $22.8 billion in loans. While foreign assets and investments in the United States add up to about $5.3 billion, it is left with a substantial—$41.8 billion—net international asset position in its favor. In 1964 U.S. ex-

ports and imports totaled $43.9 billion—28 percent of world trade—with the United States left in a substantial $6.6 billion trade surplus, more than in any other year in the postwar period except for 1947. In the final analysis, the entire productive capacity of our economy stands as backing for the dollar. In terms of the gross national product, the U.S. economy represents close to 50 percent of the production in the non-Communist world.

The United States, using its position of strength responsibly, must take the lead to bring about a reform of the international monetary system.

I first called for an international monetary conference on July 10, 1963, when I introduced a resolution along with Senators JORDAN of Idaho and MILLER, of Iowa, my Republican colleagues on the Joint Economic Committee. Further support for this position has come from Representative THOMAS B. CURTIS, of Missouri, and Representative ROBERT F. ELLSWORTH, of Kansas, who in a remarkably responsible and thorough statement delivered on the House floor on Monday, June 28, called upon the President to declare U.S. willingness to attend an international monetary conference preceded by a permanent Preparatory Commission to lay the groundwork for such a conference. I thoroughly agree with the position taken by my House colleagues.

An international monetary conference should, after careful review of various reform schemes and agreements on procedural questions, negotiate on a system which would, as a minimum, first, provide reserves in addition to the dollar and the pound sterling to finance the ever-growing requirements of international commerce; second, eliminate the arbitrary character of reserve creation and instead create a system to manage the world's supply of international credit rationally and under international auspices; third, bring up to date the adjustment mechanism of the system—the discipline imposed on countries in a balance-of-payments deficit position; fourth, provide for the expansion of long-term, low-cost credit to the developing nations.

The alternative to basic reform is the continuation of the existing system with more stringent forms of financial "discipline" added. The free world has already paid a high price for the existing system in terms of unnecessary high levels of unemployment, slower rates of growth, restrictions on trade and capital movements—such as the U.S. interest equalization tax—and Government procurement policies which often are undermining 30 years of progress toward trade liberalization.

The United States has now seized upon the growing consensus in support of international monetary reform among key countries and the conclusion recently of reviews both by the IMF, and the Group of Ten (in the form of the Ossola report) of various reform proposals to press for negotiations on a definite plan for reform. It is now up to the political leaders including those in the U.S. Congress to take this matter in hand. Technicians, central bankers, and economists have been debating this long enough. We must act now before the damage is done and while there is the possibility of fruitful negotiation.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the text of pertinent newspaper articles and the concurrent resolutions to which I have referred in my remarks.

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

[From the New York (N.Y.) Times, July 11, 1965]

FOWLER PROPOSES A GLOBAL PARLEY ON MONEY SYSTEM—SAYS PRESIDENT AUTHORIZES CALL FOR TALKS TO IMPROVE BRETTON WOODS SETUP, LAG IN LIQUIDITY IS SEEN—STEPS ARE HELD NECESSARY TO SPUR GROWTH OF RESERVES USED FOR WORLD TRADE

(By Edwin L. Dale, Jr.)

WASHINGTON, July 10.—The United States, in a major initiative, proposed today a world conference aimed at "substantial improvements" in the 20-year-old international monetary system.

The proposal was made by Secretary of the Treasury Henry H. Fowler, who said President Johnson had authorized it.

The last such world conference was at Bretton Woods, N.H., in 1944. The system then evolved has worked well and has been a major factor in the spectacular prosperity of the industrial world.

But the system has recently come under strain, first because of the persistent deficits in the U.S. balance of international payments and now, prospectively, because of the ending of those deficits. The dollar is a keystone of the system.

Mr. Fowler disclosed the U.S. initiative in a speech to the Virginia State Bar Association in Hot Springs, Va. The text of his remarks was made available here. Mr. Fowler conferred about the speech with the President 2 days ago.

The Secretary said that a world conference, if it was to succeed, "must be preceded by careful preparation and international consultation."

ASKS ASSURANCE OF PROGRESS

"Before any conference takes place, there should be reasonable certainty of measurable progress through prior agreement on basic points," he declared.

"Our suggestion," he continued, "is that the work of preparation be undertaken by a preparatory committee which could be given its terms of reference at the time of the annual meeting of the International Monetary Fund this September."

Mr. Fowler said the "happy concurrence of three crucial facts" made the time appropriate to act on reform of the system. The crucial facts, he said, are these:

The U.S. balance of payments "is approaching an equilibrium."

There is a "rising tide of opinion" that the world system "can and should be substantially improved," building on the present system.

The necessary technical studies have been completed, chiefly by the leading financial nations known as the Group of Ten.

As Mr. Fowler explained today, world financial reserves, called international liquidity, have grown in the last 15 years, largely because of deficits in the U.S. balance-of-payments. These deficits have pumped both dollars and gold into the reserves of other nations. The United States was spending more abroad than it earned abroad, even though exports regularly exceeded imports.

As foreign dollar holdings grew and the U.S. gold stock declined, it became necessary to end these deficits to keep the dollar "as good as gold" and assure other nations that their dollar holdings could always be converted into gold at $35 an ounce.

After long and frequently frustrating efforts by the Government, the deficits now appear to be ending. In any event, the Government, as Mr. Fowler said, is "determined" to end them.

But this will automatically stop the growth in world reserves that is needed to finance international transactions, a condition that Mr. Fowler called the "paradox" of the present system. Hence, the need for an innovation, which may well take the form of some new kind of reserve asset in addition to gold and dollars.

Nations use their reserves to settle deficits in their international transactions. While reserves do not have to grow exactly in line with world trade, there is agreement that they must grow over a period of time so that nations can handle temporarily deficits without clamping restrictions on imports or imposing deflationary domestic policies.

Mr. Fowler quoted today a sentence from President Johnson's balance-of-payments message to Congress last February 10:

"Unless we can make timely progress, international monetary difficulties will exercise a stubborn and increasingly frustrating drag on our policies for prosperity and progress at home and throughout the world."

Mr. Fowler gave no hint today of what the United States would advocate at the world conference and in the preparatory stage. But he said the Government was now moving into a stage of "intensive internal preparation" to determine "those proposals which will be acceptable to the United States, those which are entirely unacceptable, and those which may well be appropriate for negotiation."

FRANCE OPPOSES EXPANSION

In discussions on reform that have been underway for nearly 2 years among the group of 10 countries, serious differences of opinion have emerged. Essentially the continental European countries above all France, have opposed reforms designed to expand world liquidity, contending there is already too much. Britain, the United States, and Japan have been more expansionary.

The end of the United States payments deficit, assuming that the recent improvements continue, could sharply alter the negotiating situaton. It would improve the United States bargaining power and might persuade many Europeans that a method of adding to world liquidity was needed.

Mr. Fowler disclosed in his speech that he planned to meet later this year with the "ranking financial officials of other Group of Ten countries, to ascertain first-hand their views on the most practical and promising ways of furthering progress toward improved international monetary arrangements." He has already seen the British Chancellor of the Exchequer, James Callaghan, and will confer next week with the Japanese Finance Minister, Takeo Fukuda.

OTHER MEMBER NATIONS

Other members of the Group of Ten are France, West Germany, Italy, Belgium, the Netherlands, Sweden and Canada. Switzerland sits with the group as an observer.

Mr. Fowler made it clear that the United States had no intention of trying to impose its own ideas.

"We must be prepared," he said, "not only to advance our own proposals but to carefully consider and fairly weigh the merits of other proposals."

The idea of a world monetary conference can be said to have originated not with the administration but with congressional Republicans.

Senator JACOB K. JAVITS, of New York, has long advocated it. Senator BOURKE B. HICKENLOOPER, of Iowa, speaking for the Senate

Republican leadership, endorsed the idea last week.

ELLSWORTH SPEECH CITED

Also last week, Representative ROBERT F. ELLSWORTH, of Kansas, speaking on behalf of an informal group of House Republican liberals and moderates, made the proposal in a major house speech. Mr. ELLSWORTH has been in touch with leading world financial figures, such as Jean Monnet of France, seeking their advice on how to bring about such a conference.

Mr. Fowler quoted today from the Ellsworth speech.

A plan for improving the monetary system that has considerable backing, though there is much disagreement on detail, calls for creating a new composite or collective reserve unit, labeled CRU for short. The reserve would be made up of the 10 or 11 leading currencies in fixed proportions, held in nations' reserves along with gold and dollars. It could be used to settle international accounts.

The idea is supported in varying degrees in Europe, in Japan and Canada. Britain is known to be sympathetic, provided the new unit could be firmly linked to the existing International Monetary Fund.

The United States has long resisted the idea, mainly because some versions of it would seek to diminish or abolish the role of the dollar as a world reserve currency and a "working" currency for a host of private international transactions.

But if the plan could be worked out in such a way as to leave the role of the dollar intact, and if it could be linked to the Monetary Fund, the United States is understood to be willing to consider it.

A new version of a Crutype of plan will be published next month by Robert V. Roosa, former Under Secretary of the Treasury, who was the leading U.S. international monetary official for the first 4 years of the Kennedy-Johnson administration. This could indicate a move in the U.S. position toward more sympathy for the basic idea.

Mr. Roosa is a member of a committee, headed by former Secretary of the Treasury Douglas Dillon, that was named to advise Mr. Fowler on international monetary reform. Mr. Fowler disclosed today that the group would have its first meeting Friday.

[From the New York (N.Y.) Times, July 11, 1965]

TEXT OF FOWLER'S REMARKS ON INTERNATIONAL MONETARY SYSTEM

(NOTE.—Following is the text of that portion of Treasury Secretary Henry H. Fowler's speech today dealing with the international monetary system. In an earlier section of the speech, Mr. Fowler discussed the U.S. balance of payments. The speech was delivered in Hot Springs, Va., and was released here by the Treasury Department.)

It is imperative not simply to reach balance in our payments for a quarter or two, or even for a year, but to sustain equilibrium over time. The reasons are clear.

Our 14 years of deficits have resulted in a large outflow of dollars to the rest of the world. Because there is worldwide confidence in the stability of those dollars and because they are convertible into gold at the fixed price of $35 an ounce, those dollars are widely used to finance international transactions, and other countries hold them alongside gold in their official reserves.

Today, those dollars—some $27 billion—account for a major share of the international liquidity that sustains the growing free world economy. Some $12 billion of those dollars are in official reserves, while the remainder serve to support growing world trade and investment.

Thus, it is essential to the viability of the international monetary system as it exists today that the usefulness and value of those dollars remain unquestioned throughout the world. And, whatever changes might be introduced into that system, the dollar will have to continue to carry a heavy burden as a reserve currency.

If we allowed our deficits to continue, or if we lapsed back into prolonged deficit after a brief period of surplus, we would undermine world confidence in the dollar and impair its usefulness as a world reserve and leading currency. Dollars would return to our shores as claims on our gold, thus depleting, instead of supplementing, world financial resources.

WOULD SUSTAIN ADVANCE

To prevent such a contraction in world liquidity and the widening circles of deflation and restriction that would surely follow, we must reach and maintain equilibrium in our payments as a matter of the highest national priority, along with sustaining the economic advance that has marked the last 53 months.

The paradox is, therefore, that the very increase in official foreign dollar holdings that has fueled so much of the growth is world liquidity in the past—and has thus helped support the growth in world trade—can no longer be allowed to continue if current international liquidity is to be protected. Yet without additions to the reserve dollars that our deficits have so long supplied, the world will need a new and assured source of growing liquidity to support increasing world trade and investment.

This, in a nutshell, is what the issue of world monetary reform is all about. It is to assure ample world liquidity for the years ahead that the United States, in cooperation with other leading financial powers, is seeking workable ways of strengthening and improving international financial arrangements.

For several years now the essential laying of the technical groundwork has been underway as the United States has joined with other major countries in comprehensive studies of the international monetary system—its recent evolution, its present effectiveness and its future. An early conclusion was that there are two elements in international liquidity; on the one hand, the more conventional reserves of gold and reserve currencies and, on the other hand, the ready availability of credit facilities for countries in need of temporary assistance.

As long ago as 1961, the 10 major industrial nations, now known as the Group of Ten, negotiated with the International Monetary Fund a so-called general arrangements to borrow whereby the 10 nations agreed to lend to the International Monetary Fund up to $6 billion should this be necessary "to forestall or cope with an impairment of the international monetary system." That arrangement was activated last December and again this May in order to provide a part of a $2.40 billion drawing from the International Monetary Fund on the part of the United Kingdom.

BACK 25-PERCENT RISE

On the credit side, also, the members of the International Monetary Fund have now agreed to support a 25-percent general increase in International Monetary Fund quotas. This 25-percent increase, plus special increases for some 16 countries, will raise total aggregate quotas from $15 billion to around $21 billion. The Congress last month approved a $1,035-million increase in the U.S. quota.

Meanwhile, the Group of Ten and the International Monetary Fund have been continuing their studies of the future course of world liquidity. Deputies of the group submitted a comprehensive report on the problems involved last August.

In their ministerial statement last August, the Group of Ten stated that, while supplies of gold and reserve currencies are fully adequate for the present and are likely to be for the immediate future, the continuing growth of world trade and payments is likely to require larger international liquidity. While they said that this need might be met by an expansion of credit facilities, they added that it may possibly call for some new form of reserve asset.

A study group was set up "to examine various proposals regarding the creation of reserve assets either through the International Monetary Fund or otherwise." The efforts of that group have culminated in the so-called Ossola report, submitted to the deputies of the Group of Ten on June 1 of this year, which exhaustively examines, with all their promises and pitfalls, the possible paths to the creation of reserve assets.

Now for the first time in 4 years we are confronted by the happy concurrences of three crucial facts.

1

The U.S. balance of payments is approaching an equilibrium and the executive branch, the Congress and the private sector, including industry, banking and labor, have mounted a program that makes unmistakably manifest our determination to keep it that way.

2

Evidence is accumulating of a rising tide of opinion in many knowledgeable and influential quarters in the free world, private and public, that our international monetary arrangements can and should be substantially improved, building on the basis of the International Monetary Fund and the network of more informal international monetary cooperation that has marked recent years.

3

The completion of technical studies necessary to give a thorough understanding of the problem and various alternative approaches to solution on the part of those at the highest levels of government who must ultimately make these decisions.

We have now reached the moment which President Johnson had in mind when, in speaking of new international monetary steps, he said:

"We must press forward with our studies and beyond, to action * * * evolving arrangements which will continue to meet the needs of a fast growing world economy. Unless we can make timely progress, international monetary difficulties will exercise a stubborn and increasingly frustrating drag on our policies for prosperity and progress at home and throughout the world."

In taking office, I described this as "the major task facing our Treasury and the financial authorities of the rest of the free world in the next few years."

In recent weeks we have moved beyond the plane of hope and technical studies toward the prospect of more conclusive negotiations from which alone solution can emerge.

I met last week with the British Chancellor of the Exchequer, James Callaghan, and we exchanged preliminary and tentative views on the subject of international liquidity.

Next week I hope to have the pleasure of informal discussions with the Japanese Minister of Finance, Takeo Fukuda, in connection with the joint Cabinet sessions of the United States-Japan committee on trade and economic affairs.

ADVISORY PANEL NAMED

Both before and after scheduled meeting of the International Monetary Fund and World Bank in late September, I expect to visit ranking financial officials of other group of 10 countries, to ascertain firsthand their views on the most practical and promising ways of furthering progress toward improved international monetary arrangements. We must not only be prepared to advance our own proposals, but to carefully consider and fairly weigh the merits of other proposals. As Congressman ROBERT ELLS-

WORTH, of Kansas, in discussing this subject, recently remarked:

"We must appreciate that if we wish a strong Europe it must be a Europe strong enough to look upon an American proposal as merely one among many possible solutions—all of which will be reviewed together. If we wish their partnership, we must treat them as partners."

Already your Government is engaged in an intensive internal preparation for these bilateral meetings and multilateral negotiations that should follow.

In addition, so that the Government may have the benefit of some of the expertise and experience outside the Government in this highly technical area, President Johnson has accepted my recommendation and announced creation of an Advisory Committee on International Monetary Arrangements which includes as its Chairman the former Secretary of the Treasury, Douglas Dillon, and a distinguished group of experts including Robert Roosa, former Under Secretary of the Treasury for Monetary Affairs; Kermit Gordon, former Director of the Bureau of the Budget; Edward Bernstein, economic consultant specializing in international monetary policy; André Meyer, of the investment banking firm of Lazard Frères; David Rockefeller, president of the Chase Manhattan Bank, and Charles Kindleberger, professor of economics at Massachusetts Institute of Technology.

With their help and that of many others who will be consulted, including, particularly, many well-informed members of the appropriate committees of Congress, we shall constantly seek a comprehensive U.S. position and negotiating strategy designed to achieve substantial improvement in international monetary arrangements thoroughly compatible with our national interests.

In the various proposals which have and will be made, we must determine those which will be acceptable to the United States, those which are entirely unacceptable, and those which may well be appropriate for negotiation.

There will be an initial meeting of the advisory committee on international arrangements on July 16. Hearings are planned before the International Finance Subcommittee of the House Banking and Currency Committee under the chairmanship of Congressman HENRY REUSS, of Wisconsin, to obtain various private and organizational points of view. These hearings and the reports of the committee will be of great value, together with those of the Joint Economic Committee of Congress and the International Finance Subcommittee of the Senate Banking and Currency Committee under the chairmanship of Senator EDMUND MUSKIE, of Maine.

READY TO JOIN TALKS

I am privileged to tell you this evening that the President has authorized me to announce that the United States now stands prepared to attend and participate in an international monetary conference that would consider what steps we might jointly take to secure substantial improvements in international monetary arrangements. Needless to say, if such a conference is to lead to a fruitful and creative resolution of some of the free world's monetary problems, it must be preceded by careful preparation and international consultation.

To meet and not succeed would be worse than not meeting at all. Before any conference takes place, there should be a reasonable certainty of measureable progress through prior agreement on basic points.

Our suggestion is that the work of preparation be undertaken by a preparatory committee which could be given its terms of reference at the time of the annual meeting of the International Monetary Fund this September.

The United States is not wedded to this procedure nor to any rigid timetable. I shall exchange views with my colleagues in Europe and elsewhere, as well as with the senior officials of the International Monetary Fund, on how best to proceed. The point I wish to emphasize here is that the United States is determined to move ahead—carefully, deliberately—but without delay. Not to act when the time is ripe can be as unwise as to act too soon or too hastily.

We are, therefore moving ahead—and we are making progress. But we must be aware that the issues involved are complex, and they raise basic questions of national interest.

PATIENT EXPLORATION NEEDED

It is not, therefore, easy to arrive at the degree of international consensus we must have for any workable reform of the international monetary system. We can expect no overnight solution—but only patient exploration of the alternatives with our trading partners in a spirit of mutual cooperation. This is the course we are now pursuing.

As we move ahead, we will do well to remember that the existing international financial system has successfully financed an unparalleled expansion in world trade and payments. We have also done much in recent years to strengthen that system. The need now is not to start all over again, to move in a completely new direction. Rather, we must move once more to strengthen and improve the existing arrangements.

And while we proceed solidly and surely toward international agreement on the problems of world liquidity, we in this country must keep ever before us the present and pressing need to protect the existing international payments system by maintaining a strong, sound, and stable dollar. First things must come first.

We are bringing our own payments into equilibrium and we must keep them in equilibrium. By resolutely shouldering that responsibility we will preserve the foundation upon which must rest all efforts to assure free world growth in the years ahead—the monetary system that has served the free world so well in the past.

S. CON. RES. 53

Whereas the United States has had a deficit in its international balance of payments every year, except one, since 1950; and

Whereas, largely as a result of these deficits, United States short-term dollar liabilities to foreigners totaled $25,300,000,000 at the end of April 1963; and

Whereas these liabilities constitute a potential claim against the United States gold stock of $15,700,000,000, of which less than $4,000,000,000 is "free gold" not required to serve as backing for our currency; and

Whereas the health of our domestic economy and strength of the dollar and its ability to serve as a key international reserve currency depends upon the early elimination of the balance-of-payments deficit and the creation of improved arrangements to serve the liquidity needs of an expanding international trade and payments system: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress of the United States that achievement of balance-of-payments equilibrium in a manner consistent with the dollar's role as a key international reserve currency should receive the highest priority in the formation of national economic policy; and be it further

Resolved, That the maintenance of equilibrium in its international accounts should be a continuing and major goal of United States international economic policy; and be it further

Resolved, That the United States take the initiative within the International Monetary Fund to devise new and improved methods of permanently strengthening the international monetary and credit mechanism in order to provide (a) improved means of financing balance-of-payments deficits until basic corrective forces restore equilibrium, and (b) sufficient liquidity to finance increases in world trade and payments once United States balance-of-payments equilibrium is achieved; and be it further

Resolved, That the President be requested to consider calling for an International Economic Conference to review the long-term adequacy of international credit; to recommend needed changes in existing financial institutions; to consider increased sharing of economic aid for development and military assistance; and to consider other pressing international economic problems placed before it by a preparatory committee for such Conference.

S. CON RES. 14

Whereas the United States has had a deficit in its international balance of payments every year, except one, since 1950; and

Whereas largely as a result of these deficits, United States short-term dollar liabilities to foreigners totaled an estimated $27,976,000,000 at the end of October 1964; and

Whereas these liabilities constitute a potential claim against the United States gold stock of $15,200,000,000, of which less than $1,400,000,000 is "free gold" not required to serve as backing for our currency; and

Whereas the health of our domestic economy and strength of the dollar and its ability to serve as a key international reserve currency depends upon the early elimination of the balance-of-payments deficit and the creation of improved arrangements to serve the liquidity needs of an expanding international trade and payments system: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress of the United States that achievement of balance-of-payments equilibrium in a manner consistent with the dollar's role as a key international reserve currency should receive the highest priority in the formation of national economic policy; and be it further

Resolved, That the maintenance of equilibrium in its international accounts should be a continuing and major goal of United States international economic policy; and be it further

Resolved, That the United States take the initiative to devise new and improved methods of permanently strengthening the international monetary and credit mechanism in order to provide (a) improved means of financing balance-of-payments deficits until basic corrective forces restore equilibrium, and (b) sufficient liquidity to finance future increases in world trade and payments; and be it further

Resolved, That the President be requested to call for an International Economic Conference to review the long-term adequacy of international credit; to recommend needed changes in existing financial institutions; to consider increased sharing of economic aid for development and military assistance; and to consider other pressing international economic problems placed before it by a preparatory committee for such Conference.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed, without amendment, the following bill and joint resolution of the Senate:

S. 998. An act to amend section 4 of the Fish and Wildlife Act of 1956 to authorize the Secretary of the Interior to make loans

for the financing and refinancing of new and used fishing vessels, and to extend the term during which the Secretary can make fisheries loans under the act; and

S.J. Res. 71. Joint resolution to amend the joint resolution of January 28, 1948, providing for membership and participation by the United States in the South Pacific Commission.

RECESS UNTIL 10 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, if there is no further business to come before the Senate, I move, pursuant to the order previously entered, that the Senate stand in recess until 10 o'clock a.m. tomorrow.

The motion was agreed to; and (at 6 o'clock and 45 minutes p.m.) the Senate took a recess, under the order previously entered, until tomorrow, Tuesday, July 13, 1965, at 10 o'clock a.m.

NOMINATIONS

Executive nominations received by the Senate July 12, 1965:

DEFENSE DEPARTMENT

Harold Brown, of California, to be Secretary of the Air Force, vice Eugene M. Zuckert, resigned.

Norman S. Paul, of the District of Columbia, to be Under Secretary of the Air Force, vice Brockway McMillan, resigned.

Thomas D. Morris, of Maryland, to be an Assistant Secretary of Defense, vice Norman S. Paul.

TREASURY DEPARTMENT

W. True Davis, Jr., of Missouri, to be an Assistant Secretary of the Treasury.

NATIONAL COMMISSION ON TECHNOLOGY, AUTOMATION, AND ECONOMIC PROGRESS

Thomas J. Watson, Jr., of New York, to be a member of the National Commission on Technology, Automation, and Economic Progress, vice John I. Snyder, Jr., deceased.

THE JUDICIARY

William B. Bryant, of the District of Columbia, to be U.S. district judge for the District of Columbia vice David A. Pine, retired.

Oliver Gasch, of the District of Columbia, to be U.S. district judge for the District of Columbia, vice Edward A. Tamm, elevated.

EXTENSIONS OF REMARKS

Health Professions Educational Assistance Amendments Act of 1965

EXTENSION OF REMARKS

OF

HON. JAMES KEE

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1965

Mr. KEE. Mr. Speaker, I should like to inform my distinguished colleagues of the House that today I am introducing a bill to correct an inequity to the schools and colleges of optometry to students of optometry.

At this time there is pending before the Congress and before our most important Committee on Interstate and Foreign Commerce several major proposals which will further expand Public Law 88-129, Health Professions Educational Assistance Act. The original amending legislation proposed this year by the administration, inadvertently or otherwise, did not in three of its most important provisions include the participation of the institutions or the students of these institutions which are devoted exclusively to the training of our licensed vision specialists.

The 88th Congress recognized the importance of optometry to the health of the American people when it passed the bill (S. 2180; H. R. 8546) sponsored by Senator WILLIAMS, of New Jersey, and Congressman Roberts, of Alabama, and made optometric students eligible for loans under Public Law 88-129—along with physicians, osteopaths, and dentists.

My very good friend, Dr. William Greenspon, of Bluefield, W. Va., a trustee of the American Optometric Association, has served for 18 years as either member or chairman of the Council on Optometric Education.

This council has the responsibility for investigating and approving schools and colleges which train our Nation's optometrists. Through the years he has kept me informed on the needs of America for optometric manpower and on the capabilities of our institutions of higher education for training the specialized manpower required. I can state from firsthand and personal knowledge, therefore, that the financial needs of the optometric schools and colleges and the students who attend them are as critical as those professional institutions and students already listed to receive Federal aid in all provisions of the pending legislation.

Mr. Speaker, the cost to the Nation for the changes I am proposing is a mere pittance compared to the overall cost of the administration's proposal. By passage of my bill, however, we will assure the American people that their visual requirements will continue to be met and that students who are not now financially endowed with the means to become optometrists will have the opportunity to dedicate their lives to careers in the service of vision. I believe you will agree with me that vision is mankind's most priceless possession next to life itself.

Rent Subsidy Similar to Wage Subsidy Which Failed in Britain

EXTENSION OF REMARKS

OF

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1965

Mr. FINDLEY. Mr. Speaker, the House has approved by a narrow margin the rent-subsidy bill, but will have a chance to right this wrong if it comes back as a conference report.

Therefore, even though the hour is late, all may not be lost. It may be of special interest to Senators to learn of an analogy in British history to the rent-subsidy bill.

In 1795, near the beginning of the wars with France that culminated in Waterloo, the county authorities of Berkshire instituted a wage-subsidy scheme for relief of the poor. It was known as the Speenhamland system, or practice, and was widely copied. The payment of money from local taxes was permitted for the purpose of supplementing wages up to a fixed figure, when the price of bread reached a level regarded as imposing hardship on workers. The scheme was an utter failure, for employers simply beat down wages in the knowledge that the taxpayers would have to fork out enough for the workers to subsist. The system was swept away by the reformed poor laws in the act of 1834.

"He who knows not history is doomed to repeat it." The present proposal, of course, is to apply to housing, not wages, but the result will be the same. While I have the greatest sympathy for the poor in their problem of securing decent housing, I object to this device. It will raise hopes that will prove illusory, for it simply will not work.

The philosophy, indeed, of all these deals since the new reminds me of an incident in the history of Athens. When Pericles expressed to his friend and adviser—his Judge Rosenman, you might say—some uneasiness over the competition of a political rival far wealthier than he, the friend reassured him with the remark:

> Nothing pleases the people so much as to receive presents from their own possessions.

I know of no more apt description of all this lavish Federal spending.

The Need for Immigration Reform

EXTENSION OF REMARKS

OF

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1965

Mr. WOLFF. Mr. Speaker, I have long campaigned for the revision of the present unjust immigration laws. As a Member of Congress, I have continued this fight by cosponsoring a bill which will eliminate the present inequities in the immigration law.

The need for this reform and the major obstacles in our fight to secure this